

Water Capital Reserve Fund

Org. 8254

<u>EXPENDITURES</u>	<u>FY 08-09 ACTUAL</u>	<u>FY 09-10 CURRENT BUDGET</u>	<u>FY 10-11 REQUESTED BUDGET</u>	<u>FY 10-11 RECOMMENDED BUDGET</u>
Personnel Services	\$0	\$0	\$0	\$0
Operating	0	0	0	0
Debt Service	0	0	0	0
Capital Outlay	0	58,000	62,500	62,500
Total.	\$0	\$58,000	\$62,500	\$62,500
Full-Time Positions	0	0	0	0
Part-Time Positions	0	0	0	0

Purpose and Mission

The Water Capital Reserve Fund was established by a Resolution adopted September 12, 2006 to provide contributions from tap fees toward replacement or expansion of water distribution and capacity for New Bern. Reserve funds are to be accumulated for approximately six years by allocating fifty percent (50%) of increased revenue received as tap fees. Contributions began in November 2006. Currently, the amount being contributed to the Water Capital Reserve equates to approximately thirty-one percent (31%) of tap fees collected. As of June 30, 2009, the fund had accumulated revenues of \$304,094.

A budget should be established for the reserve fund annually. However, no funds would be spent from the reserve fund which provides the place to accumulate the contributions to be used later in a capital project fund. No specific projects have been identified at this time.

Budget Highlights

- \$62,500 – Projected contributions based on expected tap fee activity for FY 2010-11.

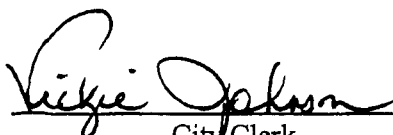
**A RESOLUTION TO ESTABLISH CAPITAL RESERVE FUNDS
FOR WATER AND SEWER**

- Whereas,** The City of New Bern operates a water and sewer system for customers both inside and outside the city limits; and,
- Whereas,** Demand for new connections has been increasing dramatically; and,
- Whereas,** Such demand depletes reserves of capacity at the same time it assists in the economic growth and quality of life of the city and surrounding area; and,
- Whereas,** Replacement costs of said capacity has been escalating rapidly; and,
- Whereas,** The Board of Aldermen of the City of New Bern wish to continue providing water and sewer capacity to perpetuate the economic growth and quality of life benefits; and,
- Whereas,** It is the belief of the Board of Aldermen of the City of New Bern that consumers of said capacity should also participate to a greater degree in providing replacement capacity of this vital infrastructure.

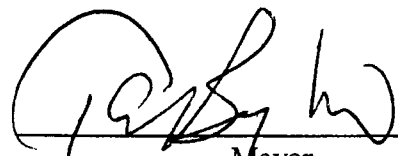
Now, therefore, be it resolved by the Board of Aldermen of the City of New Bern:

- Section 1. There is hereby established a Water Capital Reserve Fund to provide contributions toward replacement or expansion of water distribution and capacity for New Bern.
- Section 2. There is hereby established a Sewer Capital Reserve Fund to provide contributions toward replacement or expansion of sewer distribution and capacity for New Bern.
- Section 3. That said Reserve Funds shall be accumulated for approximately six years by allocating fifty percent (50%) of increased revenue received as tap fees for the respective uses to each fund. Such increases shall be effective after September 30, 2006 for water and after February 29, 2008 for sewer and shall approximate \$1,500,000 for water capacity and \$2,000,000 for sewer capacity purposes. *
- Section 4. That copies of this resolution be provided to the Director of Finance and the City Manager for their use in carrying out the directions contained herein.
- Section 5. That this resolution shall take effect upon adoption and shall supercede all previous resolutions regarding capital reserve funds.

Adopted this 12th day of September, 2006.



City Clerk



Mayor

* tap increases were delayed - Nov. 1, 2006 for water and
July 1, 2009 for sewer

City of New Bern Budget
Fiscal Year 2010-11

Fund: Water Capital Reserve Department: Administration Division: Water Capital Reserve		Actual	Current	Estimated	Department	Manager's
Account Number	Description	Last Year FY2008-09	Budget FY2009-10	Entire Year FY2009-10	Request FY2010-11	Recommended FY2010-11
4311-0010-54210-745	Connection Fees	300,245	58,000	145,000	62,500	62,500
Total Fees for Service		300,245	58,000	145,000	62,500	62,500
4311-0010-55101-745	Investment Earnings	1,339	0	148	0	0
4311-0010-55112-745	Int Earn-NCCMT	2,510	0	197	0	0
Total Investment Earnings		3,849	0	345	0	0
Water Capital Reserve Fund Revenues TOTALS:		304,094	58,000	145,345	62,500	62,500

City of New Bern Budget
Fiscal Year 2010-11

Fund:	Water Capital Reserve					
Department:	Administration					
Division:	Water Capital Reserve					
		Actual	Current	Estimated	Department	Manager's
		Last Year	Budget	Entire Year	Request	Recommended
Account Number	Description	FY2008-09	FY2009-10	FY2009-10	FY2010-11	FY2010-11
4311-8254-75998-750	Future Capital Expenditures	0	58,000		62,500	62,500
Capital Expense		0	58,000	0	62,500	62,500
Water Capital Reserve Expense TOTALS:		0	58,000	0	62,500	62,500

Sewer Capital Reserve Fund

Org. 8254

<u>EXPENDITURES</u>	<u>FY 08-09 ACTUAL</u>	<u>FY 09-10 CURRENT BUDGET</u>	<u>FY 10-11 REQUESTED BUDGET</u>	<u>FY 10-11 RECOMMENDED BUDGET</u>
Personnel Services	\$0	\$0	\$0	\$0
Operating	0	0	0	0
Debt Service	0	0	0	0
Capital Outlay	0	18,000	65,000	65,000
Total	\$0	\$18,000	\$65,000	\$65,000
Full-Time Positions	0	0	0	0
Part-Time Positions	0	0	0	0

Purpose and Mission

The Sewer Capital Reserve Fund was established by a Resolution adopted September 12, 2006 to provide contributions from tap fees toward replacement or expansion of sewer distribution and capacity for New Bern. Reserve funds are to be accumulated for approximately six years by allocating fifty percent (50%) of increased revenue received as tap fees. Contributions began in July 2009. Currently, the amount being contributed to the Sewer Capital Reserve equates to approximately ten percent (10%) of tap fees collected.

A budget should be established for the reserve fund annually. However, no funds would be spent from the reserve fund which provides the place to accumulate the contributions to be used later in a capital project fund. No specific projects have been identified at this time.

Budget Highlights

- \$65,000 – Projected contributions based on expected tap fee activity for FY 2010-11.


**A RESOLUTION TO ESTABLISH CAPITAL RESERVE FUNDS
FOR WATER AND SEWER**

- Whereas, The City of New Bern operates a water and sewer system for customers both inside and outside the city limits; and,
- Whereas, Demand for new connections has been increasing dramatically; and,
- Whereas, Such demand depletes reserves of capacity at the same time it assists in the economic growth and quality of life of the city and surrounding area; and,
- Whereas, Replacement costs of said capacity has been escalating rapidly; and,
- Whereas, The Board of Aldermen of the City of New Bern wish to continue providing water and sewer capacity to perpetuate the economic growth and quality of life benefits; and,
- Whereas, It is the belief of the Board of Aldermen of the City of New Bern that consumers of said capacity should also participate to a greater degree in providing replacement capacity of this vital infrastructure.


Now, therefore, be it resolved by the Board of Aldermen of the City of New Bern:

- Section 1. There is hereby established a Water Capital Reserve Fund to provide contributions toward replacement or expansion of water distribution and capacity for New Bern.
- Section 2. There is hereby established a Sewer Capital Reserve Fund to provide contributions toward replacement or expansion of sewer distribution and capacity for New Bern.
- Section 3. That said Reserve Funds shall be accumulated for approximately six years by allocating fifty percent (50%) of increased revenue received as tap fees for the respective uses to each fund. Such increases shall be effective after September 30, 2006 for water and after February 29, 2008 for sewer and shall approximate \$1,500,000 for water capacity and \$2,000,000 for sewer capacity purposes. *
- Section 4. That copies of this resolution be provided to the Director of Finance and the City Manager for their use in carrying out the directions contained herein.
- Section 5. That this resolution shall take effect upon adoption and shall supercede all previous resolutions regarding capital reserve funds.

Adopted this 12th day of September, 2006.



Vickie Johnson
City Clerk



Mayor

* tap increases were delayed - Nov 1, 2006 for Water and
July 1, 2009 for Sewer

Fund: Sewer Capital Reserve
Department: Administration
Division: Sewer Capital Reserve

Account Number	Description	Actual Last Year FY2008-09	Current Budget FY2009-10	Estimated Entire Year FY2009-10	Department Request FY2010-11	Manager's Recommended FY2010-11
4515-0010-54210-745	Connection Fees	0	18,000	82,000	65,000	65,000
Total Fees for Service		0	18,000	82,000	65,000	65,000
4515-0010-55101-745	Investment Earnings	0	0	12	0	0
4515-0010-55112-745	Int Earn-NCCMT	0	0	10	0	0
Total Investment Earnings		0	0	22	0	0
Sewer Capital Reserve Fund Revenues TOTALS:		0	18,000	82,022	65,000	65,000

Fund: Sewer Capital Reserve
Department: Administration
Division: Sewer Capital Reserve

Account Number	Description	Actual Last Year FY2008-09	Current Budget FY2009-10	Estimated Entire Year FY2009-10	Department Request FY2010-11	Manager's Recommended FY2010-11
4515-8254-75998-750	Future Capital Expenditures	0	18,000		65,000	65,000
Capital Expense		0	18,000	0	65,000	65,000
Sewer Capital Reserve Expense TOTALS:		0	18,000	0	65,000	65,000