



ROGUE VALLEY SEWER SERVICES

FY10 Adopted Budget

Rogue Valley Sewer Services
FY10 Adopted Budget
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**FY 2009-2010
ROGUE VALLEY SEWER SERVICES
BUDGET COMMITTEE MEMBERS**

**Mike Burrill, Jr.
Term Through: 12/31/09**

**Robert Dunn
Vice Chairman, Board of Directors
Term Through: 6/30/11**

**Keith Grant
Term Through: 12/31/11**

**Kay Harrison
Term Through: 12/31/10**

**Tim Lichlyter
Term Through: 12/31/10**

**Dave McFall
Member, Board of Directors
Term Through: 6/30/11**

**Michael Parker
Chairman, Board of Directors
Term Through: 6/30/09**

**Bill Stults
Member, Board of Directors
Term Through: 6/30/11**

**Jerry Wisdom
Member, Board of Directors
Term Through: 6/30/09**

**Jim Lewis
Term Through: 12/31/11**



ROGUE VALLEY SEWER SERVICES

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Fiscal Year 2009-2010 Budget Message

I am pleased to present the Rogue Valley Sewer Services (RVS) budget for FY10 (the period from July 1, 2009 through June 30, 2010). This proposed budget is being presented to the Budget Committee on May 6, 2009. The budget committee consists of the five members of the Board of Directors and five appointed citizen members. This is a balanced budget where our resources equal our requirements. No rate increases are anticipated.

Our finances remain in excellent shape. The total budget appropriations for FY10 are \$13,656,584 a small increase from the \$13,407,386 appropriated in FY09. As shown on page 19, this \$249,198 increase is spread across all six funds. Our budgeted Unreserved Ending Fund Balance is \$1,600,570. Our service charges remain one of the lowest in the state. However, we have been affected by the economy.

Discussion of revenue trends.

Sewer service charges are the largest source of revenues in the District. The current base charge of \$13.90 per month has not changed since 2004. Due to the recent economic down turn and decrease in construction, we expect the growth rate to remain low and the budget reflects this in the General Fund. While population projections done by Portland State University (PSU) Population Research Center over the last decade for Jackson County as a whole and the cities within the county continue to show an increase in population, we feel that the down turn in the economy will stifle construction in the same manner as it has been doing the last 12 months.

System development charges (SDCs) or impact fees, which are directly related to new housing and building, have decreased by 77% in FY09. The projection for this year is the same from the previous year and projecting to remain flat. The proposed budget reflects this trend with conservative estimates for this income source.

The other major revenue source this year is from the DEQ SRF Stimulus package. We have requested \$4.6 million in Stimulus money to cover projects we had already projected to fulfill in the next couple years. The budget includes the full amount requested with income matching the expense for the projects. However, the exact projects which would be approved for is not available at the current time. Therefore, the full amount requested is being budgeted for. It is possible that we will get a good percentage of this, but it is also possible that we will not receive any stimulus money. Our budgeting the full amount allows for quick expenditures to assist with local job creations. If awarded, current state policy would only require 50% to be repaid at a zero interest rate.

Discussion of priorities and principal issues in developing the budget.

The priorities for Rogue Valley Sewer Services remain the same as in previous years and are noted in our mission statement and goals. They can be summarized as 'providing and maintaining quality sewer services within our boundaries.'

One issue that we are continuing to focus on is staffing and training. We are continuing to emphasize training as a way to encourage meeting our stated performance measurements for cleaning and inspecting lines in a timely manner. Monthly reports are presented to the Board showing our progress in meeting these standards, and we have already exceeded our 2008-09 goals. In FY10 we budgeted to have a salary analysis performed to ensure we are staying current on our pay ranges.

Another issue addressed in developing the budget is the balancing of the amount of SDCs and sewer charges used in providing and maintaining sewer system infrastructure. The downturn in the building industry and the fall off in SDC revenues is not a major concern since the need for capital expenditures is generally related to growth. However, during FY09 we completed several projects earlier than budgeted for at lower bids than if we had waited a couple years. By adding additional projects in FY09 we also helped out our local economy by keeping local businesses people working. Therefore, outside of the requested Stimulus money, we have very few projects planned for FY10. The Capital Improvement Plan (CIP) and the SDC report calculating the maximum and recommended rates are presented to the Board and approved when the budget is adopted, in June of each year. Further, by presenting a five year cash flow analysis for the General fund in conjunction with the budget process, issues such as the current downturn in building activity can be planned for in advance by looking at the timing of the needed improvement projects and any possible sewer rate changes. We do not anticipate any rate changes this next year.

Special items of interest in the proposed budget includes:

- Outside of the requested Stimulus money, only \$500,000 is budgeted for Capital Projects.
- White City Storm Drain project on Avenue F in the amount of \$158,000.
- Adding one additional TV Van, \$200,000, with greatly improved capabilities to turn and continue up individual service lines.
- Building an Equipment shed in the back lot, \$175,000.

Organization of Budget.

The budget is organized into five sections. Section I contains the budget message and explanatory background that will be useful to understanding the budget process. Section II presents summaries of all the District's funds, including several charts and graphs. Section III contains the budget detail by fund, along with narratives and several charts and graphs. Section IV has the cash flow projections for the General Fund and the CIP, which will be approved by the Board on June 17, 2009. Projects in the CIP and items in the cash flow projections often have to be changed or moved to another year, but the process helps the District look at the longer term and keep the current budget in perspective. Section V presents other schedules that can help with understanding the District's budget and background.

It is the District's goal to be as open and transparent in the budgeting process as possible. Both the proposed budget and the final adopted budgets are available to the public in hard copy format and also on the District's website (rvss.us) that can easily be viewed or printed.

Once again, thank you for your help with our budget. We appreciate all of your comments and suggestions. Each one is considered and most add to our various analyses. Please do not hesitate to call

Brenda Baldovino, our Finance Director, or myself, with any questions or comments at any time throughout the year.

Respectfully Submitted,

Chuck Root, Manager

Rogue Valley Sewer Services History and Background

Rogue Valley Sewer Services (RVS) is a special district that provides sewer service for rural and urban portions of Jackson County, Oregon. RVS serves the cities of Talent, Central Point, Eagle Point, Jacksonville, Phoenix Oregon, and a portion of the city of Medford. Including the unincorporated area, the population of the customers served is approximately 71,000. Voters approved formation of RVS at a special election dated August 30, 1966. RVS was declared established on September 21, 1966. The City of Eagle Point was annexed by election that was effective September 8, 1998 with 85% RVS voter approval and 90% of the city voters. The City of Central Point was annexed by election that became effective January 1, 2001 with 94% voter approval. The City of Jacksonville was annexed by election that became effective July 1, 2005 with 97% voter approval. The City of Phoenix was annexed by election on May 16, 2006 with 93% voter approval.

RVS's primary purpose is to provide quality sanitary sewer service to those within its boundaries who may connect to our system as well as to construct and maintain sewers where health hazards exist in rural areas of Jackson County, Oregon.

On July 1, 2004, RVS started providing Storm Water Quality management services for the cities of Talent, Central Point, and Phoenix Oregon, along with many of the unincorporated areas of Jackson County. This year RVS received the NPDES permit with Oregon Department of Environmental Quality for these agencies, relating to Phase II of the National Storm Water Act.

RVS operates the regional interceptor sewer system, which transports flows from our system and from the City of Medford, the other regional member, to the Regional Waste Water Treatment Plant, which is operated and maintained by the City of Medford. The interceptor system consists of the Upper Bear Creek Interceptor, the Lower Bear Creek Interceptor, the Dunn Pump Station and Pressure Main. The system includes a 20 million gallons-per-day raw sewage pumping station. A 33 acre two-cell treatment lagoon served excess flows from White City and Eagle Point. The District also owns and operates many smaller trunk projects within the Bear Creek Valley. Total infrastructure is cost over \$92 million. The interceptor, trunk, and collection system is approximately 390 miles in length, within a district boundary of about 190 square miles.

The Board of Directors of RVS consists of five elected members. RVS is separately governed and was established under Oregon Revised Statutes Chapter 450.705. et.al.

Rogue Valley Sewer Services

Mission Statement and Goals

Mission Statement: It is the mission of Rogue Valley Sewer Services (RVS) to provide and maintain all sewer and storm drain systems within its boundaries, and provide customers with competent and professional services in the most cost-effective manner possible while maintaining the quality of life and the health, safety, and welfare of Rogue Valley constituents.

Goals: In order to fulfill this mission, Rogue Valley Sewer Services is establishing specific goals:

1. Help make our valley a healthy place to live by providing safe and cost-effective sewer service for those needing solutions for failing septic systems.
2. Make the best use of human and material resources through the investigation of new technological ways to provide and maintain sewer service.
3. Strengthen, foster, and encourage cooperation amongst various public agencies through educational efforts aimed at determining and emphasizing mutual goals and objectives regarding protecting ground and surface water quality.
4. Respond to all we deal with fairly, promptly, courteously, professionally, and with the assurance that they have access to RVS's Board of Directors if desired.
5. Plan for the future by continuing to evaluate when, where, and how areas in the valley will need sewer service.
6. Provide financing for projects or individual property hookups from the available RVS, federal, state, and other local resources.
7. Promote a smooth, efficiently run organization that fosters and encourages employee pride, high standards of performance, cost efficiency, and high employee productivity.
8. Support economic development in the valley by providing staff assistance to business, governmental, or community efforts when and where feasible.

Rogue Valley Sewer Services Financial Policies

1. Sewer service will be provided to those who need and can afford it within the limits of RVS to do so as allowed by law. Every effort will be made to assist those who must connect and are unable to pay.
2. To adopt a balanced budget annually in accordance with state law, wherein resources (beginning fund balance plus revenues plus transfers in) equals requirements (expenditures plus transfers out plus contingency plus ending fund balance.)
3. Current operating expenditures (which excludes capital projects), will not be financed by debt.
4. Rogue Valley Sewer Services will charge sewer service fees, storm water quality fees, storm drain fees, system development charges, and all other fees to recoup the full cost of providing those services to customers. Service will be billed one month in arrears. Quarterly and annual billing with discounted rates will also be available. Late charges will be billed in accordance with provisions in the current Code.
5. Financing will be offered to those who hook up to sewer lines through the Local Improvement District (LID) process, at the most reasonable cost possible and in accordance with state law. Rogue Valley Sewer Services will issue tax-free municipal debt or other legal financing and will add a nominal percent to these interest rates in order to ensure that sufficient reserves are maintained for all debt payments.
6. Financing for those customers hooking up to sewer lines outside the LID process will be made available only from existing fund balances. Bonds or debt will not normally be issued for this purpose.
7. Rogue Valley Sewer Services may provide short-term loans from the General Fund for temporary financing for Regional Interceptor capital projects. When favorable interest rates warrant use of long term DEQ revolving loans or other long term debt instruments, RVS may use those instruments for Regional Interceptor capital project financing.
8. Reserves for loan services, regional interceptor SDCs, and operations equal to one month's (8.33%) total appropriations will be deducted from Ending Fund Balance to arrive at the Unreserved Ending Fund Balance. Five year cash flow projections will be done for the General Fund to help ensure adequate Unreserved Ending Fund Balances over time.
9. System Development Charges (SDCs) will be collected on all properties that are hooked up to sewers. These fees are based on the costs of installing existing and future system-wide interceptor, trunk and lateral lines. SDCs collected may also be contributed to private projects where the extraordinary costs associated with extra depth, size, or length of pipe result in an unreasonable cost burden upon property owners to be served.

Rogue Valley Sewer Services Budget Process

The Budget Adoption Process

The Rogue Valley Sewer Services (RVS) annual budget process routinely begins in March with the preparation of revenue and expense estimates. The Manager, Operations Manager, Engineer, Finance Director, and Network Administrator review these estimates and develop the service delivery objectives and capital outlay plan for the District as a whole.

The resulting proposed budget is presented to the Budget Committee in early May. The Budget Committee is comprised of five members appointed by the Board of Directors and the five elected Board members of Rogue Valley Sewer Services.

Oregon Revised Statutes require that the Budget Committee meet in order to hear the budget message, receive the budget document, hear persons, and approve the budget document sufficiently in advance of June 30, to allow adoption of the budget by June 30.

After approval of the budget document by the Budget Committee, a summary of the budget document, as approved by the Budget Committee, is published in a local newspaper.

A public hearing is held before the Rogue Valley Sewer Services Board of Directors in June for purposes of discussing and hearing public testimony in regards to the programs included in the budget.

The Board of Directors adopts the budget and makes appropriations and levies taxes by resolution for the ensuing fiscal year after the public hearing is closed.

If additional meetings are called for, they take place before the end of June in order to allow for adoption of the budget and the making of appropriations before June 30.

The Budget Amendment Process

Oregon Budget Law allows for amendments to the District budget for reasons unforeseen at the time of adoption. The Board may adopt resolution changes that decrease one existing appropriation and increase another. Changes of ten percent or more to any fund require a supplemental budget, which involves a process similar to the annual budget process and requires a public hearing.

The Budget Committee

The Budget Committee is composed of the five members of the District Board and five citizen members appointed by the governing board. The appointed members must live in the District but cannot be employees of the District. The appointed members serve three year terms that are staggered so that approximately one third of the terms end each year.

The Budget Basis

The budgets of all funds are prepared using the modified accrual basis of accounting. This means that obligations of the District are budgeted as expenditures when the related goods or services are available for use rather than when invoices are paid. However, revenues are recognized only when they are actually received.

The District manages its finances according to general accepted accounting principles (GAAP). During the year, expenditures and revenues are closely monitored to ensure compliance with the adopted budget and state law. Detailed budget comparisons are prepared and reviewed with management quarterly. Quarterly financial reports, prepared on the budgetary basis of accounting are distributed and reviewed with the Board of Directors. The District publishes an annual financial report that documents the District's budgetary performance and the financial health of the District. This report compares budget to actual revenues and expenditures, thus documenting the District's budgetary compliance.

Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The basic financial statements are stated on a full accrual basis, which is different than the modified accrual basis used for budget. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized when liabilities are incurred, regardless of the timing of the cash flow. Budget comparisons, prepared on a modified accrual basis, are included as a schedule in the comprehensive annual financial report.

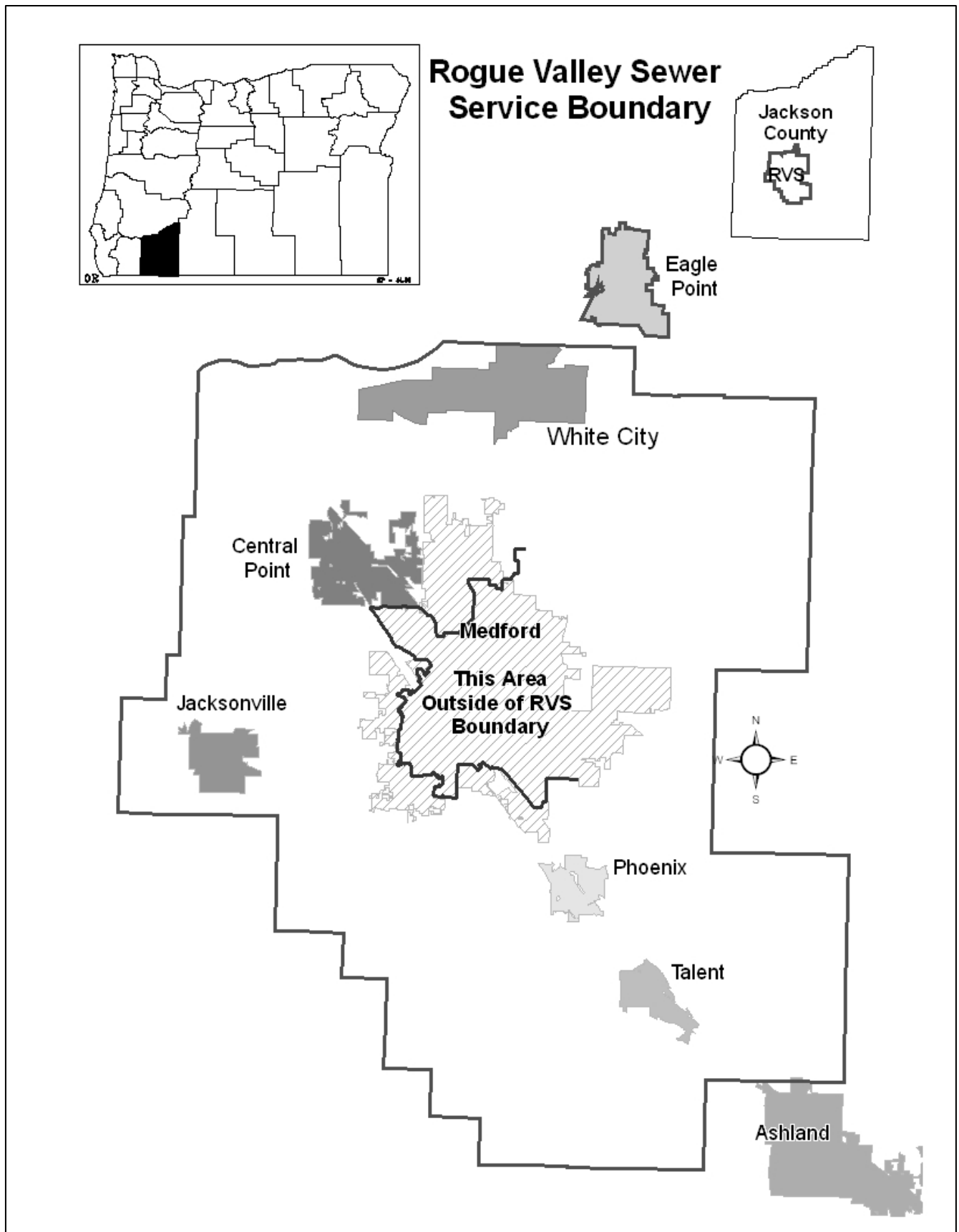
Rogue Valley Sewer Services Budget Calendar Fiscal Year 2009-2010

Feb 18, 2009	Wednesday	At regular Board of Directors meeting establish Wednesday May 6, 2009 as the date for the public meeting of the Budget committee to consider the budget for FY10. BRENDA
March 23, 2009	Monday	Notify Budget Committee members of the time and place of the meeting. BONNIE
Feb 19 - April 23, 2009		Department Heads and Manager discuss and prepare proposed budget, capital improvement plan and five year general fund cash projections.
April 3, 2009	Friday	Deliver notice of Budget Committee public meeting to the Mail Tribune for publication on April 10 and April 17, 2009.
April 10, 2009	Friday	Publication of notice of Budget Committee public meeting - first notice. (Not more than 30 days prior to meeting date.)
April 17, 2009	Friday	Publication of notice of Budget Committee public meeting - second notice. (Not less than 5 days prior to the meeting date,)
April 23, 2009	Thursday	Send copies of the proposed budget FY10, date and schedules to the committee members; reminder of Budget Committee meeting place. At this time the budget becomes a public document. Proposed Budget FY10 to be posted on our website.
May 6, 2009	Wednesday	Budget Officer presents proposed budget. Public meeting of Budget Committee at 7:00 a.m. for consideration of FY10 Budget.
May 7-20, 2009	Wednesday	Period during which adjourned public meetings of the Budget committee may be held if necessary.
May 22, 2009	Friday	Deliver notice of the public hearing before the Board of Directors on the approved budget together with a copy of the summary of the budget (LB-1) for publication to the Medford Mail Tribune. Publication date to be June 5, 2009 giving notice of the meeting
June 5, 2009	Friday	Publication of notice of public hearing (Form LB-1) before Board of Directors on approved budget with budget summaries. (not less than 5 nor more than 30 days before the scheduled budget hearing.) Approved budget posted on Web Site.

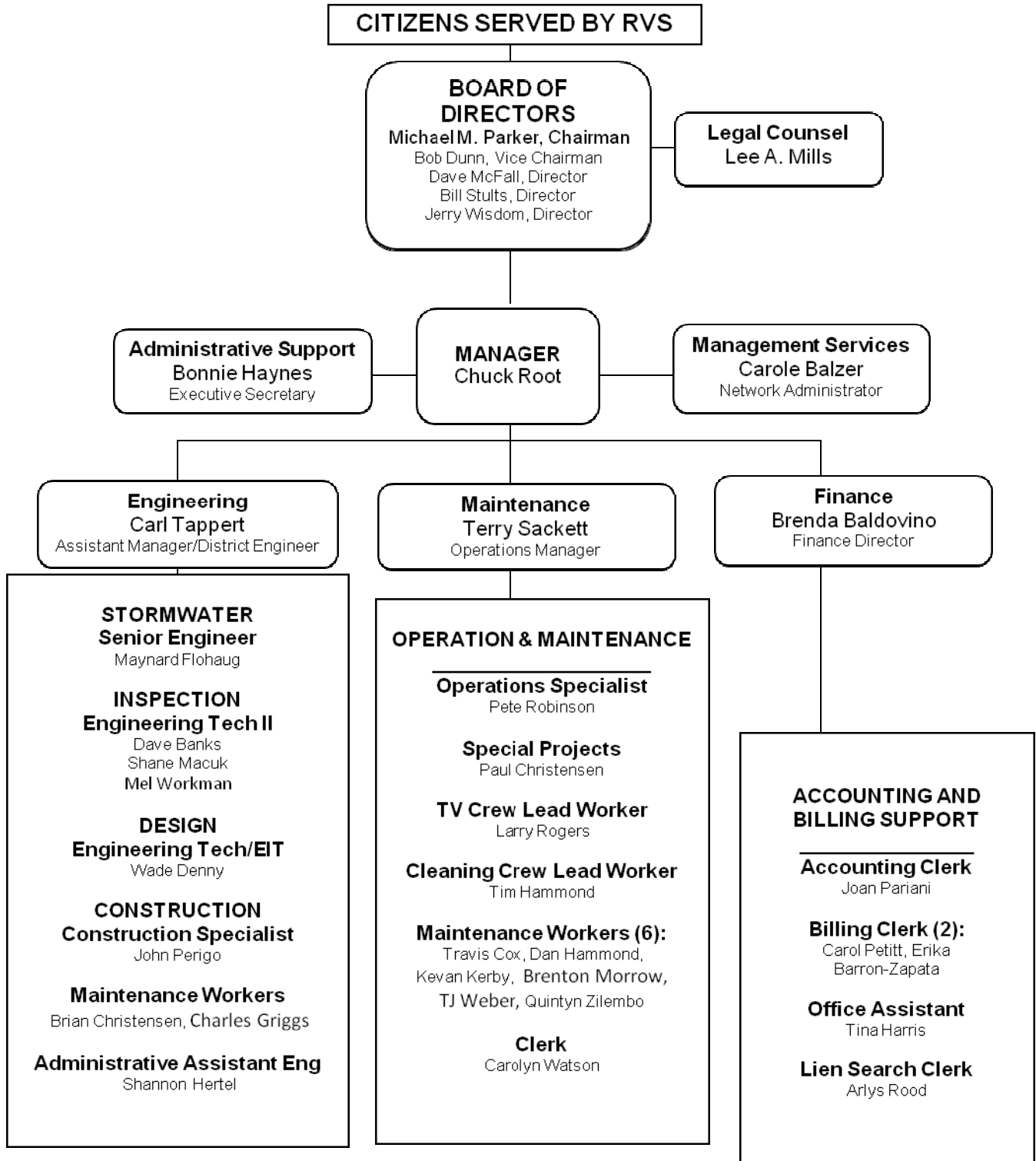
Rogue Valley Sewer Services Budget Calendar Fiscal Year 2009-2010

June 17, 2009	Wednesday	Public hearing before the Board of Directors at 7:00 a.m. on the approved budget at the regular meeting of the Board of Directors. Adopt the approved budget, adopt a resolution appropriating the funds required and authorizing expenditures. Adopt the 5 year Capital Improvement Plan by resolution. Adopted budget posted on Web Site.
June 17, 2009	Wednesday	File letter to Jackson County Assessor's Office requesting extension on LB-50
July 10, 2009	Thursday	File copy of adopted budget, along with notice of levy, and each notice published of the public hearing before the Board of Directors with Jackson County Clerk. Required by September 30, 2009 IF EXTENSION GRANTED.
Sept. 11, 2009	Friday	File 2 copies form LB-50 Certification of Taxes, and the Resolution adopting the budget and making appropriations with the Jackson County Assessor. Required by July 10, 2009, unless extension in writing is granted. Extension will be requested until September 11, 2009.

Service Boundary Map



ROGUE VALLEY SEWER SERVICES
Departmental Organization
FISCAL YEAR 2009-2010





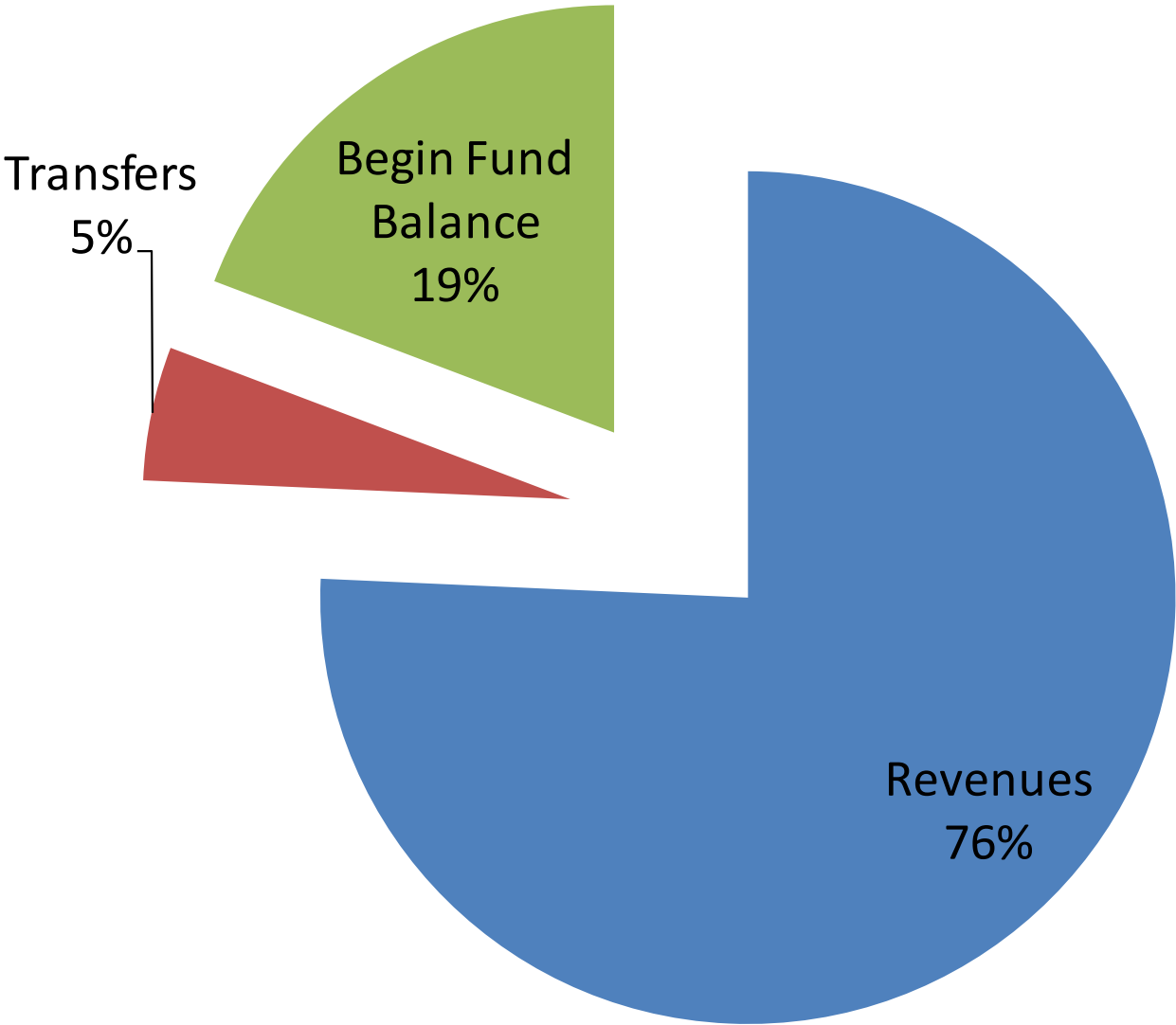
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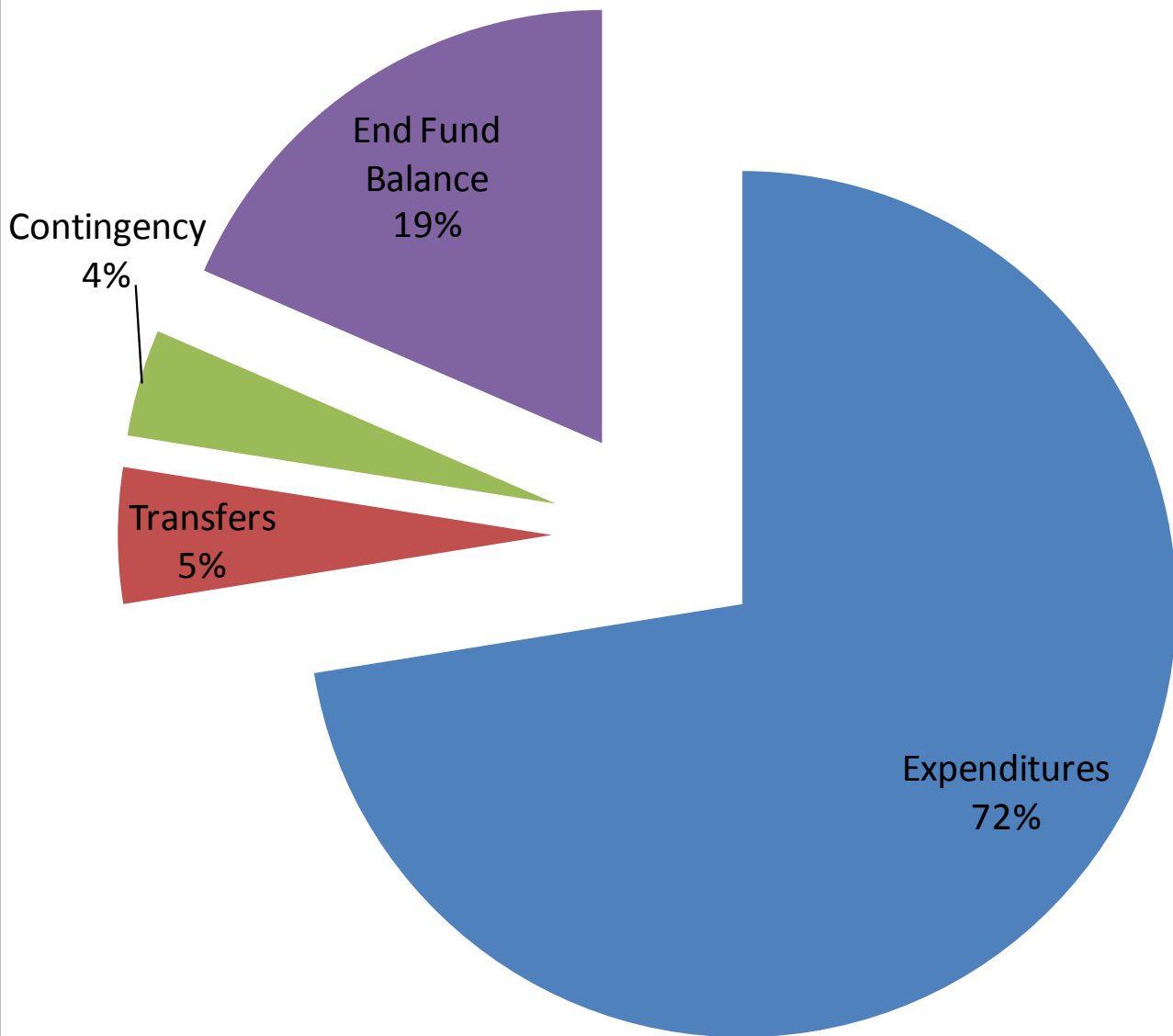
**Rogue Valley Sewer Services
Resources and Requirement Summary
All Funds Combined**

	Actual FY07	Actual FY08	Projected FY09	Adopted FY10
<u>RESOURCES</u>				
Beginning Fund Balance	\$5,764,345	\$5,984,108	\$5,314,107	\$3,220,174
Revenues				
Service Fees	5,608,469	5,801,741	5,989,000	5,989,000
System Development Charges	958,605	1,038,538	338,000	349,000
Loan Proceeds	820,851	1,044,897	860,000	4,752,821
Other Revenues	1,845,671	1,706,342	1,508,250	1,570,600
Total Revenues	9,233,596	9,591,518	8,695,250	12,661,421
Transfers In (Other financing sources)	666,652	590,058	750,000	849,000
Total Resources	\$15,664,593	\$16,165,684	\$14,759,357	\$16,730,595
<u>REQUIREMENTS</u>				
Expenditures				
Personal Services	1,859,005	1,911,440	2,236,700	2,347,463
Treatment Charges	2,269,642	2,351,193	2,515,000	2,515,000
Other Materials & Services	893,123	869,939	787,583	803,900
Capital Outlay - Rehabilitation Projects	3,352,989	4,478,495	4,793,200	5,775,821
Capital Outlay - Other	311,690	324,922	132,700	200,000
Debt Service	327,283	325,527	324,000	498,200
Total Expenditures	9,013,732	10,261,516	10,789,183	12,140,384
Transfers Out (Other financing uses)	924,011	590,061	750,000	849,000
Contingency	0	0	0	670,000
Total Appropriations	9,937,743	10,851,577	11,539,183	13,659,384
Ending Fund Balance	5,726,850	5,314,107	3,220,174	3,071,211
Total Requirements	\$15,664,593	\$16,165,684	\$14,759,357	\$16,730,595
<u>ENDING FUND BALANCE</u>				
Ending Fund Balance	5,726,850	5,314,107	3,220,174	3,071,211
Less: Reserve for Loan Services	(133,896)	(133,896)	(133,896)	(308,908)
Less: Reserve for Regional Interceptor SDCs	(577,226)	(502,771)	(324,732)	(139,732)
Less: Operating Reserve (one month 8.33%)	(656,342)	(759,000)	(760,000)	(1,022,000)
Unreserved Ending Fund Balance	\$4,359,386	\$3,918,440	\$2,001,546	\$1,600,571

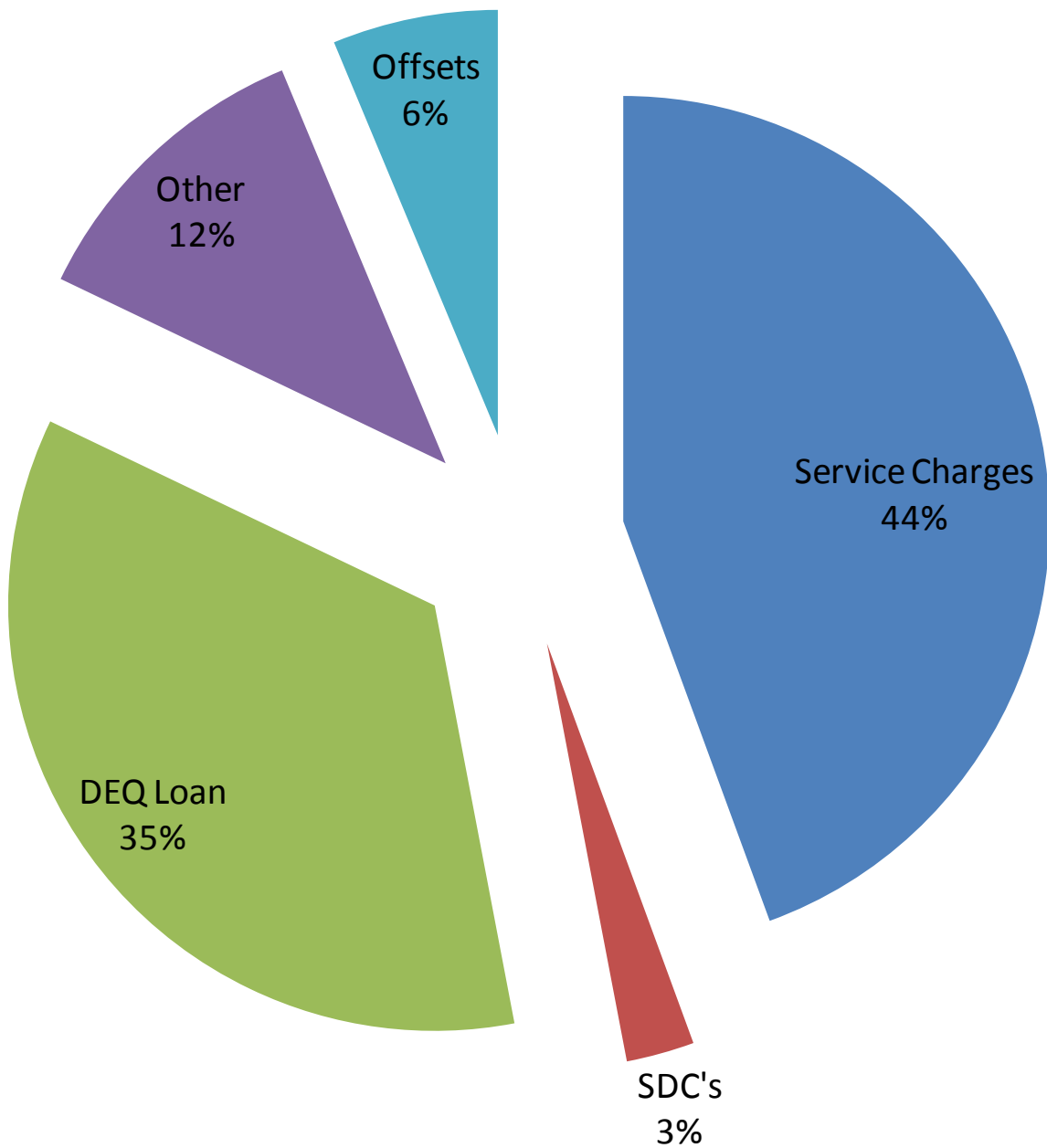
**Rogue Valley Sewer Services
Adopted Budget FY10 - All Funds
Resources**



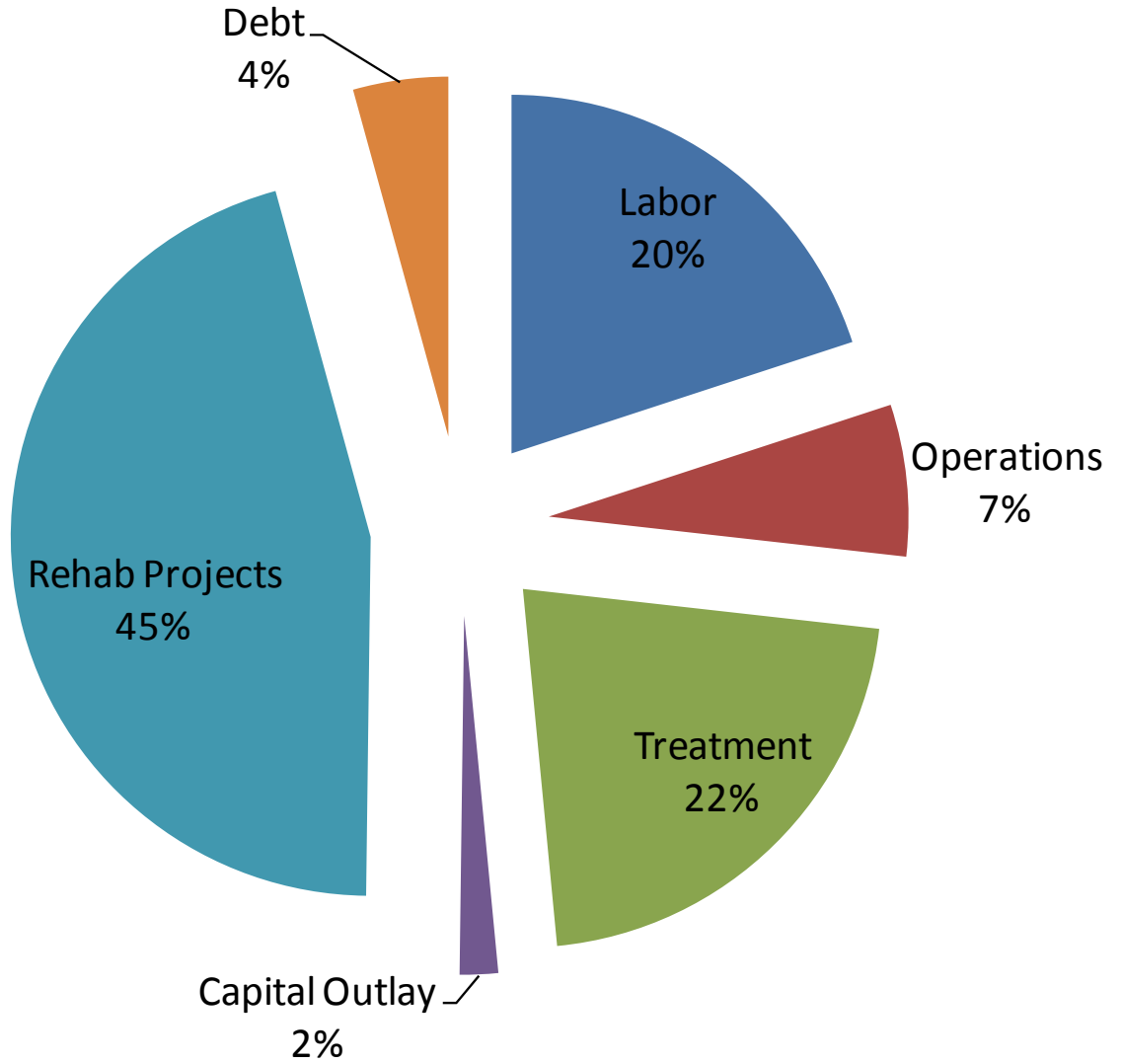
Rogue Valley Sewer Services Adopted Budget FY 10 - All Funds Requirements



Rogue Valley Sewer Services Adopted Budget FY10 - All Funds Revenues



Rogue Valley Sewer Services Adopted Budget FY10 - All Funds Expenditures



Rogue Valley Sewer Services FY10 Adopted Budget

Resources by Fund

Funds:		Beginning Fund Balance	Total Revenues	Transfers IN	Total Resources
General Fund	01	1,486,452	11,853,821	235,000	13,575,273
Bear Creek Interceptor O & M	04	200,182	47,600	154,000	401,782
Dunn PS Oper & Maint	06	131,106	8,000	150,000	289,106
Interceptor Expansion	07	811,091	385,000	310,000	1,506,091
White City Storm Drain	09	331,832	85,000	0	416,832
Storm Water Quality	10	259,510	282,000	0	541,510
Total All Funds		3,220,173	12,661,421	849,000	16,730,594

Requirements by Fund

Funds:		Expenditures	Transfers OUT	Contingency	Total Appropriations	Ending Fund Balance	Total Requirements
General Fund	01	11,264,384	464,000	540,000	12,268,384	1,306,889	13,575,273
Bear Creek Interceptor O & M	04	30,500	165,000	50,000	245,500	156,282	401,782
Dunn PS Oper & Maint	06	96,000	40,000	50,000	186,000	103,106	289,106
Interceptor Expansion	07	405,400	0	0	405,400	1,100,691	1,506,091
White City Storm Drain	09	159,000	20,000	0	179,000	237,832	416,832
Storm Water Quality	10	185,100	160,000	30,000	375,100	166,410	541,510
Total All Funds		12,140,384	849,000	670,000	13,659,384	3,071,210	16,730,594

Fund Balance	3,071,210
Less Reserve for Loan Services (Interceptor Expansion Fund)	(308,908)
Less: Reserve for System Development Charges (General Fund)	(139,732)
Less Operating Reserve (General Fund)	<u>(1,022,000)</u>
Unreserved Fund Balance	<u>1,600,570</u>

Rogue Valley Sewer Services FY10 Adopted Budget

Appropriations by Fund

Funds:		Personal Services	Materials and Services	Capital Outlay	Debt Service	Total Expend.
General Fund	01	2,347,463	3,162,300	5,568,821	185,800	11,264,384
Bear Creek Interceptor O & M	04	0	30,500	0	0	30,500
Dunn PS Oper & Maint	06	0	96,000	0	0	96,000
Interceptor Expansion	07	0	5,000	88,000	312,400	405,400
White City Storm Drain	09	0	0	159,000	0	159,000
Storm Water Quality	10	0	25,100	160,000	0	185,100
Total All Funds		2,347,463	3,318,900	5,975,821	498,200	12,140,384

Funds:		Total Expend.	Transfers	Contingency	Total Appropriations	Prior Year Total Adopted
General Fund	01	11,264,384	464,000	540,000	12,268,384	9,729,050
Bear Creek Interceptor O & M	04	30,500	165,000	50,000	245,500	255,000
Dunn PS Oper & Maint	06	96,000	40,000	50,000	186,000	189,000
Interceptor Expansion	07	405,400	0	0	405,400	2,542,136
White City Storm Drain	09	159,000	20,000	0	179,000	185,000
Storm Water Quality	10	185,100	160,000	30,000	375,100	507,200
Total All Funds		12,140,384	849,000	670,000	13,659,384	13,407,386



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Rogue Valley Sewer Services Budget Document FY10

Fund: General (01)

Description

The General Fund accounts for all financial transactions of Rogue Valley Sewer Services except those that are required to be accounted for separately, for example the funds which account for the activities in defined storm water and storm drain areas.

The **Major Revenue Sources** are sewer service charges and system development charges (SDCs). Both of these revenue types were looked at by a rate consultant in February 2004. One result was adoption of a standard sewer service charge for all areas within the district's boundaries, lowering fees substantially in one area and slightly increasing fees in two other areas. The majority of fees were not changed. Service fees have usually correlated well with population increases, with some variation for manufacturing processes and water used in those processes. The FY10 budget reflects no change in sewer service charges due to possible problems with some people not being able to pay off setting any increase in new construction.

SDCs are charged when new development takes place. SDCs are more difficult to project because they are dependent upon construction activity. However, FY10 budget estimates have been lowered based on the continued economic downturn causing a reduction in new development.

Major Expenditures. The single largest expenditure item is *Treatment Charges* paid to the City of Medford. This is included under the category of *Materials and Services*. The City of Medford manages the wastewater reclamation treatment plant while RVS manages the transmission infrastructure. Under a cooperative agreement, RVS pays the City of Medford fees to cover the cost of wastewater treatment and they pay us fees for the interceptor expense funds 4,6 and 7.

Personal Services is the next largest expenditure item, which is made up of 31 employees with associated fringe benefits, which includes a defined contribution retirement benefit plan with ICMA. The employees are evenly split between management services, maintenance and engineering/small jobs departments. No additional employees are being budgeted for FY10 as our current staff is adequate.

Capital Outlay, which consists mainly of infrastructure rehabilitation and improvement projects are the next largest expenditure items. Identification of specific repair and rehabilitation areas is generally accomplished through the periodic camera videoing of the system pipes or periodic inspection and maintenance of the pump stations and other above ground infrastructure. These projects are then entered onto our Capital Improvement Plan. Larger projects are usually bid, while smaller ones may be performed using RVS construction crews. An overhead charge is added to all capitalized construction projects. Capital outlay for FY10 will mostly be based on the amount of approved projects from Stimulus money we may receive and at a minimum of \$500,000 on various jobs.

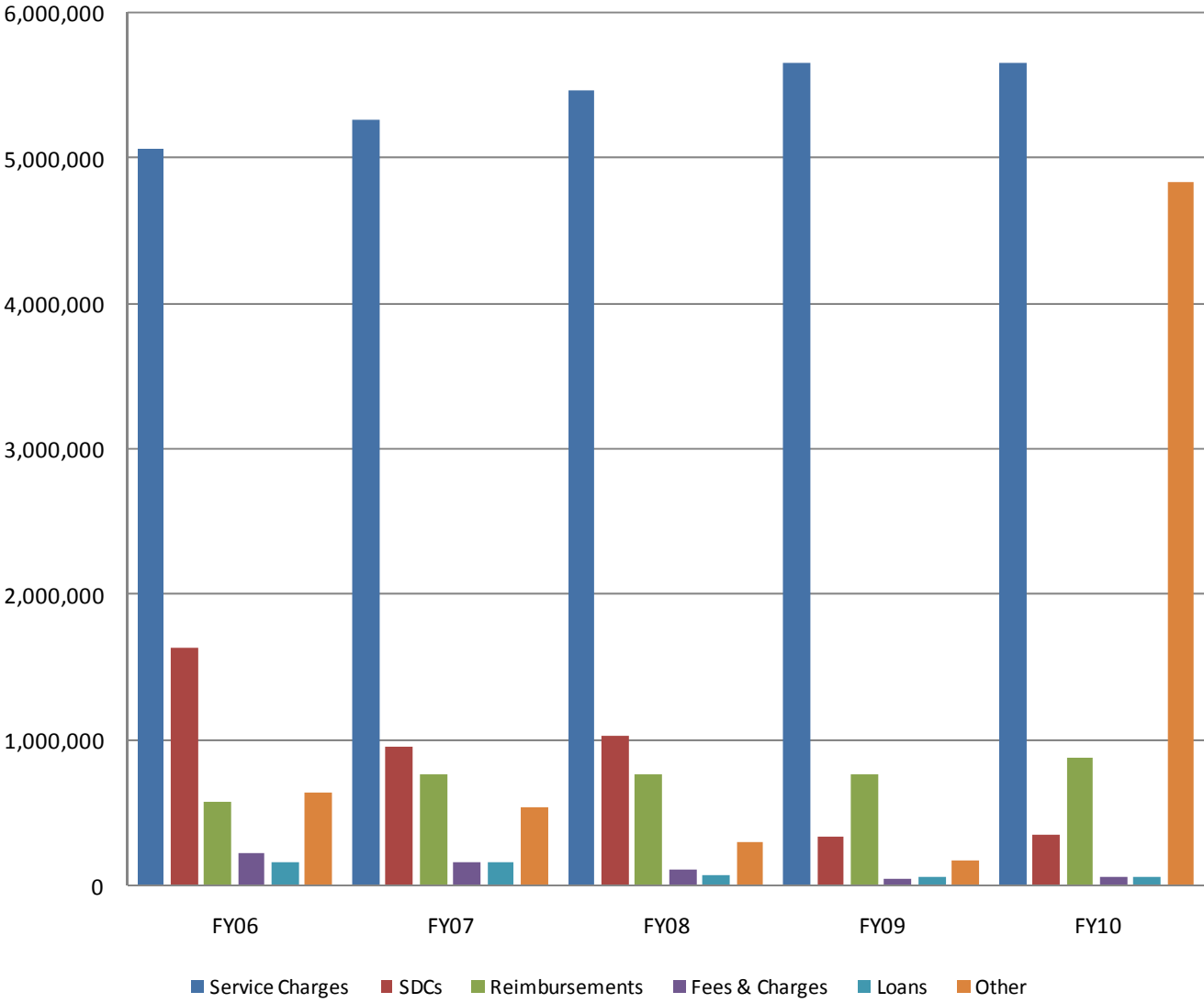
Expenditure appropriations are presented by budget categories, in order to meet state budget law requirements, rather than departments. However departmental breakdowns are given where relevant.

The **Administrative Department** provides professional administrative and accounting support in the planning and execution of general and financial policies and objectives formulated by the Rogue Valley Sewer Services Board of Directors for the sewer service needs of the citizens living in its boundaries. Expenditures for treatment charges, legal, insurance, and other materials and services are budgeted in this department. Reserves for unexpected replacement or repairs to our sanitary sewer lines will now be accumulated in the General Fund. This department provides leadership to all departments of the District in management and administrative issues and public relations.

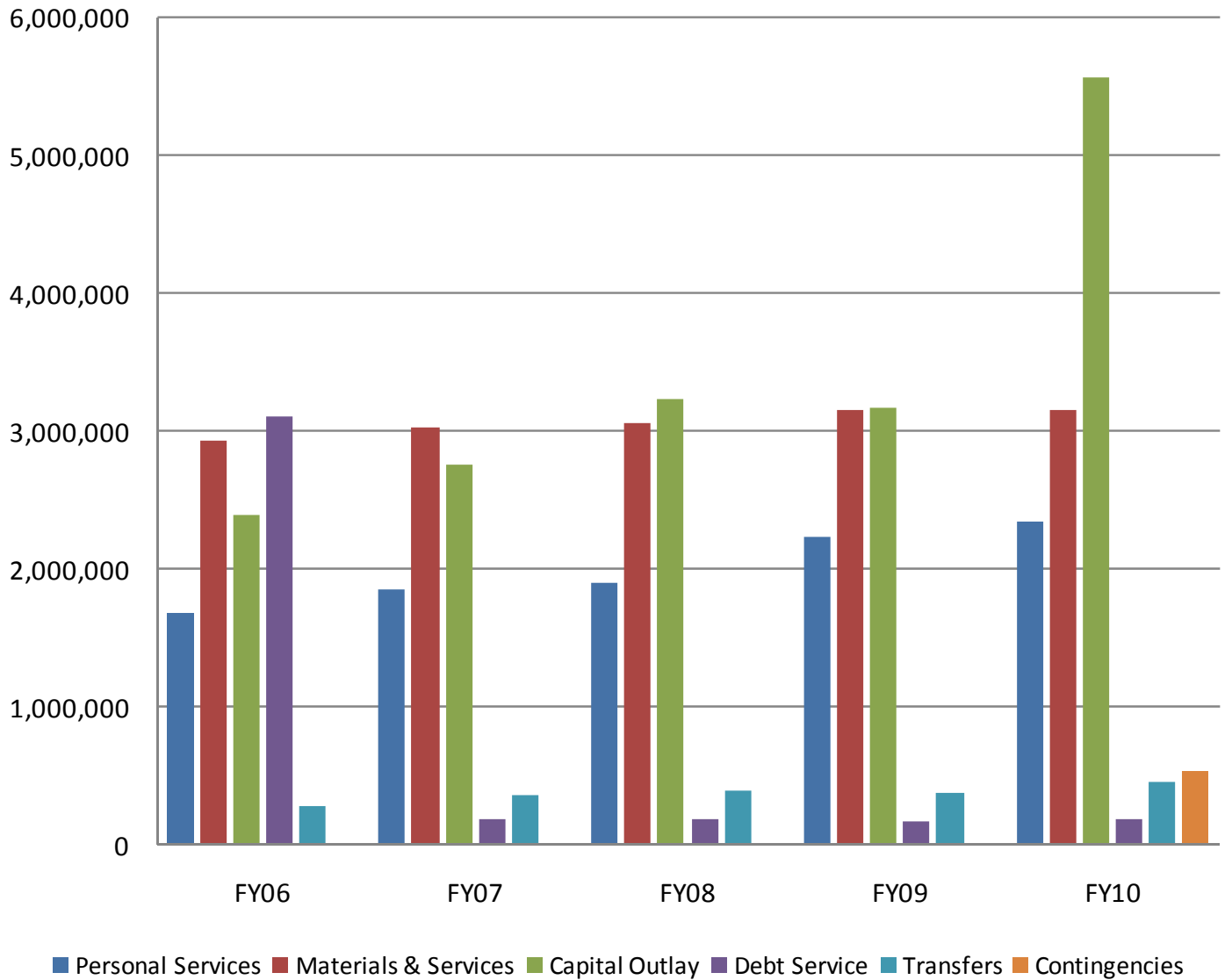
The **Engineering Department** provides design, engineering, mapping, and inspection for the orderly construction of capital improvements throughout RVS's boundaries. Construction of small sewer projects is also accomplished by this department.

The **Maintenance Department** provides for the safety of RVS customers through the inspection, cleaning and minor repairs of all sewer main lines used within its boundaries. Cleaning is mainly accomplished through the use of specially designed trucks which use both flush and vacuum operations.

Rogue Valley Sewer Services Adopted Budget FY10 General Fund Revenues



Rogue Valley Sewer Services Adopted Budget FY10 General Fund Appropriations by Category



Rogue Valley Sewer Services

General Fund (01)

Resources Summary

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
3,993,085	4,054,928	2,530,908	2900	Beginning Fund Balance	1,486,452	1,486,452	1,486,452
REVENUES							
5,266,437	5,470,116	5,662,000	3011	Service Charges (\$13.90)	5,662,000	5,662,000	5,662,000
0	0	0	3261	Assessment Fees	0	0	0
517,852	681,958	450,000	3171/7	Collection SDC (\$625)	200,000	200,000	200,000
235,008	235,450	250,000	3121/7	Interceptor (Trunk) SDC - RVS (\$500)	125,000	125,000	125,000
136,591	60,860	60,000	3128	Trunk SDC - White City (\$500)	2,000	2,000	2,000
69,154	60,270	60,000	3126	Trunk SDC - Eagle Point (\$920)	22,000	22,000	22,000
958,605	1,038,538	820,000		Total SDC Revenues	349,000	349,000	349,000
30,127	14,622	18,200	3302	Loan Interest payments - Assessments & SDCs	15,000	15,000	15,000
128,670	62,267	81,000	3511	Loan Principal - Assessments & SDCs	45,000	45,000	45,000
158,797	76,889	99,200		Total Loan Payments	60,000	60,000	60,000
386,847	466,189	550,000	3280	Indirect Overhead Reimbursement - Projects	563,000	563,000	563,000
109,997	55,757	100,000	3282	Reimbursement - Vehicles - O&M	70,000	70,000	70,000
275,089	246,070	300,000	3285	Reimbursement - Labor - O&M, Design	250,000	250,000	250,000
771,932	768,016	950,000		Total Reimbursements	883,000	883,000	883,000
10,400	14,620	17,000	3211	Tap Fees	5,000	5,000	5,000
94,134	56,969	50,000	3231	Developer misc. fees	10,000	10,000	10,000
29,707	24,604	25,000	3241	Inspections, Permits	20,000	20,000	20,000
28,215	22,580	20,000	3275	Lien search fees	25,000	25,000	25,000
162,456	118,773	112,000		Total Fees & Charges	60,000	60,000	60,000
0	0	0	3656	DEQ Loan SRF	4,692,821	4,692,821	4,692,821
189,787	25,398	119,000	3290	Sale of Assets	27,000	27,000	27,000
42,687	22,989	20,000	3251	Contractual Services	10,000	10,000	10,000
215,425	174,473	180,000	3301	Interest on Invested Funds	30,000	30,000	30,000
60,290	70,006	70,000	3661	Transfer from Eagle Point - Prop Taxes	70,000	70,000	70,000
28,354	9,761	10,000	3291	Other Revenue	10,000	10,000	10,000
536,544	302,627	399,000		Total Other Revenues	4,839,821	4,839,821	4,839,821
7,854,770	7,774,958	8,042,200		TOTAL REVENUES	11,853,821	11,853,821	11,853,821
TRANSFERS							
16,162	23,858	30,000	3904	Transfer from BCI Fund - O&M	15,000	15,000	15,000
33,720	40,505	30,000	3906	Transfer from Dunn Maint. Fund - O&M	40,000	40,000	40,000
0	0	100,000	3909	Transfer from White City SD loan repay	0	0	0
3,488	20,124	25,000	3909	Transfer from White City Storm Drain - O&M	20,000	20,000	20,000
100,626	127,628	148,000	3910	Transfer from Storm Water Quality	160,000	160,000	160,000
153,995	212,114	333,000		TOTAL TRANSFERS	235,000	235,000	235,000
12,001,850	12,042,000	10,906,108		TOTAL RESOURCES	13,575,273	13,575,273	13,575,273

Rogue Valley Sewer Services

General Fund (01)

Requirement Summary

Actual FY07	Actual FY08	Adopted Budget FY09	Department / Category	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
EXPENDITURES						
1,859,003	1,911,440	2,169,100	Personal Services	2,347,463	2,347,463	2,347,463
3,034,916	3,062,396	3,304,000	Materials & Services	3,162,300	3,162,300	3,162,300
2,762,807	3,235,794	3,043,850	Capital Outlay	5,568,821	5,568,821	5,568,821
184,896	183,524	182,100	Debt Service	185,800	185,800	185,800
7,841,622	8,393,154	8,699,050	TOTAL EXPENDITURES	11,264,384	11,264,384	11,264,384
362,655	402,944	590,000	Transfers to other funds	464,000	464,000	464,000
0	0	440,000	Contingency	540,000	540,000	540,000
8,204,277	8,796,098	9,729,050	TOTAL APPROPRIATIONS	12,268,384	12,268,384	12,268,384
3,797,573	3,245,902	1,177,058	Ending Fund Balance	1,306,889	1,306,889	1,306,889
12,001,850	12,042,000	10,906,108	TOTAL REQUIREMENTS	13,575,273	13,575,273	13,575,273
3,797,573	3,245,902	1,177,058	Ending Fund Balance	1,306,889	1,306,889	1,306,889
0	0	0	Less Reserve for Loan Services	0	0	0
(577,206)	(502,771)	(447,226)	Less Interceptor SDC Reserve	(139,732)	(139,732)	(139,732)
(656,342)	(759,000)	(724,631)	Less Operating Reserve (8.33% Exp)	(1,022,000)	(1,022,000)	(1,022,000)
2,564,025	1,984,131	5,201	Unreserved Ending Fund Bal.	145,157	145,157	145,157

Rogue Valley Sewer Services

General Fund (01)

Expenditure Detail – Personal Services

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
Personal Services							
1,326,873	1,364,048	1,592,000	5010	Salaries	1,677,463	1,677,463	1,677,463
15,905	18,128	15,000	5012	Overtime	15,000	15,000	15,000
5,354	3,074	4,000	5018	Part-time	15,000	15,000	15,000
<u>1,348,132</u>	<u>1,385,250</u>	<u>1,611,000</u>		Total Salaries	<u>1,707,463</u>	<u>1,707,463</u>	<u>1,707,463</u>
258,259	267,028	274,000	5241	Medical & Dental Insurance	325,000	325,000	325,000
116,292	117,655	132,000	5275	Retirement Plan	146,000	146,000	146,000
103,161	104,176	110,000	5111	FICA	122,000	122,000	122,000
20,723	20,921	23,100	5233	Worker's Compensation	25,000	25,000	25,000
11,824	13,416	17,000	5250	LTD, Life Insurance, RHS	20,000	20,000	20,000
612	2,994	2,000	5122	Unemployment Self-Insurance	2,000	2,000	2,000
<u>510,871</u>	<u>526,190</u>	<u>558,100</u>		Total Fringe Benefits	<u>640,000</u>	<u>640,000</u>	<u>640,000</u>
<u>1,859,003</u>	<u>1,911,440</u>	<u>2,169,100</u>		TOTAL PERSONAL SERVICES	<u>2,347,463</u>	<u>2,347,463</u>	<u>2,347,463</u>
Staffing Levels - Full Time Equivalent (FTE)							
8	8.5	8.5		Administration	8.5	8.5	8.5
9	10	10.0		Engineering / Construction	11.0	11.0	11.0
10	12	12.0		Maintenance	11.0	11.0	11.0
<u>27</u>	<u>30.5</u>	<u>30.5</u>		Total FTE	<u>30.5</u>	<u>30.5</u>	<u>30.5</u>

Rogue Valley Sewer Services

General Fund (01)

Expenditure Detail – Materials & Services

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
MATERIALS & SERVICES							
14,150	14,300	18,000	7111	Audit	19,800	19,800	19,800
9,009	11,916	15,000	7112	Legal Services	15,000	15,000	15,000
20,291	2,554	15,000	7113	Professional services	30,000	30,000	30,000
0	5,056	7,000	7115	Newsletters	5,000	5,000	5,000
3,303	8,087	5,000	7121	Bank Charges	18,000	18,000	18,000
6,302	7,897	6,000	7152	Publication Expense	4,000	4,000	4,000
921	1,608	3,000	7166	Recording fees	2,000	2,000	2,000
58,192	59,338	60,000	7177	Contractual services - Billing	62,000	62,000	62,000
26,309	26,836	25,000	7211	Supplies, Office, Billing	20,000	20,000	20,000
4,488	8,261	10,000	7223	Supplies, Computer	6,000	6,000	6,000
39,507	45,602	40,000	7255	Postage & Freight	40,000	40,000	40,000
580	565	1,000	7311	Board Member Expenses	1,000	1,000	1,000
4,980	4,594	4,000	7533	Physical Examinations	4,000	4,000	4,000
47,056	50,341	40,000	7544	Travel, Lodging, Meals, Training	40,000	40,000	40,000
6,830	7,204	6,000	7588	Memberships & Subscriptions	8,000	8,000	8,000
26,308	25,585	25,000	7622	Computer Software Maintenance	25,000	25,000	25,000
57,130	55,058	60,000	7631	System Maintenance	40,000	40,000	40,000
4,240	7,477	15,000	7633	Service Line Construction	10,000	10,000	10,000
20,437	17,652	16,000	7641	Safety supplies, clothing	16,000	16,000	16,000
2,113	1,212	2,000	7650	Equipment Maint. - Admin	3,000	3,000	3,000
81,760	66,365	75,000	7651	Equipment & Vehicle Maint. - O&M	40,000	40,000	40,000
46,967	44,000	60,000	7652	Vehicle Fuel	40,000	40,000	40,000
5,356	3,687	40,000	7653	Equipment (under \$3,000)	15,000	15,000	15,000
54,114	41,456	50,000	7681	Pump Station, Lagoon Maint.	20,000	20,000	20,000
53,771	17,763	20,000	7685	Lagoon Maint.	5,000	5,000	5,000
23,519	30,551	25,000	7691	Step/Steg Maint.	20,000	20,000	20,000
28,140	27,773	20,000	7699	Bldg & Grounds Maintenance	20,000	20,000	20,000
8,461	9,245	10,000	7710	Alarms - Pump Stations	7,500	7,500	7,500
15,131	16,213	18,000	7711	Communication & Alarm	18,000	18,000	18,000
2,335	2,219	3,000	7712	Communications - Internet Services	3,000	3,000	3,000
28,828	25,763	22,000	7755	Power - Pump Stations	22,000	22,000	22,000
16,546	17,252	18,000	7756	Utilities & Power	18,000	18,000	18,000
45,390	46,006	50,000	7849	Property Insurance	45,000	45,000	45,000
2,811	1,767	5,000	7995	Other Expenses	5,000	5,000	5,000
765,274	711,203	789,000		MATERIALS & SERVICES	647,300	647,300	647,300
2,269,642	2,351,193	2,515,000	7010	TREATMENT CHARGES	2,515,000	2,515,000	2,515,000
3,034,916	3,062,396	3,304,000		TOTAL MATERIALS & SERVICES	3,162,300	3,162,300	3,162,300

Rogue Valley Sewer Services

General Fund (01)

Expenditure Detail – Capital Outlay

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
INFRASTRUCTURE PROJECTS & JOBS							
2,465,267	2,331,341	2,139,850		Collection System Rehabilitation	5,192,821	5,192,821	5,192,821
0	181,094	0		Land	0	0	0
0	0	0		Equipment Shed	175,000	175,000	175,000
0	397,247	550,000		White City Trunk Rehabilitation	0	0	0
0	1,190	10,000		Non SDC Lagoons Vector Waste	1,000	1,000	1,000
2,465,267	2,910,872	2,699,850	6001	Total Infrastructure Projects	5,368,821	5,368,821	5,368,821
EQUIPMENT							
<u>Vehicles</u>							
0	0	32,000	6100	Pick Up Truck - replace Unit 10 net	0	0	0
0	0	230,000	6100	Flusher Only	0	0	0
0	0	62,000	6100	Backhoe (net trade in)	0	0	0
0	0	20,000	6100	Trailer for Backhoe	0	0	0
100,026	0	0	6100	Dump truck - replace #13	0	0	0
28,429	0	0	6100	Crane truck - replace #14	0	0	0
44,052	0	0	6100	Pick up truck - replace #4	0	0	0
0	245,470	0	6100	Vacuum Flusher - replace Unit #7	0	0	0
0	1,490	0	6100	Custom Boom Unit 29	0	0	0
0	0	0	6100	TV Truck w/ mainline equipment	200,000	200,000	200,000
<u>Maintenance</u>							
4,890	0	0	6100	Cable & Ring 200'	0	0	0
7,959	0	0	6100	Speed Shoring Equipment	0	0	0
3,991	0	0	6100	Generator, install TV Van #8	0	0	0
983	0	0	6100	Recycling system - aerosol can	0	0	0
0	2,128	0	6100	Core Drill	0	0	0
0	2,666	0	6100	Flusher Hose, 1 inch (2)	0	0	0
0	14,438	0	6100	Video Surveillance	0	0	0
0	25,951	0	6100	Omni Eye III Camera System	0	0	0
0	3,779	0	6100	3M Dynatel Locator	0	0	0
0	1,250	0	6100	Welder	0	0	0
0	1,510	0	6100	Drill Press	0	0	0
5,947	0	0	6100	Automatic yard gate	0	0	0
1,346	0	0	6100	Root saw kit	0	0	0
1,010	0	0	6100	Paving Breaker	0	0	0
40,191	0	0	6100	Pump, 6 in portable by-pass	0	0	0
24,995	0	0	6100	Generator, Onan 11 Portable	0	0	0
<u>Administration</u>							
16,115	16,396	0	6100	Workstations, Upgrades	0	0	0
7,881	0	0	6100	Server & Software	0	0	0
4,209	0	0	6100	Large Format Color Laser Printer	0	0	0
2,875	0	0	6100	Mail Machine	0	0	0
0	7,409	0	6100	Copy Machine	0	0	0
2,641	0	0	6100	Office Door	0	0	0
0	0	0	6100	Endorser	0	0	0
0	2,435	0	6100	Office Furniture	0	0	0
297,540	324,922	344,000		Total Equipment	200,000	200,000	200,000
2,762,807	3,235,794	3,043,850		TOTAL CAPITAL OUTLAY	5,568,821	5,568,821	5,568,821

Rogue Valley Sewer Services

General Fund (01)

Expenditure Detail – Debt, Transfers Out, Contingency

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
DEBT SERVICE							
141,487	141,024	140,500	9520	DEQ loan - Eagle Point (1996)	140,100	140,100	140,100
43,409	42,500	41,600	9520	OEDD loan - Eagle Point (1997)	45,700	45,700	45,700
=====	=====	=====			=====	=====	=====
184,896	183,524	182,100		TOTAL DEBT SERVICE	185,800	185,800	185,800
=====	=====	=====			=====	=====	=====
TRANSFERS							
183,891	0	190,000	9804	BCI Fund 04	154,000	154,000	154,000
0	100,000	0	9809	White City SD Capital Fund 09	0	0	0
178,765	302,944	400,000	9807	Interceptor Capital Fund 07	310,000	310,000	310,000
=====	=====	=====			=====	=====	=====
362,655	402,944	590,000		TOTAL TRANSFERS	464,000	464,000	464,000
=====	=====	=====			=====	=====	=====
=====	=====	=====			=====	=====	=====
0	0	440,000		CONTINGENCY	540,000	540,000	540,000
=====	=====	=====			=====	=====	=====

FOG PROGRAM

Fats, Oils, and Grease (FOG) restrict wastewater pipeline capacity. These blockages can be a public health, safety and welfare risk the local communities because the blockages often cause sewage spills and/or overflows from manholes, sewage backups into homes and businesses and additional work for maintenance staff. FOG also hampers the treatment of wastewater at the treatment plant. The RVS FOG Program is designed to identify commercial customers that do not properly dispose of these products which are generated by the preparation of food and kitchen activities. FOG is located in the collection system by Video Inspection. When we identify a customer that needs some training we contact them and visit their establishments to educate those owners and staff members on how they can save time and money by properly recycling. BMP's or Best Management Practices are a key component in the education process, and are distributed by the Association of Clean Water Agencies. We provide this, and other resources to each customer we contact. This photo is an illustration of FOG in our system and how it reduces our capacity.



Rogue Valley Sewer Services Budget Document FY10

Fund: Bear Creek Interceptor Operations & Maintenance (04)

Description

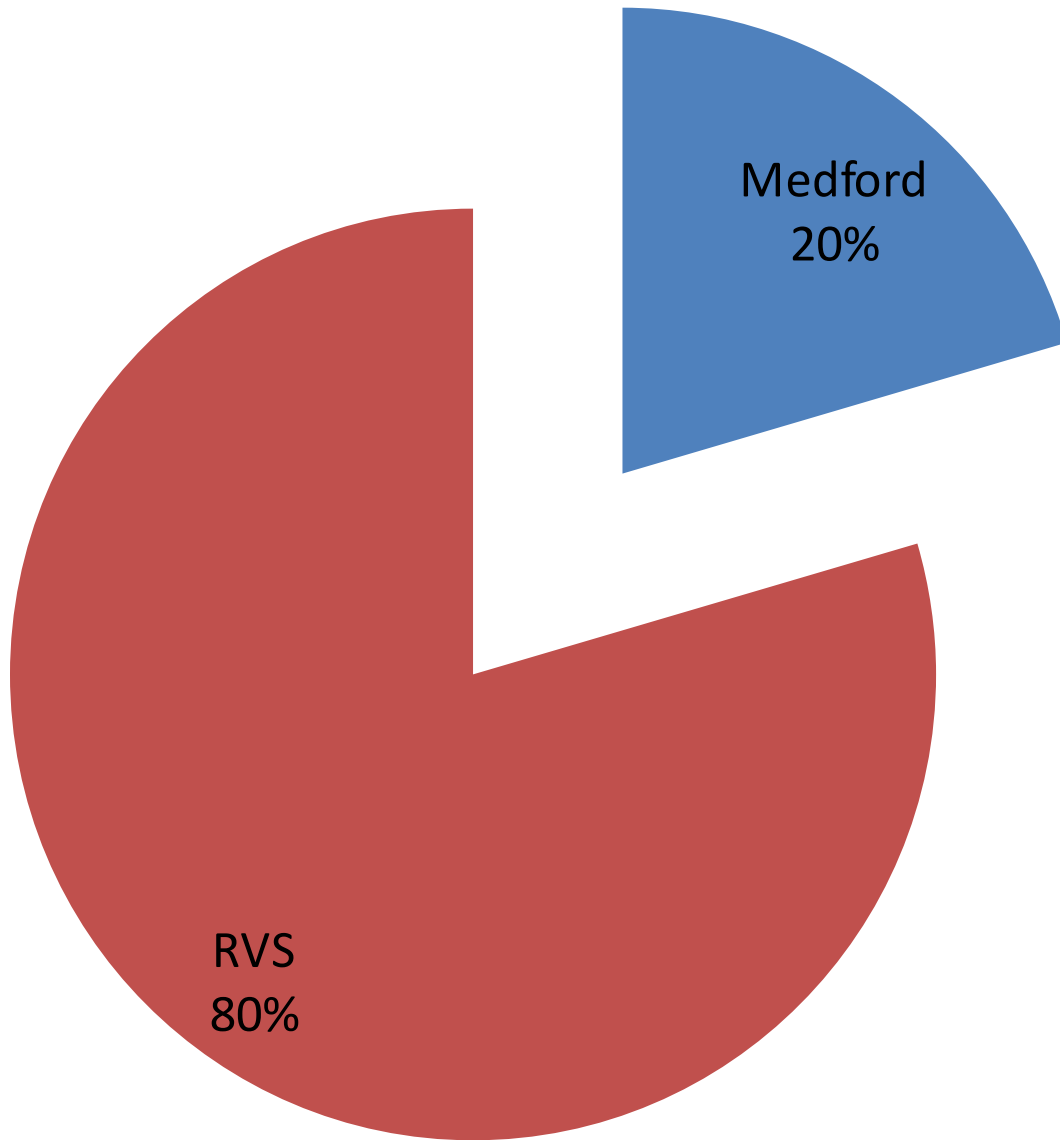
This fund is used to account for the regional Bear Creek Interceptor capital facilities. Rogue Valley Sewer Services operates and maintains the capital facilities for the benefit of Rogue Valley Sewer Services and the City of Medford. The costs to operate and maintain along with the revenues collected from each joint user are accounted for in this fund.

The major source of revenue is fees assessed to RVS and the City of Medford. These are assessed by a committee composed of members of the two jurisdictions. The fees are based on the percent of effluent flows produced by each jurisdiction compared to the total number of customers contributing to the system.

When the Board of Directors adopted the budget on June 20, 2007, they also agreed that there was enough Fund Balance so that the assessment of fees could be waived for FY08. The budget for FY09 will continue with waiving the assessment fees for the first two quarters. All assessment fees are budgeted for FY10.

In August 2005 a new 20 year agreement was signed with joint parties above and an assessment formula was approved which covers both the Bear Creek Interceptor Operations & Maintenance Fund and the Dunn Pump Station Operations & Maintenance Fund combined. Beginning in FY06 all assessments are accounted for in the Interceptor Maintenance Fund and transfers made to the Dunn Pump Station Operations & Maintenance Fund as needed.

**Rogue Valley Sewer Services
Adopted Budget FY10
Bear Creek Interceptor Maintenance Assessments**



**Rogue Valley Sewer Services
 Bear Creek Interceptor Operations & Maintenance Fund (04)
 Resources & Requirements**

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
232,355	305,276	192,276	2900	Beginning Fund Balance	200,182	200,182	200,182
59,070	5,242	60,000	3410	Maintenance Fees - City of Medford	39,600	39,600	39,600
13,858	11,562	12,000	3301	Interest	8,000	8,000	8,000
72,928	16,804	72,000		TOTAL REVENUES	47,600	47,600	47,600
183,891	0	190,000	3901	Transfer from RVS General Fund	154,000	154,000	154,000
183,891	0	190,000		TOTAL TRANSFERS	154,000	154,000	154,000
489,174	322,080	454,276		TOTAL RESOURCES	401,782	401,782	401,782
EXPENDITURES							
Materials and Services:							
660	0	1,000	7113	Professional Services	500	500	500
7,478	13,674	15,000	7601	Flow monitoring	20,000	20,000	20,000
7,284	7,231	6,000	7631	Maintenance - System	6,000	6,000	6,000
2,313	3,136	3,000	7850	Overhead	4,000	4,000	4,000
17,735	24,041	25,000		Total Materials and Services	30,500	30,500	30,500
Capital Projects:							
0	0	0	J125	Cathodic Protection	0	0	0
0	0	0		Total Capital Outlay	0	0	0
17,735	24,041	25,000		TOTAL EXPENDITURES	30,500	30,500	30,500
Transfers							
11,418	16,346	20,000	9850	General Fund - Labor	10,000	10,000	10,000
4,744	7,513	10,000	9870	General Fund - Vehicles	5,000	5,000	5,000
150,000	75,000	150,000	9806	Dunn Operations & Maintenance Fund	150,000	150,000	150,000
166,162	98,859	180,000		TOTAL TRANSFERS	165,000	165,000	165,000
0	0	50,000		CONTINGENCY	50,000	50,000	50,000
183,897	122,900	255,000		TOTAL APPROPRIATIONS	245,500	245,500	245,500
305,277	199,180	199,276		Ending Fund Balance	156,282	156,282	156,282
489,174	322,080	454,276		TOTAL REQUIREMENTS	401,782	401,782	401,782

Rogue Valley Sewer Services Budget Document FY10

Fund: Dunn Pump Station Operations & Maintenance (06)

Description

This fund is used to account for the regional Dunn Pump Station capital facilities. The facilities are operated and maintained by Rogue Valley Sewer Services for the benefit of Rogue Valley Sewer Services and the City of Medford. The costs to operate and maintain the facilities are accounted for in this fund.

In August 2005 a new 20 year agreement was signed with joint parties above and an assessment formula was approved which covers both the Bear Creek Interceptor Operations & Maintenance Fund and the Dunn Pump Station Operations & Maintenance Fund combined. Beginning in FY06 all assessments are accounted for in the Interceptor Maintenance Fund and transfers made to the Dunn Pump Station Operations & Maintenance Fund as needed.

**Rogue Valley Sewer Services
Dunn Pump Station Operations & Maintenance Fund (06)
Resources & Requirements**

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #		Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
206,421	261,450	218,450	2900	Beginning Fund Balance	131,106	131,106	131,106
12,138	10,991	12,000	3301	Interest	8,000	8,000	8,000
12,138	10,991	12,000		TOTAL REVENUES	8,000	8,000	8,000
150,000	75,000	150,000	3904	Transfer from Interceptor O&M Fund	150,000	150,000	150,000
150,000	75,000	150,000		TOTAL TRANSFERS	150,000	150,000	150,000
368,559	347,441	380,450		TOTAL RESOURCES	289,106	289,106	289,106
EXPENDITURES							
Materials and Services:							
0	51	0	7152	Maintenance - Publication expense	0	0	0
16,567	35,143	45,000	7681	Maintenance - Pump Station	40,000	40,000	40,000
2,152	1,975	4,000	7710	Pump Station Alarms	3,000	3,000	3,000
45,913	50,518	50,000	7755	Pump Station Power	40,000	40,000	40,000
8,757	13,143	10,000	7850	Overhead	13,000	13,000	13,000
73,389	100,830	109,000		Total Materials & Services	96,000	96,000	96,000
73,389	100,830	109,000		TOTAL EXPENDITURES	96,000	96,000	96,000
Transfers							
27,590	34,839	25,000	9850	General Fund - Labor	32,000	32,000	32,000
6,130	5,667	5,000	9870	General Fund - Vehicles	8,000	8,000	8,000
33,720	40,506	30,000		TOTAL TRANSFERS	40,000	40,000	40,000
0	0	50,000		CONTINGENCY	50,000	50,000	50,000
107,109	141,336	189,000		TOTAL APPROPRIATIONS	186,000	186,000	186,000
261,450	206,106	191,450		Ending Fund Balance	103,106	103,106	103,106
368,559	347,442	380,450		TOTAL REQUIREMENTS	289,106	289,106	289,106

Rogue Valley Sewer Services Budget Document FY10

Fund: Interceptor Capital Expansion (07)

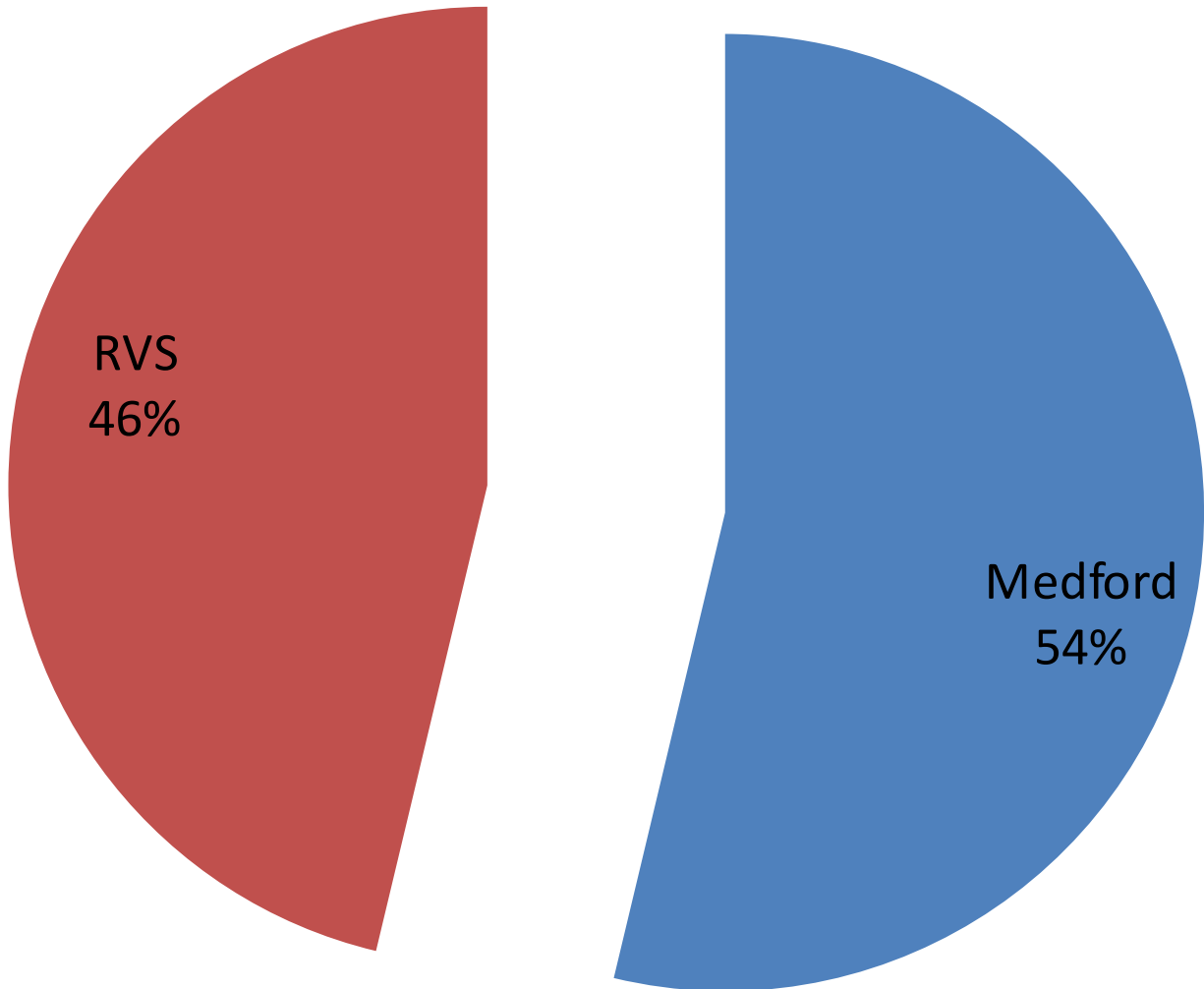
Description

This fund is used to account for the capital expansion of the regional Bear Creek Interceptor and Dunn Pump Station capital facilities. The facilities are owned jointly by Rogue Valley Sewer Services and the City of Medford. Rogue Valley Sewer Services operates and maintains the capital facilities for the benefit RVS and the City of Medford. The costs to acquire and construct new capital facilities along with the revenues collected are accounted for in this fund.

The **major source of revenue** is fees assessed to RVS and the City of Medford. These are assessed by a committee composed of members of the two jurisdictions. The fees are based on the percent of effluent flowing through the interceptor system serving the jurisdictions.

In FY10, Dunn Pump Station parallel force main and the Force Main project will have both been completed. Therefore, the loan payments on the 20 year term loan will begin in FY10.

**Rogue Valley Sewer Services
Adopted Budget FY10
Interceptor Capital Expansion Assessements**



**Rogue Valley Sewer Services
 Interceptor Capital Expansion Fund (07)
 Resources & Requirements**

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
265,097	414,600	319,600	2900	Beginning Fund Balance	811,091	811,091	811,091
3,673	26,047	5,000	3301	Interest	25,000	25,000	25,000
662,054	968,008	1,793,000	3656	DEQ Loan SRF	0	0	0
222,592	390,171	350,000	3410	Assessed Fees - Medford	360,000	360,000	360,000
888,319	1,384,226	2,148,000		TOTAL REVENUES	385,000	385,000	385,000
178,765	302,944	400,000	3901	Transfer from RVS General Fund	310,000	310,000	310,000
178,765	302,944	400,000		TOTAL TRANSFERS	310,000	310,000	310,000
1,332,181	2,101,770	2,867,600		TOTAL RESOURCES	1,506,091	1,506,091	1,506,091

**Rogue Valley Sewer Services
 Interceptor Capital Expansion Fund (07)
 Resources & Requirements**

			EXPENDITURES				
Actual	Actual	Adopted			Proposed	Approved	Adopted
FY07	FY08	Budget	a/c #	Category / Name	Budget	Budget	Budget
		FY09			FY10	FY10	FY10
Materials & Services							
0	0	0	7631	System Rehabilitation	5,000	5,000	5,000
0	0	0		Total Materials & Services	5,000	5,000	5,000
Capital Projects:							
43,913	919,836	1,800,000	J067	Dunn Pump Station & Force Main	0	0	0
0	68,040	428,000	J110	Dunn PS, adjustable frequency	0	0	0
716,580	0	0	J068	Old Medford Trunk Slipline	0	0	0
14,701	0	0	J072	N. Medford Flow Site	0	0	0
0	0	0	J125	Cathodic protection	38,000	38,000	38,000
0	0	0	JXXX	Dunn PS Impeller	50,000	50,000	50,000
775,194	987,876	2,228,000		Total Capital Outlay	88,000	88,000	88,000
Debt Service							
79,059	78,845	79,000	9520	DEQ Loan - R14001 (2001)	78,400	78,400	78,400
23,144	23,084	24,000	9520	DEQ Loan - R14002 (2004)	23,000	23,000	23,000
40,184	40,074	41,000	9520	DEQ Loan - R14003 (2003)	40,000	40,000	40,000
0	0	170,136	9520	DEQ Loan - R78495 (2008)	171,000	171,000	171,000
142,387	142,003	314,136		Total Debt Service	312,400	312,400	312,400
917,581	1,129,879	2,542,136		TOTAL EXPENDITURES	405,400	405,400	405,400
Transfers							
0	0	0	9804	Transfer to BCI Fund	0	0	0
0	0	0	9801	Transfer to General Fund	0	0	0
0	0	0		TOTAL TRANSFERS	0	0	0
0	0	0		CONTINGENCY	0	0	0
917,581	1,129,879	2,542,136		TOTAL APPROPRIATIONS	405,400	405,400	405,400
414,600	971,891	325,464		Ending Fund Balance	1,100,691	1,100,691	1,100,691
1,332,181	2,101,770	2,867,600		TOTAL REQUIREMENTS	1,506,091	1,506,091	1,506,091
414,600	971,891	325,464		Ending Fund Balance	1,100,691	1,100,691	1,100,691
(133,896)	(133,896)	(309,000)		Less Reserve for Loan Services	(133,896)	(133,896)	(133,896)
0	0	0		Less Reserve for Loan Services	(175,012)	(175,012)	(175,012)
280,704	837,995	16,464		Unreserved Ending Fund Balance	791,783	791,783	791,783

Rogue Valley Sewer Services Budget Document FY10

Fund: White City Storm Drains (09)

Description

In 1989 a storm drain district was established to provide flood protection to businesses in the White City Storm Drain area. Rogue Valley Sewer Services maintains the culverts and ditches within the boundaries of the White City Storm Drain area. An advisory committee comprised of representatives from businesses located in the Storm Drain area recommended approval of a comprehensive engineering study of the area. Subsequently, our Board approved the study. The study is a capital improvement program along with priorities for the building and refurbishing of already built facilities on the Storm Drain Basin. In order to better keep track of these resources a separate fund was established in 1995.

Major revenues are the fees charged to residents of the area. These can only be used for the storm drain uses within the White City Storm Drain area. Fees are partly charged based on total acreage, with a minimum, and partly based on impervious areas. Revenues have been steady over the years because there is not much pervious area left within the boundaries of the district to develop.

**Rogue Valley Sewer Services
White City Storm Drain Fund (09)
Resources & Requirements**

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
523,712	606,536	366,536	2900	Beginning Fund Balance	331,832	331,832	331,832
96,396	78,442	96,000	3080	White City Storm Drain Fees	75,000	75,000	75,000
29,358	21,131	20,000	3301	Interest	10,000	10,000	10,000
125,754	99,573	116,000		TOTAL REVENUES	85,000	85,000	85,000
TOTAL RESOURCES					416,832	416,832	416,832
EXPENDITURES							
0	0	0	7995	Interest expense	0	0	0
0	0	0		Other Expenditures	0	0	0
Capital Projects:							
40	2,471	10,000	7631	Maintenance - System	1,000	1,000	1,000
22,628	0	0	J078	4th St SW	0	0	0
14,993	0	0	J047	Antelope SD	0	0	0
0	1,019	0	J118	Johnny Cat SD	0	0	0
0	0	0	JXXX	Ave F	158,000	158,000	158,000
1,781	428,580	0	J046	RVS Ave G	0	0	0
39,402	432,070	10,000		Total Capital Outlay	159,000	159,000	159,000
39,402	432,070	10,000		TOTAL EXPENDITURES	159,000	159,000	159,000
Transfers							
3,488	0	125,000	9801	Transfer to General Fund	0	0	0
0	(100,000)	0	3401	Transfer from General Fund	0	0	0
0	9,849	0	9850	General Fund - Labor	10,000	10,000	10,000
0	10,275	0	9870	General Fund - Vehicles	10,000	10,000	10,000
3,488	(79,876)	125,000		TOTAL TRANSFERS	20,000	20,000	20,000
0	0	50,000		Contingency	0	0	0
46,377	352,194	185,000		TOTAL APPROPRIATIONS	179,000	179,000	179,000
603,089	353,915	297,536		Ending Fund Balance	237,832	237,832	237,832
649,466	706,109	482,536		TOTAL REQUIREMENTS	416,832	416,832	416,832

Rogue Valley Sewer Services Budget Document FY10

Fund: Storm Water Quality Management (10)

Description

This fund is used to account for the revenues and expenditures resulting from contractual agreements with the Cities of Phoenix, Central Point, and Talent, Oregon and Jackson County for certain unincorporated portions of Jackson County within the Storm Water area. RVS will be providing Storm Water Quality management services. RVS has applied for and will hold the NPDES permit with Oregon Department of Environmental Quality, relating to Phase II of National Storm Water Act.

Major revenues are fees charged to residents of the area that can only be used for the storm water management uses within the storm water area boundaries. Residential accounts are charged a flat rate, while commercial accounts are based on impervious areas, with a minimum the same as residential. With the housing downturn, revenues have been stagnant the last three years, therefore a conservative estimate is being proposed for FY10.

Rogue Valley Sewer Services also bills for storm drain fees for the cities of Talent and Phoenix. These are considered pass through funds and are not budgeted.

RVS is an agent of DEQ during this budget year and is responsible for the issuance of construction site erosion control permits. This also includes storm water quality inspections and enforcement.

Rogue Valley Sewer Services

Storm Water Quality Management (10)

Resources & Requirements

Actual FY07	Actual FY08	Adopted Budget FY09	a/c #	Category / Name	Proposed Budget FY10	Approved Budget FY10	Adopted Budget FY10
286,215	341,315	291,313	2900	Beginning Fund Balance	259,510	259,510	259,510
				Storm Water Fees			
32,731	38,283	35,000	3021	Phoenix	35,000	35,000	35,000
32,142	34,254	33,000	3022	Talent	33,000	33,000	33,000
88,326	87,863	90,000	3023	Jackson County	90,000	90,000	90,000
92,438	92,783	94,000	3024	Central Point	94,000	94,000	94,000
245,636	253,183	252,000			252,000	252,000	252,000
13,878	27,568	20,000	3245	Construction Site Erosion Control Permits (DEQ)	15,000	15,000	15,000
1,710	0	0	3290	Sale Assets	0	0	0
1,483	2,930	10,000	3291	Other Income	3,000	3,000	3,000
16,980	14,534	15,000	3301	Interest	12,000	12,000	12,000
0	6,750	5,000	3400	Assessments	0	0	0
279,687	304,965	302,000		TOTAL REVENUES	282,000	282,000	282,000
565,902	646,280	593,313		TOTAL RESOURCES	541,510	541,510	541,510
				EXPENDITURES			
				Materials and Services:			
10,972	13,512	30,000	7113	Professional Services	10,000	10,000	10,000
0	299	1,000	7115	Newsletters	1,000	1,000	1,000
2,156	8,277	10,000	7211	Supplies - Office	4,000	4,000	4,000
2,294	3,888	5,000	7544	Travel/Training	2,000	2,000	2,000
16,217	3,329	10,000	7631	System Maintenance	5,000	5,000	5,000
399	144	1,000	7711	Communications & Alarms	100	100	100
4,689	4,416	5,000	7850	Overhead	3,000	3,000	3,000
36,726	33,865	62,000		Total Materials & Services	25,100	25,100	25,100
14,150	0	0	6100	Rehabilitation Projects	0	0	0
0	4,423	0	J116	Channel B SW	0	0	0
0	4,073	0	J119	Snowy Butte	0	0	0
0	1,134	0	J129	Gangnes Storm	0	0	0
0	43,890	0	J112	RVS Ave A	0	0	0
0	0	0	J113	Pine Street Manhole	0	0	0
69,343	0	0	J077	Gebhard SW Tank	0	0	0
2,359	58,376	0	J079	Jewett Water	0	0	0
1,383	35,781	0	J105	RVS Pond	0	0	0
0	0	123,600	JXXX	Talent Ave @ Wagner Creek	0	0	0
0	0	123,600	JXXX	Hwy 99 Coleman Creek	0	0	0
0	0	0	JXXX	Joseph St, Talent	80,000	80,000	80,000
0	0	0	JXXX	Oak St., Phoenix	80,000	80,000	80,000
87,235	147,677	247,200		Total Capital Outlay	160,000	160,000	160,000
123,962	181,542	309,200		TOTAL EXPENDITURES	185,100	185,100	185,100
				Transfers			
80,225	109,644	120,000	9850	General Fund - Labor	136,000	136,000	136,000
5,401	2,984	10,000	9870	General Fund - Vehicles	6,000	6,000	6,000
15,000	15,000	18,000	9880	General Fund - Billing Allocation	18,000	18,000	18,000
100,626	127,628	148,000		TOTAL TRANSFERS	160,000	160,000	160,000
0	0	50,000		CONTINGENCY	30,000	30,000	30,000
224,587	309,170	507,200		TOTAL APPROPRIATIONS	375,100	375,100	375,100
341,315	337,110	86,113		Ending Fund Balance	166,410	166,410	166,410
565,902	646,280	593,313		TOTAL REQUIREMENTS	541,510	541,510	541,510

ROGUE VALLEY SEWER WINS FIRST PLACE IN NATIONAL EPA COMPETITION

RVS has been awarded first place in the National Clean Water Act Recognition Awards program sponsored by Environmental Protection Agencies' Office of Wastewater Management. The award recognizes RVS' Stormwater Quality Program that demonstrates excellence in managing stormwater quality in Central Point, Phoenix, Talent and portions of Jackson County. The EPA awards program is intended to educate the public about the contributions RVS has made that go far beyond the minimum needed to meet Clean Water Act requirements.

RVS's Stormwater Management Excellence Award was presented during the Water Environment Federation's annual Technical Exposition and Conference (WEFTEC) in Chicago, IL on October 20, 2008. The first place award is for excellence in managing stormwater quality.

Poorly managed stormwater can contribute high levels of pollutants such as fertilizers, sediment, oils, pesticides, and antifreeze as stormwater runoff travels untreated over land, into ditches and pipes before entering creeks and rivers. Yes! Stormwater is not treated before it enters local waterways. The Clean Water Act mandates that state and local governments must develop and manage stormwater quality programs to protect creeks and rivers. Keeping pollutants out of stormwater is everyone's responsibility. That's why RVS has made a major effort to educate contractors, residents, commercial business owners and even school children. Additionally, new requirements have been put in place requiring new developments to install stormwater quality features and RVS has been installing stormwater quality features in existing residential and commercial areas.

It's great that RVS' program has been recognized by the EPA, and with your help we can really make a major impact on cleaner creeks and rivers.





Section IV. Five-Year Cash Flow Projections

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Rogue Valley Sewer Services 5 Year Cash Flow Projections

The five year projections cover only the **General Fund**. It should be noted that these multi year projections are rough estimates made for planning purposes only. The first page shows beginning fund balance and revenues, page two shows expenditures, and the last page show transfers and ending fund balances.

Assumptions: 1) Growth rates for service charges and most other revenues were assumed to be 2.5%. 2) Inflation rate for labor and other expenditures were assumed at 4%. 3) Addition of maintenance parking structure FY10, cost of \$175,000.

Two reserves are shown on this year's cash flow projections. The first is a reserve for Interceptor System Development Charges collected over the amount necessary to be transferred to the Regional Construction Fund. The amount transferred to the Regional Construction Fund increased in March 2007. The other reserve is for operating contingencies, which is calculated at one month of budgeted expenditures.

The rehabilitation projects are based on the **Capital Improvement Plan (CIP)** prepared by the District Engineer, which has been approved by the Board of Director's on June 17, 2009.

Since all sewer flow is now discharged directly to the Regional Wastewater Treatment Plant, our two lagoons, located on 50 acres north of Central Point, are being underutilized. Several proposals for lagoon utilization are being studied at this time. One of them involves creating an area for handling vector wastes, which would be jointly used with Jackson County. Half of the estimated \$310,000 expenditure for FY10 is shown as a reimbursement by the county.

A schedule listing our projected major equipment and vehicle replacements over the next five years follows the projected five year capital improvement plan in this Projection section of the budget document.

Much of our revenue is derived from System Development Charges (SDCs) associated with new construction. Since construction has declined significantly over the last two years, estimates for future years have been reduced. If necessary, we would reduce or delay our discretionary rehabilitation and capital construction projects.

**Rogue Valley Sewer Services
Five Year Cash Flow Projections
GENERAL FUND (01)**

June 2009

	FY09 Rate	% Grwth	Actual FY08	Projected FY09	Budgeted FY10	Projection FY11	Projection FY12	Projection FY13	Projection FY14	
BEGINNING FUND BALANCE			4,054,928	3,245,902	1,486,452	1,846,889	2,137,951	2,072,869	2,179,821	
<u>REVENUES</u>										
<u>Service Charges</u>										
All Areas	\$	13.90	2.5%	5,470,116	5,662,000	5,662,000	5,804,000	5,949,000	6,098,000	6,250,000
<u>System Development Charges</u>										
Collection SDC - RVS	\$	625.00	2.5%	681,958	190,000	200,000	205,000	210,000	215,000	220,000
Regional Interceptor SDC - RVS	\$	500.00	2.5%	235,450	125,000	125,000	128,000	131,000	134,000	137,000
Trunk SDC (W.C. Trunk) - RVS	\$	500.00	2.5%	60,860	1,000	2,000	2,000	2,000	2,000	2,000
Trunk SDC (W.C. Trunk, EP Tie-In)	\$	920.00	2.5%	60,270	22,000	22,000	23,000	24,000	25,000	26,000
				1,038,538	338,000	349,000	358,000	367,000	376,000	385,000
<u>Project Reimbursement Offsets</u>										
Overhead				466,189	450,000	563,000	550,000	550,000	550,000	550,000
Labor				246,070	250,000	250,000	300,000	300,000	300,000	300,000
Equipment Rental				55,757	70,000	70,000	100,000	100,000	100,000	100,000
				768,016	770,000	883,000	950,000	950,000	950,000	950,000
<u>Other Revenue</u>										
Assessment Fees				-	-	-	-	-	-	-
Assessment / SDC Loan Payments				76,889	60,000	60,000	59,200	39,200	19,200	19,200
Balance 3/31/08 \$207,585.60										
Interest on Investments		2.5%	174,473	30,000	30,000	46,000	53,000	52,000	54,000	
Eagle Point - Property Tax			70,006	70,000	70,000	70,000	70,000	70,000	70,000	
Grant - ODOT Reimbursement			-	-	-	-	-	-	-	
Sale of So. Pacific Hwy property			25,398	50,500	27,000	27,000	27,000	27,000	27,000	
Miscellaneous			151,522	73,750	4,772,821	142,000	142,000	142,000	142,000	
			498,288	284,250	4,959,821	344,200	331,200	310,200	312,200	
TOTAL REVENUES			7,774,958	7,054,250	11,853,821	7,456,200	7,597,200	7,734,200	7,897,200	

**Rogue Valley Sewer Services
Five Year Cash Flow Projections
GENERAL FUND (01)**

June 2009

<u>EXPENDITURES</u>	% Grwth	Actual FY08	Projected FY09	Budgeted FY10	Projection FY11	Projection FY12	Projection FY13	Projection FY14
<u>Operations</u>								
Personal Services	5.0%	1,911,440	2,236,700	2,347,463	2,465,000	2,588,000	2,717,000	2,853,000
Treatment Charges	2.5%	2,351,193	2,515,000	2,515,000	2,578,000	2,642,000	2,708,000	2,776,000
Materials & supplies	5.0%	711,203	641,400	647,300	680,000	714,000	750,000	788,000
Capital Outlay		324,922	132,700	200,000	300,000	300,000	300,000	300,000
Total Operations		5,298,758	5,525,800	5,709,763	6,023,000	6,244,000	6,475,000	6,717,000
<u>Capital construction projects</u>								
Collection System SDC		2,331,341	2,371,700	5,192,821	699,338	976,382	711,248	3,472,216
Equipment shed				175,000				
Land		181,094						
White City Trunk SDC		397,247	660,000	-				
Lagoons - Vactor Waste		1,190	10,000	1,000				
		2,910,872	3,041,700	5,368,821	699,338	976,382	711,248	3,472,216
<u>Debt Service</u>								
DEQ loan - R14000								
DEQ loan - R14001								
DEQ loan - R30021 - E.P. (No Call Premium) (4.48%)		141,024	140,600	140,100	141,000	141,000	141,000	141,000
OEDD Loan - G96005 - E.P. (2% Call Premium) (5.01%)		42,500	41,600	45,700	44,800	43,900	43,000	42,100
		183,524	182,200	185,800	185,800	184,900	184,000	183,100
TOTAL EXPENDITURES		8,393,154	8,749,700	11,264,384	6,908,138	7,405,282	7,370,248	10,372,316
REVENUES OVER EXPENDITURES		(618,196)	(1,695,450)	589,437	548,062	191,918	363,952	(2,475,116)

**Rogue Valley Sewer Services
Five Year Cash Flow Projections
GENERAL FUND (01)**

June 2009

<u>TRANSFERS</u>	Actual FY08	Projected FY09	Budgeted FY10	Projection FY11	Projection FY12	Projection FY13	Projection FY14
<u>Transfers In</u>							
Transfers - Labor & Veh, Other Funds	212,114	318,000	235,000	233,000	233,000	233,000	233,000
Transfer from closed Bond Funds							
Transfer from ICE Fund (Loan repay)							
Transfer from Jacksonville, Phoenix closed funds							
	<u>212,114</u>	<u>318,000</u>	<u>235,000</u>	<u>233,000</u>	<u>233,000</u>	<u>233,000</u>	<u>233,000</u>
<u>Transfers Out</u>							
Transfer to Regional Interceptor Maint Funds	-	72,000	154,000	190,000	190,000	190,000	190,000
Transfer to Regional Interceptor Capital Fund	302,944	310,000	310,000	300,000	300,000	300,000	300,000
Transfer to White City Storm Drain	100,000						
	<u>402,944</u>	<u>382,000</u>	<u>464,000</u>	<u>490,000</u>	<u>490,000</u>	<u>490,000</u>	<u>490,000</u>
NET TRANSFERS IN (OUT)	<u>(190,830)</u>	<u>(64,000)</u>	<u>(229,000)</u>	<u>(257,000)</u>	<u>(257,000)</u>	<u>(257,000)</u>	<u>(257,000)</u>
ENDING FUND BALANCE	<u>3,245,902</u>	<u>1,486,452</u>	<u>1,846,889</u>	<u>2,137,951</u>	<u>2,072,869</u>	<u>2,179,821</u>	<u>(552,295)</u>
Less: Debt Service Reserves							
Less: Interceptor Improvement SDC Reserve	(502,771)	(324,732)	(139,732)	32,268	201,268	367,268	530,268
Less: Operating Reserve (1/12 Expenditures)	(759,000)	(761,000)	(1,022,000)	(575,000)	(617,000)	(614,000)	(864,000)
UNRESERVED ENDING FUND BALANCE	<u>1,984,131</u>	<u>400,720</u>	<u>685,157</u>	<u>1,595,219</u>	<u>1,657,137</u>	<u>1,933,089</u>	<u>(886,027)</u>

**ROGUE VALLEY SEWER SERVICES
CAPITAL IMPROVEMENT PLAN (CIP)**

**This "Plan" represents best projections
Conditions may warrant changes to plan**

	<u>Proj #</u>	<u>Actual FY07</u>	<u>Actual FY08</u>	<u>Projected FY09</u>	<u>Budget FY10</u>	<u>Plan FY11</u>	<u>Plan FY12</u>	<u>Plan FY13</u>	<u>Plan FY14</u>
<u>Collection System SDC</u>									
<u>RVS</u>									
Echo Ponderosa	02-39		18,849						
Belknap Extension	05-53								
Terr-Mont Street	J002	160,690							
Gilman Pump Station Removal	J008	56,837							
Ross Lane PS	J021		5,052						
Gateway Market	J026						127,209		
CP Pump Station	J027	5,904	491,913						
Hwy 99, Valley View, New St.	J039								
Ave. G (Residential)	J042								
Wilson Road Pump Station	J045								
Glenn Way Central Point	J049								
Amy's Kitchen	J052								
I Street - Main & Lapree	J055								
Freeman Road Sewer	J057		4,403	2,000					
So. Medford Trunk slipline	J058								
So. Shasta Eagle Point Pipe Bursting	J059								
Bain St. Talent	J060								
Fern Valley Pump Station	J061	86,897							
Linn Buchannon Rehab - EP	J062	440,400							
Ninth St. Extention CP	J064								
W. Pine St. Rehab Phase II	J065	394,818							
Falcon Street	J066	532,927	87,113						
So. Pacific Hwy - Arnos to Creel	J069	20,898	402,119						
Concrete Pipe Slip Line Projects-FY07	J070	453,703	92,513						
Avenue C, Bellaire to Harlan	J071	4,432	228,457						
Creel Rd. Talent	J073								
Oak Street	J074								
Creekside Center	J076	118							
11th St. Repacement	J080				180,297				
Avenue C Industrial Rehab	J081				227,010				
13th Street Rehab	J082				199,341				
11th Street Rehab	J083				281,865				
Antelope Road Rehab	J084								2,972,216
5th Street	J086				519,432				
Old CP Pressure Main	J087				705,070				
Foss Road	J088		116,653						
North Ashland Pump Station #2	J089		68,006						
Phoenix Trunk Main	J090		13,232	400	640,461				
Talent Ave.	J091				277,477				

ROGUE VALLEY SEWER SERVICES CAPITAL IMPROVEMENT PLAN (CIP)

This "Plan" represents best projections
Conditions may warrant changes to plan

	Proj #	Actual FY07	Actual FY08	Projected FY09	Budget FY10	Plan FY11	Plan FY12	Plan FY13	Plan FY14
25th Street, Ave F to Ave G	J092								
10th St., Hazel to Cherry	J093				88,160				
Sara Lane Extension	J094						151,929		
Valley View Drive, Talent Ave to Alley	J095				79,819				
Jacksonville Extension 15" relief	J096		33,039	979,000					
Bush Street Services	J097			49,000					
N. First Street	J098						197,244		
South Shasta-Creek Crossing	J099							97,414	
4th-6th Street Rehab	J100				417,623				
Valley View Drive, Anjou Club	J101							113,834	
Erickson Air	J103	16,110							
Concrete Pipe Slip Line Projects-FY08	J104	4,602	343,227	85,000					
Vashti PS	J107	3,126	96,418						
Agate PS Rehab	J108	2,015	103,680						
North Ashland Pump Station #1	J109	2,543	2,683	95,000					
Crater Lane	J111			4,000		199,338			
Pine Street Manhole	J113		23,448						
McAlpin Realign	J114		1,004						
Airport Terminal	J115		428						
Cathodic Protection	J117		1,800	20,300					
Dutton Road PS Rehab	J120		500	62,000					
G Street Jacksonville	J121		59,441						
Central Point Manholes	J122		69,076	170,000					
Pony Farm PS Rehab	J123			31,000					
West Glenwood PS Rehab	J124			31,000					
Airport PS Rehab	J126			78,000					
Justice PS Rehab	J127			80,000					
Concrete Pipe Slip Line Projects-FY09	J128		3,495	500,000					
Vincent St sewer	J130		43	115,000					
9th St rehab	J131				192,592				
Hazel St Realign	J134			30,000	713,460				
Princess Way	J135			5,000					
Kings Hwy	J136			5,000	170,214				
Van Way	J137			5,000					
Peach St Realign	J138			1,000					
Ave H Atlantic	J139			1,000					
Small Jobs		279,132	64,751	23,000	500,000	500,000	500,000	500,000	500,000
Concrete Pipe Slip Line Projects-FY10/11/12/13									
Collection System - RVS		2,465,150	2,331,343	2,371,700	5,192,821	699,338	976,382	711,248	3,472,216
White City Trunk SDC									
Lagoons-Vactor Waste	J063		1,190	10,000					
Ave. G 21" to 30" - 6300 ft (Trunk)	J085	118	397,247	660,000					
Total		118	398,437	670,000	-	-	-	-	-
TOTAL CIP - General Fund 01		2,465,268	2,729,780	3,041,700	5,192,821	699,338	976,382	711,248	3,472,216

ROGUE VALLEY SEWER SERVICES CAPITAL IMPROVEMENT PLAN (CIP)

This "Plan" represents best projections
Conditions may warrant changes to plan

	Proj #	Actual FY07	Actual FY08	Projected FY09	Budget FY10	Plan FY11	Plan FY12	Plan FY13	Plan FY14
Regional Interceptor SDC Fund 07									
North Medford Flow Site	J072	14,701							
VFD Replacement	J110		68,040	370,000					
Old Medford Trunk Sliplining	J068	716,580							
Dunn Pump Station & Force Main	J067	43,913	919,836	1,200,000					
Cathodic Protection	J125				38,000				
Dunn PS Impeller	JXXX				50,000				
UBCI 48" relief	JXXX								8,243,206
Total		775,194	987,876	1,570,000	88,000	-	-	-	8,243,206
White City Storm Drain Fund 09									
Ave. G, Agate to Hwy 62	J046	1,781	428,580						
Antelope SD	J047	14,993							
13th Street Storm	J048						56,275		
Johnny Cat SD	J118		1,019						
4th St SW	J078	22,628							
Ave. F and 15th Street	JXXX				158,000				
Miscellaneous Projects		40	2,471	-	1,000	20,000	20,000	20,000	20,000
Total		39,442	432,070	-	159,000	20,000	76,275	20,000	20,000
Storm Water Quality Fund 10									
Rehab Projects		14,150							
Gebhard SW Tank	J077	69,343							
Jewett Storm Water Structure	J112		43,890	17,000					
Pine Street Manhole	J113			500					
Gangnes Storm	J129		1,134						
RVS Pond	J119		4,073						
Avenue A and Division, WC	J116		4,423	1,000					
West Channel B SW Structure	J079	2,359	58,376						
Snowy Butte Extended Det. Pond	J105	1,383	35,781	1,000					
Talent Ave @ Wagner Creek				80,000					
Hwy 99 @ Coleman Creek				80,000		81,995			
Joseph st Talent					80,000				
Oak St Phoenix					80,000				
Suncrest Road Talent						54,636			
Avenue A, West of Division									
Rapp Road @ Wagner Creek							56,275		
Upton Road @ new pond area							56,275		
Scenic Avenue @ Griffin Creek								81,149	
Arnos @ hwy 99								69,556	
Payne Creek, Phoenix									119,405
Total		87,235	147,677	179,500	160,000	136,631	112,550	150,705	119,405
TOTAL CIP - All Funds		3,367,139	4,297,403	4,791,200	5,599,821	855,969	1,165,207	881,953	11,854,827

ROGUE VALLEY SEWER SERVICES

Major Equipment & Vehicle Replacement Schedule

Yr	Description	Unit #	Date Acquired	Cost	Replace Date	Replace Value	Actual FY07	Actual FY08	Projected FY09	Budget FY10	Plan FY11	Plan FY12	Plan FY13	Plan FY14
<u>Light Trucks</u>														
1999	Ford half ton ext cab 4x2 w Toolbox	3	07/01/99	19,659	2014	25,000								25,000
2008	Ford F-350 4WD Pick Up	16	01/05/07	22,163	2014	25,000	28,473							
2007	Chevy Colorado Extended Cab 4WD	20	01/16/07	12,437	2014	20,000	15,579							
2000	Ford Explorer 4-door	1	07/20/00	23,489	2013	25,000						25,000		
2000	Ford Explorer 4-door	2	07/20/00	23,489	2013	25,000						25,000		
2004	Toyota Tacoma X-Cab 1/2 Ton	23	01/09/04	16,427	2014	18,000								18,000
2004	Toyota Tacoma X-Cab 1/2 Ton	24	01/09/04	16,427	2014	18,000								18,000
2004	Toyota Tacoma 4x4 1/2 Ton	25	01/09/04	20,625	2014	22,000								22,000
2009	Ford F- 350 Pickup	12	01/01/09	33,183	2014	34,000			33,183					
2002	Ford F- 350 4X4 crew cab 3/4 ton	21	08/26/02	36,826	2011	40,000					40,000			
<u>Heavy Equipment</u>														
2008	Flusher Vacuum - Vactor 2100	29	06/17/08	245,470	2008	245,470		245,470						
2009	Backhoe 310SE John Deere	IM	01/01/09	77,191	2009	77,000			77,191					
2009	Backhoe Trailer	bsj	01/01/09	19,950	2009	20,000			19,950					
2010	Television Van			200,000	2010	200,000				200,000				
2007	Dump Truck, Volvo	28	10/16/06	100,026	2017	120,000	100,026							
1983	Crane Truck, Ford F700 3 Ton	6	07/01/95	12,438	2014	80,000								80,000
2008	Crane Truck - Ford F-550 1 Ton Flatbed	17	11/17/06	24,794	2017	30,000	28,429							
2002	Ford F- 550 with Fabricated body	11	08/14/01	31,173	2012	40,000						40,000		
	<u>TOTAL</u>			1,713,416		2,036,470	172,507	245,470	130,324	200,000	40,000	40,000	50,000	163,000

Note: Factors affecting replacement date: mileage, hours, condition, repair record, age of vehicle



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**Rogue Valley Sewer Services
FY10 Adopted Budget
Personal Services**

	Salary Range		Number Positions				
	Entry	Top	FY06	FY07	FY08	FY09	FY10
<u>Management Services Department</u>							
Accounting Clerk	2,629	3,284	1	1	1	1	1
Billing Clerk	2,629	3,284	2	2	2	2	2
Executive Secretary	3,207	4,002	1	1	1	1	1
Finance Director	5,942	7,419	1	1	1	1	1
Lien Search Clerk	14.95 hr	18.68 hr	0	0.5	0.5	0.5	0.5
Manager		11,000	1	1	1	1	1
Network Administrator	5,347	6,677	1	1	1	1	1
Office Assistant	2,192	2,727	1	1	1	1	1
			8	8.5	8.5	8.5	8.5
<u>Engineering Department</u>							
Construction Specialist	3,269	4,069	1	1	1	1	1
District Engineer	7,371	9,828	1	1	1	1	1
Senior Engineer II	5,320	6,650	1	1	1	1	1
Engineering Administrative Assistant	3,048	3,773	0	1	1	1	1
Engineering Tech/EIT	4,114	4,781	1	1	1	1	1
Engineering Tech./Inspector I	2,811	3,480	0	0	0	0	0
Engineering Tech./Inspector II	3,454	4,276	3	3	3	3	3
GIS Specialist	na	na	0	0	0	0	0
Maintenance Worker I	na	na	1	0	0	0	0
Maintenance Worker II	na	na	1	0	0	0	0
Maintenance Worker	2,724	3,391	0	2	2	2	3
Permit Clerk	2,922	3,617	1	0	0	0	0
			10	10	10	10	11
<u>Maintenance Department</u>							
Flusher Crew Lead	2,997	3,730	0	1	1	1	1
Maintenance Worker I	na	na	4	0	0	0	0
Maintenance Worker II	na	na	1	0	0	0	0
Maintenance Worker	2,724	3,391	0	6	6	6	5
O&M Clerk	2,192	2,727	1	1	1	1	1
Operations Manager	5,347	6,677	1	1	1	1	1
Operations Specialist	3,269	4,069	1	1	1	1	1
Project Specialist	2,997	3,730	1	1	1	1	1
TV Van Lead Worker	2,997	3,730	1	1	1	1	1
			10	12	12	12	11
Total Employees			28	30.5	30.5	30.5	30.5

Monthly salary ranges are those current as of July 1, 2008

Rogue Valley Sewer Services FY10 Adopted Budget

Capital Projects

Prepared for Commissioner of Bureau of Labor and Industries
800 NE Oregon St. #32, Portland, OR 97232
Per ORS 279C.305 (Due 30 days prior to adopting budget)

	FY10 Amount	Private Contractor ?	Overhead Percent	Overhead Amount
Projects - General Fund 01				
<u>Rehabilitation Projects</u>				
11th Street Replacement	\$180,300	A	12.00%	19,300
Avenue C Industrial Rehab	\$227,100	A	12.00%	24,300
13th Street Rehab	\$199,400	A	12.00%	21,400
11th Street Rehab	\$281,900	A	11.80%	29,800
5th Street	\$519,500	A	10.80%	50,600
Old Central Point Pressure Main	\$705,100	A	10.00%	64,100
Phoenix Trunk Main	\$640,500	A	10.40%	60,300
Talent Ave	\$277,500	A	11.80%	29,300
10th St, Hazel th Cherry	\$88,200	A	12.00%	9,500
Vaalley View Drive, Talent Ave to Alley	\$79,900	A	12.00%	8,600
4th - 6th Street Rehab	\$417,700	A	11.20%	42,100
9th St Rehab	\$192,600	A	12.00%	20,600
Hazel St Realign	\$713,500	A	10.00%	64,900
Kings Hwy	\$170,300	A	12.00%	18,200
Miscellaneous Projects	\$500,000	B	10.80%	48,700
Total - General Fund	<u>\$5,193,500</u>			
<u>Projects - Other Funds</u>				
Storm Water Quality Fund 10				
Joseph st Talent	\$80,000	B	12.00%	8,600
Oak St Phoenix	\$80,000	B	12.00%	8,600
Total Storm Water Quality Fund	\$160,000			
Interceptor Capital Fund 07 - Cathodic Protection	\$38,000	A	12.00%	4,100
Interceptor Capital Fund 07 - Dunn PS Impeller	\$50,000	B	12.00%	5,400
White City Storm Drain Fund 09-Ave F	\$158,000	B	12.00%	16,900
White City Storm Drain Fund 09-Miscellaneous	\$1,000	B	12.00%	100
Total - Other Funds	<u>\$407,000</u>			
GRAND TOTAL PROJECTS	<u>\$5,600,500</u>			<u>\$555,400</u>

The above list is our best estimate of projects which will be undertaken during the year.
Amounts include costs of construction, engineering, surveying, inspection and indirect costs.
If an individual project is over \$110,000 it will be bid out; if under that amount it may be bid out

- A These projects will be bid out
- B These projects may be bid out
- C These projects will not be bid out

Rogue Valley Sewer Services

FY10 Adopted Budget

History of Customer Accounts

Year	Single Family	MH Park Spaces	MultiFamily Units	Residential Units	Commercial Accounts	Total	Percent Increase	# Empl
Apr-09	19,296	4,613	4,320	28,229	1,655	29,884	1.5%	30.5
Apr-08	19,109	4,469	4,214	27,792	1,639	29,431	1.5%	30.5
Apr-07	18,599	4,624	4,068	27,291	1,698	28,989	1.7%	30.5
Apr-06	18,258	4,775	3,872	26,905	1,586	28,491	2.8%	27.0
Apr-05	17,630	4,751	3,677	26,058	1,649	27,707	12.1% (4)	27.0
Apr-04	15,867	4,314	3,033	23,214	1,505	24,719	10.9% (3)	26.0
Apr-03	13,999	4,101	2,856	20,956	1,337	22,293	6.2%	25.0
Apr-02	13,252	4,079	2,369	19,700	1,298	20,998	3.9%	25.0
Apr-01	12,607	4,039	2,302	18,948	1,258	20,206	4.9%	25.0
Apr-00	11,831	4,013	2,241	18,085	1,177	19,262	3.0%	25.0
Apr-99	11,481	3,899	2,162	17,541	1,151	18,692	3.3%	25.0
Apr-98	10,959	3,882	2,135	16,976	1,119	18,095	3.4%	25.0
Apr-97	10,503	3,779	2,116	16,398	1,097	17,495	3.3%	23.0
Jul-96	10,108	3,676	2,090	15,874	1,070	16,944	25.7% (2)	22.0
Jul-96	7,288	3,506	1,771	12,565	918	13,483	11.5% (1)	19.0
Jul-96	6,438	3,180	1,599	11,217	870	12,087	8.0%	18.0

April 2009 Summary by Location per March

Treatment reports

	RVS	Eagle Point	J'ville	Total
Single Family	15,640	2,658	998	19,296
Mobile Home Park Spaces	4,125	333	155	4,613
Multi-family units	3,750	349	221	4,320
Residential units	23,515	3,340	1,374	28,229
Commercial accounts	1,471	63	121	1,655
Total	24,986	3,403	1,495	29,884

- (1) Added Eagle Point
- (2) Added Central Point
- (3) Added Jacksonville
- (4) Added Phoenix

Rogue Valley Sewer Services

FY10 Adopted Budget

Schedule of Budgeted Debt

Name	Interest Rate	Loan Date	Original Principal Amount	Estimated 6/30/09 Principal Amount	Principal Budget Amount FY10	Interest Budget Amount FY10	Estimated 6/30/10 Principal Amount	Reserve Amount FY10
General Fund - 01								
Note to City of Eagle Point (1)	4.48%	09/01/96	1,800,000	873,924	102,150	37,893	771,774	0
Note to City of Eagle Point (2)	5.01%	10/15/97	550,000	313,566	29,857	15,762	283,709	0
				<u>1,187,490</u>	<u>132,007</u>	<u>53,655</u>	<u>1,055,483</u>	<u>0</u>
Interceptor Capital Expansion Fund - 07								
DEQ Revolving Loan R14001	4.48%	08/01/01	4,305,407	709,695	47,179	26,853	662,516	74,960
DEQ Revolving Loan R14002	4.01%	03/04/02	305,000	251,751	13,009	9,950	238,742	21,723
DEQ Revolving Loan R14003	4.01%	03/04/02	522,044	404,531	23,888	15,955	380,643	37,213
DEQ Revolving Loan R78495	2.87%	06/30/06	5,200,000	2,367,287	0	170,136	2,367,287	175,012
				<u>3,733,264</u>	<u>84,076</u>	<u>222,894</u>	<u>3,649,188</u>	<u>308,908</u>
TOTAL ALL DEBT				<u>4,920,754</u>	<u>216,083</u>	<u>276,549</u>	<u>4,704,671</u>	<u>308,908</u>

Legal Debt Limit: For bonds, the State of Oregon imposes a debt limit of 13% of real market value of all taxable property. The District does not have taxable property nor current outstanding bonds.

Debt: Currently all debt is in the form of loans from either the State Department of Environmental Quality or the State Office of Economic Development. All loans have terms of 20 years. The budgeted debt amounts include both principle and interest.

Notes:

- 1) Reserve of \$132,038 maintained on Eagle Point books from Property Tax revenues (DEQ Loan R30021)
- 2) OEDD loan G96006 with Eagle Point has 2% call premium
- 3) DEQ loan R78495 covers 2 projects, one which was completed in FY08, for \$800,000 and another for approximately \$2,300,000, which is expected to be completed in FY09. Loan amounts exclude RVS overhead amounts. First payment will not be due until completion of the second project. Second project estimated to be completed in May 2009. Loan Reserve requirement is \$175,012 until the final loan amount is calculated.

Rogue Valley Sewer Services FY10 Adopted Budget Ten Year Historical Information

Year Ended June 30th	RVS Population Served	Basic Sewer Rate	Number Permits Issued	Revenue Service Charges	SDC's	Loans Receivable
2010 Budget	73,000	13.90	190	5,662,000	349,000	75,000
2009 Projected	72,000	13.90	182	5,662,000	338,000	135,000
2008 Actual	71,000	13.90	486	5,470,116	1,038,538	205,951
2007 Actual	69,500	13.90	558	5,266,437	958,605	272,921
2006 Actual	68,000	13.90	821	5,352,673	1,635,165	398,754
2005 Actual	66,500	13.90	930	5,119,974	1,204,088	560,813
2004 Actual	59,900	12.70	912	4,277,631	1,042,673	818,071
2003 Actual	53,000	12.70	817	4,012,739	1,019,424	1,030,537
2002 Actual	49,800	12.70	770	3,956,099	725,318	1,323,578
2001 Actual	47,900	11.50	601	3,660,742	762,909	1,562,753
2000 Actual	45,700	11.50	645	3,396,394	692,154	1,827,154
1999 Actual	44,300	11.50	577	3,136,832	439,530	2,135,715

Amounts include General Fund and the operational funds for Phoenix and Jacksonville sewer service
Population estimate is based on number of residential units served times 2.53 average persons per household

**Rogue Valley Sewer Services
 FY10 Adopted Budget
 Ten Year Historical Information**

Fiscal Year Ended June 30th	Expenditures Personal Services	Expenditures Treatment Charges	Rehabilitation Capital Projects	Balance Assessment Bonds	Balance Loans Notes
2010 Budget	2,349,463	2,515,000	5,775,821	0	4,704,671
2009 Projected	2,236,700	2,515,000	4,793,200	0	4,920,754
2008 Actual	1,911,440	2,351,193	4,478,495	0	4,387,359
2007 Actual	1,859,004	2,269,642	3,352,989	0	3,616,211
2006 Actual	1,673,094	2,224,540	2,406,393	0	3,144,314
2005 Actual	1,597,934	1,979,360	1,625,304	0	6,201,973
2004 Actual	1,479,119	1,690,308	1,435,217	15,000	6,567,115
2003 Actual	1,424,460	1,553,536	1,593,630	45,000	6,389,932
2002 Actual	1,329,686	1,517,009	1,430,939	80,000	6,586,846
2001 Actual	1,199,798	1,395,444	1,950,574	415,000	6,770,408
2000 Actual	1,246,796	1,302,685	2,034,993	690,000	5,049,180
1999 Actual	1,163,579	1,176,669	695,197	1,482,488	5,127,080

Amounts include all funds.

**Rogue Valley Sewer Services
FY10 Adopted Budget
Annual Statistical Report**

	June 30 2007	June 30 2008	Increase (Decrease)
<u>Private Developer Projects Completed</u>			
Plan Review	61	26	(35)
Completed Projects	60	57	(3)
Length of lines added in feet	44,542	44,831	289
Cost	\$4,277,497	\$3,093,076	(1,184,421)
<u>Maintenance</u>			
Miles of collection system pipe	348	356	8
Miles of Interceptor system pipe	31	31	-
Total miles of system pipe maintained	379	387	8
Miles of Pipe Cleaned	146.0	141.9	(4)
Miles of Pipe Inspected	91.7	82.0	(10)
Cost of rehabilitation jobs	\$3,352,989	\$4,478,495	1,125,506
Number of rehabilitation jobs completed	5	6	1
Number pump stations upgraded	1	3	2
Pump Station Alarms	54	53	(1)
Sewage Overflows	3	4	1
<u>System Defects Repaired</u>			
	Priority		
By Priority	1	15	19
	2	39	22
	3	18	25
	4	8	9
		80	75
			(5)

na = Information not accurately available

**Rogue Valley Sewer Services
FY10 Adopted Budget
Annual Statistical Report**

	June 30 2007	June 30 2008	Increase (Decrease)
<u>Permits Written</u>			
Eagle Point	78	78	-
Jacksonville	29	19	(10)
RVS	451	389	(62)
Total	558	486	(72)
<u>Customer Accounts (April 1)</u>			
Residential accounts	18,599	19,109	510
Industrial, Institutional accounts	1,698	1,639	(59)
Total accounts	20,297	20,748	451
Number residential units served	27,483	27,934	451
<u>Statistics</u>			
Administrative Staff	8	8.5	1
Engineering/Construction Staff	9	10	1
Maintenance Staff	10	12	2
STEP/STEG/Solids Connections	180	180	-
Number pump stations	24	24	-
Sewage Discharge (Millions Gallons per Day)	19.0	18.9	(0)
Sewer service charges	\$5,266,437	\$5,470,116	203,679
System Development Charges	\$958,605	\$1,038,538	79,933
White City Industrial Storm Drain fees	\$96,396	\$78,442	(17,954)
Storm Water Quality fees	\$245,636	\$253,183	7,547
	\$6,567,074	\$6,840,279	\$273,205
Cost of RVS maintained infrastructure per Audit Includes cost of systems donated by developers	\$80,062,726	\$86,928,403	6,865,677
<u>Population (Estimated)</u>			
RVS Population Served	69,500	71,000	1,500

**Rogue Valley Sewer Services
 FY10 Adopted Budget
 Largest Consumption Customers (Top 20)**

Customer name	Annual Gallons	Percent Total
1 BOISE CASCADE CORP,	78,423,000	3.2%
2 AMY'S KITCHEN,	49,332,000	2.0%
3 BOISE CASCADE CORP,	44,144,000	1.8%
4 BEAR CREEK OPERATIONS,	26,733,340	1.1%
5 V A DOMICILIARY,	26,515,996	1.1%
6 CARESTREAM HEALTH INC,	24,657,143	1.0%
7 JCO FAIRGROUNDS,	18,075,270	0.7%
8 BOISE CASCADE CORP,	14,273,000	0.6%
9 SOUTHERN OREGON LINEN,	13,837,000	0.6%
10 PPLLC CORP,	11,718,000	0.5%
11 BOISE CASCADE CORP,	9,075,000	0.4%
12 WHITE CITY PLYWOOD CO,	8,322,000	0.3%
13 BOC GASES,	6,961,000	0.3%
14 WESTERN VENEER,	5,899,000	0.2%
15 PACIFIC CREST,	5,788,000	0.2%
16 CASCADE WOOD PRODUCT	5,690,000	0.2%
17 BURRILL LUMBER CO,	5,645,000	0.2%
18 HOME DEPOT #8557,	5,558,388	0.2%
19 JACO PUBLIC WORKS,	5,333,276	0.2%
20 ERIKSON AIRCRANE	3,680,000	0.2%
	<hr/>	
	369,660,413	15.2%
All Others	2,062,971,900	84.8%
	<hr/>	
	2,432,632,313	100.0%
	<hr/>	

The above gallons of sewer effluent are for the twelve months ended June 2008

Rogue Valley Sewer Services Glossary of Terms

Accrual Basis: A method of budgetary accounting where expenditures and revenues are recorded when incurred, not when paid. The method differs from GAAP Accrual Basis in that, while capital outlays are recognized as expenditures, depreciation and amortization are not .

Adopted Budget: The Proposed budget that is adopted (approved) by the district. It represents the financial plan of the district that forms the basis and limits for appropriations for the fiscal year.

Appropriation: The legal authorization granted by the district board to make expenditures and incur obligations. Includes Transfer to Other Funds and Contingencies.

Appropriation Resolution: The legal document passed by the district board authorizing expenditures.

Basis of Budgeting: A measurement focus that differs from the basis of accounting in the treatment of beginning fund balances, debt service, vacation benefits, and capital outlay in enterprise funds.

Beginning Fund Balance: A resource classification indicating those financial resources which, because they were not expended in one fiscal year, are available in the following fiscal year.

Bonds: Written promises to pay a sum of money, called principal or face value, at a future date, called the maturity date, along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used to finance long-term capital improvements.

Budget: A policy statement detailing the district's plan for the accomplishment of stated goals within a particular fiscal year, including estimates of required expenditures and anticipated revenues to carry out state goals.

Budget Committee: A panel composed of the district board and an equal number of citizens responsible for the review and recommendation of the annual budget.

Budget Message: A message prepared by the district administrator explaining the annual proposed budget, articulating the strategies and budgets to achieve the District's goals, and identifying budget impacts and changes.

Glossary of Terms, continued

Budget Officer: The person appointed by the district board to be responsible for assembling the budget. For Rogue Valley Sewer Services, the district manager serves this role.

Capital Outlay: An object classification that includes items with a useful life of one or more years, such as machinery, land, furniture, computers, or other equipment, and which cost more than \$1,000.

Capital Projects: Those activities resulting in the acquisition or improvement of major capital items such as: sewer pipeline, pump stations and land.

Category: A major division of the program budget that contains programs and activities. Categories are also known as functional areas.

CIP: Capital Improvement Plan.

Collection System: This is any part of the system that is not an Interceptor or Trunk Main.

Contingency: An appropriation of funds to cover unforeseen events that may occur during the budget year. The District Board must authorize the use of any contingency appropriations.

CPI: Consumer Price Index.

Cured In Place Pipe: A subset of slip lining where the new pipe is installed as a flexible felt tube impregnated with a polymer resin. Once installed, the resin is treated with heat and cures to become a hard plastic liner.

CWSRF: Clean Water State Revolving Fund.

Debt Service: Payment of interest and principal related to long term debt.

Debt Service Funds: These funds account for the accumulation of resources to pay the debt on capital projects.

Department Request: The annual budgetary alternative prepared by department managers indicating an appropriate, justified, and needed level of service for their department together with associated expenditures and revenues.

Depreciation: The charging of a fixed asset as an expense over the estimated service life of that asset.

Ending Fund Balance: A requirement classification for those funds not appropriated for any purpose and reserved for ensuing fiscal years. See also Unreserved Ending Fund Balance.

Expenditures: The money spent by the District for the programs and projects included within the approved budget.

Glossary of Terms, continued

Fiscal Year: Twelve-month period from July 1 to June 30 for which the annual budget of the District is prepared and adopted.

Fixed Assets: Assets of a long-term character such as land, sewer plant, buildings, furniture, and other equipment.

FOG: Fats, Oils and Grease

Force Main: Pipe that transmits sewage under pressure from a pump station.

Fringe Benefits: The non-salary part of employees' total compensation. A typical benefit package includes insurance, retirement, and vacation/sick leave components.

FTE: Full-Time Equivalent is a term used to measure the number of employees on a 40 hour per week basis.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Fund Balance: The difference between governmental fund assets and liabilities; also referred to as fund equity.

GAAP: Generally Accepted Accounting Principals as determined through common practice or as promulgated by the Government Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

General Fund: The fund used to account for operational expenses of a governmental unit financed by taxes and other general revenues.

General Obligation Bonds: This type of bond is backed by the full faith, credit, and taxing power of the government.

Interceptor: Same as trunk main. In our system we use the term to define the Regional facilities (Upper and Lower Bear Creek Interceptors and Old Medford Trunk).

Line Item: An expenditure description at the most detailed level. Objects of expenditure are broken down into specific items, such as printing.

LID: Local Improvement Districts are formed by petition and used to request the District to finance improvements to sewer systems over a 20-year period.

Materials and Services: The term used in an operating budget to designate a classification of expenditures. Refers to planned purchases other than Personal Services or Capital Outlay.

Glossary of Terms, continued

Modified Accrual Basis of Accounting: A basis of accounting where revenues are recognized when they are both measurable and available and expenditures are recognized at a time when liability is incurred pursuant to appropriation authority.

OAR: Oregon Administrative Rules. Rules established by a given state department who have authority granted by an ORS to operate a specific function.

Ordinance: The method by which the appropriation of the budget is enacted into law by the district board per authority of the Oregon State Statutes.

Organizational Unit: An administrative subdivision, such as a department or division, of the district government charged with carrying on one or more specific functions.

ORS: Oregon Revised Statute. The set of laws established by a vote of the people or the state legislature.

Personal Services: An expenditure classification encompassing all expenditures relating to district employees. This includes union and nonunion labor costs, employee benefits, and payroll tax expenses.

Pipe Bursting: Method of rehabilitating pipe where a new pipe is installed through an existing pipe. The old pipe is destroyed in the process. This method allows a larger pipe to be installed without removing the old pipe.

Proposed Budget: The financial and operating document submitted to the Budget Committee and the governing body for consideration.

Requirements: Total expenditures and unappropriated fund balance.

Reserve: A portion of a fund that is restricted for a specific purpose.

Resources: Total amounts available for appropriation consisting of the estimated beginning carryover balance plus anticipated revenues.

Revenue: Income for the fiscal year including transfers and excluding proceeds from the sale of bonds and notes. The major categories of revenue include sewer service charges, storm water charges, system development charges, fees and charges, and interest on investments.

Revised Budget: A budget alternative indicating all changes made to the adopted budget as the result of budget adjustments and the supplemental budget process.

SDC: System Development Charges are assessed on new construction to cover the demands placed on District services. Charges collected will cover sewer pipelines, pump stations and other infrastructure which will provide sewer service.

Slip Lining: Method of rehabilitating pipe where a smaller pipe is installed inside an existing pipe. The existing pipe remains intact and helps support the new pipe.

Glossary of Terms, continued

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are restricted to expenditures for a specific purpose.

Supplemental Budget: A budget that is prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to decrease the ending fund balance.

Transfer: An amount distributed from one fund to finance activities in another fund. It is shown as a requirement in the originating fund and a resource in the receiving fund.

Trunk Main: A large diameter pipe used to transmit sewage from a city or large population center to a treatment plant. We use this term to describe several different large-diameter sewer mains but only have an SDC dedicated to the White City Trunk and Eagle Point Trunk.

Unreserved Ending Fund Balance: The amount of ending fund balance which has not been specifically reserved for any purpose. A reserve for debt service, as a requirement of a loan or debt issue would be an example of a reserve.

Rogue Valley Sewer Services Notice of Budget Committee Meeting

A public meeting of the Budget Committee of the Rogue Valley Sewer Services, Jackson County, State of Oregon, to discuss the budget for the fiscal year July 1, 2009 to June 30, 2010 will be held at 138 West Vilas Road, Central Point, Oregon 97502. The meeting will take place on the 6th day of May, 2009 at 7:00 a.m. The purpose of the meeting is to receive the budget message and to receive comments from the public on the budget. A copy of the budget document may be inspected or obtained on or after April 24th, 2009 at 138 West Vilas Road, Central Point, between the hours of 8:00 a.m. and 5:00 p.m., or will be available on the RVS website at www.rvss.us. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.

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