

Bureau/Fund: Sewer System Rate Stabilization Fund (632)**Fiscal Year 2003-04**

Exhibit 10

Spring Major Supplemental Budget

	Adopted Budget	Authorized Revisions	Revised Budget A/P 10	Supplemental Action	Total Budget
RESOURCES					
Service Charges and Fees	\$0	\$0	\$0	\$0	\$0
Government Sources	0	0	0	0	0
Debt Sales	0	0	0	0	0
Miscellaneous	552,144	0	552,144	0	552,144
Interfund Cash Transfers (Capital)	0	0	0	0	0
Interfund Cash Transfers (Other)	6,000,000	0	6,000,000	3,400,000	9,400,000
Interfund Service Reimbursements	0	0	0	0	0
Beginning Fund Balance	9,642,830	0	9,642,830	0	9,642,830
TOTAL RESOURCES	\$16,194,974	\$0	\$16,194,974	\$3,400,000	\$19,594,974
REQUIREMENTS					
Personal Services	\$0	\$0	\$0	\$0	\$0
Materials and Services					
External	0	0	0	0	0
Internal	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Capital Equipment Cash Transfer	0	0	0	0	0
Contingency	16,194,974	(362,215)	15,832,759	3,400,000	19,232,759
Debt Service	0	0	0	0	0
Interfund Cash Transfer	0	362,215	362,215	0	362,215
TOTAL REQUIREMENTS	\$16,194,974	\$0	\$16,194,974	\$3,400,000	\$19,594,974

1. The first request is the Rate Stabilization Fund (RSF) side of the Sewer Operating Transfer for:

A. The transfer of General Fund Overhead true-up savings, \$333,697 (Winter BMP correction)

B. This recognizes the loan proceeds from DEQ's State Revolving Loan Fund. This loan provides for multi-year funding for Water Quality Projects. The amount represents the amount that will be needed in 03-04 (total SRF amount is just over \$2.3 million). The funds are for revegetation projects that have already been budgeted. This transaction replaces the initial funding from rates and sends the rate savings to the Rate Stabilization Fund, \$286,307 (Winter BMP correction).

C. The latest financial model demonstrates the need for more transfers to the Rate Stabilization Fund to meet future needs – this requested appropriation gives the bureau the flexibility to transfer up to an additional \$2,320,756.

The above transactions will result in an increase of cash transfer appropriation from the Sewage System Operating Fund to the Rate Stabilization Fund of \$2,940,760.

2. This request reduces funding in FY 2003-04 in the Sewer Operating Fund and moves funding to the Rate Stabilization Fund in anticipation of increasing the 04-05 budget for the same amount and program reason. The Crystal Springs River Renaissance Project was delayed by the Army Corp of Engineers due to resource constraints. ACOE is now prepared to proceed; however the FY 2003-04 budget assumes all funding spent in the same fiscal year. This request removes \$100,000 from budget so it is not identified as Year-End savings and used to reduce further borrowings for the Capital Program. This amount was not re-budgeted in FY 2004-05 so rates were not developed on inflated funding requirements.

3. This request responds to OMF direction to provide appropriation for interest expense related to Pension Obligation Bonds in the Sewer Operating Fund. In effect, the transaction reduces the unspent cash transfer of \$359,240 to the POB Fund and shifts it to the Rate Stabilization Fund.

Total of all cash transfers from the Operating Fund to the RSF is \$3,400,000.