COLLEGE TOWNSHIP WATER AUTHORITY
YEAR 2010 OPERATING BUDGET SUMMARY

OPERATING BUDGET SUMMARY

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
OPERATING INCOME									
Water System Revenues	1,012,246	1,216,552	1,539,294	1,462,263	1,646,077	1,693,859	1,534,885	1,475,759	1,536,668
OPERATING EXPENSES									
Purification and Pumping	92,619	123,765	144,852	145,238	140,570	149,208	145,835	130,260	143,650
Distribution System	161,625	172,236	148,272	213,032	195,877	226,458	245,798	207,876	226,440
General Expense	259,082	268,145	291,039	295,667	308,830	295,096	344,795	350,765	374,840
TOTAL OPERATING EXPENSES	513,326	564,146	584,163	653,937	645,277	670,762	736,428	688,901	744,930
OPERATING MARGIN	498,920	652,406	955,131	808,326	1,000,800	1,023,097	798,457	786,858	791,738
NON-OPERATING INCOME (EXPENSE)	9,561	43,865	68,830	82,433	72,608	47,660	48,012	21,812	17,500
	508,481	**696,271**	**1,023,961**	**890,759**	**1,073,408**	**1,070,757**	**846,469**	**808,670**	**809,238**
LESS: DEBT SERVICE REQUIREMENT	497,431	557,623	557,098	556,411	441,330	432,928	723,011	723,011	720,986
	11,050	**138,648**	**466,863**	**334,348**	**632,078**	**637,829**	**123,458**	**85,659**	**88,252**
LESS: DISCRETIONARY CAPITAL ITEMS							77,330	87,166	70,700
AVAILABLE FOR: Contingencies and Reserve							**46,128**	**(1,507)**	**17,552**
ALLOWABLE OPERATING REQUISITIONS									

Calculation of Required Coverage (Section 5.01)

	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
Water System Revenues	1,534,885	1,475,759	1,536,668
Investment Income	48,012	21,812	17,500
	1,582,897	**1,497,571**	**1,554,168**
Administrative and operating expenses	736,428	688,901	744,930
110% of Debt Service Requirement	795,312	795,312	793,085
	1,531,740	**1,484,213**	**1,538,015**
Excess Coverage	**51,157**	**13,358**	**16,153**

Approved by Board - 12/2/2009

OPERATING INCOME

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
WATER SYSTEM REVENUES									
METERED WATER REVENUES									
378.110 Metered Water Revenues - Residential	478,679	492,317	576,728	601,415	633,429	638,160	660,400	653,000	700,000
378.120 Metered Water Revenues - Commercial	164,960	189,100	212,112	226,592	250,285	223,313	234,000	246,000	280,000
378.130 Metered Water Revenues - Industrial	140,652	134,153	118,516	143,198	161,914	92,555	98,800	74,000	84,000
378.140 Metered Water Revenues - Other Public	4,499	31,125	34,199	9,441	12,999	12,296	13,000	11,000	11,760
378.141 Metered Water Revenues - SCI Rockview	0	41,567	172,921	87,444	182,204	235,330	101,750	118,000	125,000
378.142 Metered Water Revenues - UAJA BRW	0	0	0	0	0	57,627	82,360	44,000	55,330
Subtotal	**788,790**	**888,262**	**1,114,476**	**1,068,090**	**1,240,831**	**1,259,281**	**1,190,310**	**1,146,000**	**1,256,090**
FIRE SERVICES									
378.405 Fire Services - CTWA Hydrants	55,055	57,827	58,802	63,191	66,733	68,427	69,608	69,659	84,132
378.410 Fire Services - Private Hydrants	4,883	4,883	4,844	4,729	4,883	4,883	4,626	5,036	5,544
378.420 Fire Services - Sprinkler Fire Lines	120,469	120,790	122,452	127,333	131,713	134,681	140,065	135,888	149,752
Subtotal	**180,407**	**183,500**	**186,098**	**195,253**	**203,329**	**207,991**	**214,299**	**210,583**	**239,428**
OTHER WATER RELATED REVENUES									
378.300 Penalties	10,803	10,375	9,829	10,180	11,454	11,416	11,600	13,500	13,500
378.500 Water Main Connection Fees	27,916	55,831	75,305	25,947	13,003	35,756	30,000	11,000	22,300
378.505 Capital Recovery - SCI Rockview	0	73,433	151,277	157,356	163,678	170,255	87,676	87,676	0
378.510 Meter Sales and Installations	2,568	1,043	492	0	0	0	0	0	0
378.890 Professional Fees Reimbursement	0	0	0	0	0	0	0	0	0
378.895 Engineer Inspection Fees	0	0	0	0	0	0	0	0	0
380.000 Miscellaneous	1,762	4,108	1,817	5,437	13,782	9,160	1,000	7,000	5,350
Subtotal	**43,049**	**144,790**	**238,720**	**198,920**	**201,917**	**226,587**	**130,276**	**119,176**	**41,150**
TOTAL WATER SYSTEM REVENUES	1,012,246	1,216,552	1,539,294	1,462,263	1,646,077	1,693,859	1,534,885	1,475,759	1,536,668

OPERATING REVENUES

METERED WATER REVENUE

Effective January 1, 2010, water consumption is proposed to be billed to the majority of its customers for each meter at $5.60 per 1,000 gallons consumed, an increase of 7.7% over the 2009 rate.

SCI- ROCKVIEW: During 2003, the Authority entered into an agreement with the Commonwealth of Pennsylvania whereby the Authority has agreed to provide the Department of Corrections up to 700,000 gallons of potable water daily as a backup water supply. The Commonwealth has committed to a minimum purchase of 50 million gallons of water per year. The initial contract rate, which was fixed for a period of 5 years, now adjusts on an annual basis. Potable water was first made available on June 9, 2004.

UAJA: The Authority has entered an agreement with the UAJA concerning water distribution by UAJA to existing and/or future customers of the Authority. For all UAJA service to CTWA customers existing as CTWA customers as of December 31, 2007, CTWA shall be paid its customary rate per gallon less the cost of purification and pumping. The rate will adjust annually, consistent with CTWA's rate structure and purification and pumping costs. For all UAJA service to CTWA customers not existing as CTWA customers as of December 31, 2007, the parties agree to negotiate and resolve any reimbursement due to CTWA on a case-by-case basis in a reasonably timely fashion.

The number and types of customers expected to be served by the Authority during 2010, along with the total billed usage for those customer classes, is as shown in the following table:

CUSTOMER CLASS	NUMBER	BILLING USAGE (GALLONS)	REVENUE
Residential	2,385	125,000,000	$700,000
Commercial	320	50,000,000	280,000
Industrial	18	15,000,000	84,000
Other	13	2,100,000	11,760
	2,736	**192,100,000**	**$ 1,075,760**
UAJA – Beneficial Reuse	2	11,000,000	55,330
SCI-Rockview	1	50,000,000	125,000
TOTAL	**2,739**	**253,100,000**	**$ 1,256,090**

OPERATING REVENUES

FIRE SERVICES

The following table reflects the types of fire service, the number of customers utilizing these services, and the revenue to be expected in 2010:

HYDRANTS	**NUMBER**	**ANNUAL CHARGE**	**REVENUE**
Hydrants – Authority owned and maintained	228	$ 369	$84,132
Hydrants – Privately owned and maintained	18	$ 308	$ 5,544
STANDBY FIRE LINES	**NUMBER**	**ANNUAL CHARGE**	**REVENUE**
Sprinkler – 4" fire service	15	$ 1,349	$20,235
Sprinkler – 6" fire service	22	$ 2,698	59,356
Sprinkler – 8" fire service	13	$ 5,397	70,161
	48		$149,752

PENALTIES

This account covers the 10% penalty charged to customers who don't pay their bill within 30 days of the billing date.

WATER MAIN CONNECTION FEES

This account is for the revenue generated from customers connecting to the distribution system. The connection fee allows the Authority to recoup its cost to install the new service connection and includes the customer's facilities fee and the tapping fee. The fee is set so as not to exceed that allowed by state law.

CAPITAL RECOVERY – SCI ROCKVIEW

In order to provide potable water to the Department of Corrections pursuant to the 2003 agreement, a 12-inch transmission line has been constructed from the Authority's line to the State's property. The actual cost of the project including capitalized interest and allocable debt issuance costs is $803,675. The agreement required the Commonwealth to reimburse the Authority for the costs of the project (principal) together with interest over a 5-year period. Principal repayment is reflected here and interest is included in investment income. The final payment was made on for 6/9/2009.

METER SALES AND INSTALLATIONS

This item of revenue reflects the charges to customers for the installation of meters, either individuals or in groups (pits) not charged pursuant to a water main connection application.

PROFESSIONAL FEES REIMBURSEMENT

Engineering, legal, and other administrative costs incurred in connection with water main extensions are the responsibility of the customer, contractors and developers. Reimbursements of these costs as well as other reimbursable professional expenses are accounted for in this account.

ENGINEER INSPECTION FEES

Fees paid by the Authority for water system inspections and reimbursable by contractors, developers, and customers are accounted for in this account. Expenses incurred in inspections are captured in the general expense section in account #448.818.

MISCELLANEOUS WATER REVENUES

This account is for other water system related revenues not accounted for elsewhere. This would include income from reimbursement for cost of repairs to damaged meters, mains, fire hydrants, and any other repairs made by Authority personnel. Reimbursements are paid by companies or individuals damaging our facilities primarily through their neglect.

PURIFICATION AND PUMPING EXPENSES

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
PURIFICATION EXPENSE									
448.201 Operating Supplies and Exp-Mt Nittany Contac	0	0	0	0	0	0	0	0	0
448.202 Chemical Purchases	21,186	27,548	31,596	24,131	25,397	22,565	20,000	23,100	23,100
448.203 Power Purchased - Mt Nittany Contact Tank	4	0	0	0	0	0	0	0	0
448.204 Water Analysis	557	3,302	17,356	14,034	11,809	17,972	20,000	12,000	8,520
448.205 Equipment Maintenance - Mt Nittany Contact T	0	0	0	0	0	0	0	0	0
448.206 Structure Maintenance - Mt Nittany Contact Ta	0	0	0	0	0	0	0	0	0
TOTAL PURIFICATION	**21,747**	**30,850**	**48,952**	**38,165**	**37,206**	**40,537**	**40,000**	**35,100**	**31,620**
PUMPING EXPENSE									
PUDDINTOWN STATION									
448.311 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.312 Power Purchased	0	0	63	51	0	0	75	75	90
448.313 Equipment Maintenance	0	0	0	0	0	0	0	0	0
448.314 Structure Maintenance	0	0	420	0	0	612	250	250	250
Subtotal	**0**	**0**	**483**	**51**	**0**	**612**	**325**	**325**	**340**
MATILDA BOOSTER STATION									
448.321 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.322 Power Purchased	10,380	7,724	1,591	1,416	1,262	1,656	1,500	1,400	1,680
448.323 Equipment Maintenance	1,494	867	0	13	0	38	250	250	250
448.324 Structure Maintenance	661	325	0	0	0	118	150	150	150
Subtotal	**12,535**	**8,916**	**1,591**	**1,429**	**1,262**	**1,812**	**1,900**	**1,800**	**2,080**
LEMONT BOOSTER STATION									
448.331 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.332 Power Purchased	0	0	3,493	3,669	2,802	3,212	4,000	3,000	3,600
448.333 Equipment Maintenance	0	0	3,018	0	3,417	1,536	2,000	225	2,000
448.334 Structure Maintenance	352	405	887	74	148	945	1,000	350	1,000
Subtotal	**352**	**405**	**7,398**	**3,743**	**6,367**	**5,693**	**7,000**	**3,575**	**6,600**
SPRING CREEK PARK WELL									
448.361 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.362 Power Purchased	36,486	32,132	28,943	26,258	31,208	32,691	30,000	31,750	38,100

PURIFICATION AND PUMPING EXPENSES

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
448.363 Equipment Maintenance	2,511	1,911	446	8,474	4,088	5,376	6,000	1,650	4,500
448.364 Structure Maintenance	170	1,542	13	415	0	310	500	500	500
448.365 Well Monitoring Costs	17,211	18,063	2,403	3,652	6,816	0	0	5,500	2,500
448.367 Easement Costs	0	0	0	5,000	5,000	5,000	5,610	5,610	5,610
Subtotal	**56,378**	**53,648**	**31,805**	**43,799**	**47,112**	**43,377**	**42,110**	**45,010**	**51,210**
ROGERS WELL									
448.371 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.372 Power Purchased	112	21,832	37,838	34,575	37,641	45,061	39,000	36,500	43,800
448.373 Equipment Maintenance	0	538	235	3,163	423	231	3,000	2,350	2,000
448.374 Structure Maintenance	0	745	34	1,715	626	234	1,000	100	500
448.375 Well Monitoring Costs	0	6,831	16,516	18,598	9,933	11,651	10,000	5,500	5,500
Subtotal	**112**	**29,946**	**54,623**	**58,051**	**48,623**	**57,177**	**53,000**	**44,450**	**51,800**
INTERCONNECTIONS - SCBWA ,PSU, and BELLEFONTE									
448.386 Purchased Water	311	0	0	0	0	0	1,000	0	0
448.388 Interconnection Maintenance	1,184	0	0	0	0	0	500	0	0
Subtotal	**1,495**	**0**	**0**	**0**	**0**	**0**	**1,500**	**0**	**0**
TOTAL PUMPING	**70,872**	**92,915**	**95,900**	**107,073**	**103,364**	**108,671**	**105,835**	**95,160**	**112,030**
TOTAL PURIFICATION AND PUMPING	**92,619**	**123,765**	**144,852**	**145,238**	**140,570**	**149,208**	**145,835**	**130,260**	**143,650**

PURIFICATION

448.201 OPERATING SUPPLIES AND EXPENSE – MT. NITTANY

At this time, Mt. Nittany Contact Tank is not operational.

448.202 CHEMICAL PURCHASES

This line item covers the purchase chlorine gas and liquid, corrosion inhibitor, and other chemicals used to treat water.

448.203 POWER PURCHASED – MT. NITTANY

At this time, Mt. Nittany Contact Tank is not operational.

448.204 WATER ANALYSIS

This line item covers the cost of testing water samples collected throughout the entire water system at EPA and DEP approved labs. Also includes endocrine disruptor testing of the UAJA's beneficial reuse water.

448.205 EQUIPMENT MAINTENANCE – MT. NITTANY
448.206 STRUCTURE MAINTENANCE – MT. NITTANY

No expenses are expected to be incurred at the Mt. Nittany Contact Tank, which is not operational at this time.

PUMPING

PUDDINTOWN STATION

448.311 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of light bulbs, fuses, and other operating supplies specific to this facility.

448.312 POWER PURCHASED

This account covers the cost of electricity.

448.313 EQUIPMENT MAINTENANCE

This account covers costs incurred in maintaining pumps, meters, and other equipment located at the facility.

448.314 STRUCTURE MAINTENANCE

This line item covers the costs incurred in repairing and maintaining the structures at this facility.

MATILDA BOOSTER STATION

448.321 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of light bulbs, fuses, and other operating supplies specific to this facility.

448.322 POWER PURCHASED

This account covers the cost of electricity used in this facility for light, heat, equipment, and pumps.

448.323 EQUIPMENT MAINTENANCE

This account covers costs incurred in maintaining pumps, meters, and other equipment located at the facility.

448.324 STRUCTURE MAINTENANCE

This line item covers the costs incurred in repairing and maintaining the structures at this facility.

LEMONT BOOSTER STATION

448.331 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of light bulbs, fuses, and other operating supplies specific to this facility.

448.332 POWER PURCHASED

This account covers the cost of electricity for light, heat, equipment, and pumps.

448.333 EQUIPMENT MAINTENANCE

This account covers costs incurred in maintaining pumps, meters, and other equipment located at the facility.

448.334 STRUCTURE MAINTENANCE

This line item covers the costs incurred in repairing and maintaining the structure at this facility.

WATER SOURCE: SPRING CREEK PARK WELL

448.361 OPERATING SUPPLIES AND EXPENSE

This account covers the cost of light bulbs, fuses, and other operating supplies specific to this facility.

448.362 POWER PURCHASED

This account covers the cost of electricity used for light, heat, equipment, and pumps.

448.363 EQUIPMENT MAINTENANCE

This account covers costs incurred in maintaining pumps, chlorine residual analyzer, chlorine feeds, and meters.

448.364 STRUCTURE MAINTENANCE

This account covers the costs incurred in repairing and maintaining the structure at this facility.

448.365 WELL MONITORING COST

This account consists primarily of costs incurred in conducting monitoring as required by DEP. It also provides for the services of a hydrogeologist used for various purposes from time to time.

448.367 EASEMENT COSTS

Pursuant to an easement agreement with the College Township Water Authority signed July 7, 1999, the Authority paid the Township an annual fee of $5,000 beginning 11/29/06. The fee is to be used for park and recreation purposes. As required by the agreement, the fee adjusted to $5,610 in 2009, and then will adjust every fifth year thereafter.

WATER SOURCE: ROGERS WELL

448.371 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of light bulbs, fuses, and other operating supplies specific to this facility.

448.372 POWER PURCHASED

This account covers the cost of electricity used in these facilities for light, heat, equipment, and pumps.

448.373 EQUIPMENT MAINTENANCE

This account covers costs incurred in maintaining pumps, chlorine residual analyzer, chlorine feeds, and meters.

448.374 STRUCTURE MAINTENANCE

This line item covers the costs incurred in repairing and maintaining the structures at this facility.

448.375 WELL MONITORING COST

This account consists primarily of costs incurred in conducting monitoring as required by DEP. It also provides for the services of a hydrogeologist used for various purposes from time to time.

<u>INTERCONNECTIONS – SCBWA, PSU, AND BELLEFONTE</u>

448. 386 PURCHASED WATER

This line item covers the cost of metered water provided by agreement with Penn State University and State College Borough Water Authority as backup sources for the CTWA water system. At this time, there is no physical connection to either backup source.

448. 388 INTERCONNECTION MAINTENANCE

This line item covers the cost of maintaining backflow preventors, meter pits, and PRVs incidental to the interconnections.

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
STORAGE-DALE ST RESERVOIR									
448.341 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.342 Power Purchased	342	325	308	285	379	438	375	400	480
448.343 Equipment Maintenance	1,075	945	855	3,555	80	5,701	2,000	2,000	2,000
448.344 Structure Maintenance	85	275	89	4,009	2,286	8,855	1,000	375	1,000
Subtotal	**1,502**	**1,545**	**1,252**	**7,849**	**2,745**	**14,994**	**3,375**	**2,775**	**3,480**
STORAGE-STRUBLE RD TANK									
448.351 Operating Supplies and Expense	0	0	0	0	0	0	0	0	0
448.352 Power Purchased	0	0	0	0	0	0	250	250	300
448.353 Equipment Maintenance	0	0	0	0	0	0	1,000	1,750	1,750
448.354 Structure Maintenance	0	0	0	0	0	57	1,000	650	1,000
Subtotal	**0**	**0**	**0**	**0**	**0**	**57**	**2,250**	**2,650**	**3,050**
MAINTENANCE-DISTRIBUTION SYSTEM									
448.475 Maintenance of Distribution / Trans Mains	15,219	17,656	16,654	29,283	20,902	14,073	18,000	10,500	15,000
448.490 Maintenance of Service Lines	13,463	7,827	10,932	17,607	5,382	9,913	10,000	15,250	13,000
448.510 Maintenance of Hydrants	3,707	7,337	852	673	4,962	2,186	4,000	1,675	3,000
448.530 Meter Supplies and Maintenance	2,825	2,935	1,885	2,041	2,090	1,370	3,500	2,850	3,000
448.532 PRV - Penn Hills	50	0	0	0	0	0	300	300	300
448.534 PRV - Independence Place	0	0	620	0	845	2	300	300	300
448.536 PRV - Oak Hall	450	36	460	189	845	279	300	2,100	300
448.537 PRV - Rockview North	0	92	0	110	115	0	300	100	300
448.538 PRV - Rockview South	0	17	5	91	217	0	300	300	300
448.539 PRV - Bellefonte Interconnect	0	0	0	0	0	0	300	100	300
448.541 PRV - Nittany Commons	0	0	0	0	0	0	0	50	300
Subtotal	**35,714**	**35,900**	**31,408**	**49,994**	**35,358**	**27,823**	**37,300**	**33,525**	**36,100**
GENERAL-DISTRIBUTION SYSTEM									
448.181 Contract Labor - College Twp Personnel	12,053	23,761	19,712	26,318	35,359	40,711	36,500	28,000	31,669
448.540 Contract Labor - Technicians	104,967	107,142	88,820	117,536	114,104	127,111	140,200	123,800	128,200
448.556 Leak Detection Services	4,500	1,500	4,000	5,343	0	2,311	5,000	5,000	5,000
448.570 Storage Rental	0	0	0	0	0	0	0	0	0
448.575 R-O-W, Regulatory Compliance	1,189	212	1,620	581	726	2,142	2,500	2,500	2,500
448.648 Pa One Call Service	645	659	591	780	1,163	1,152	1,200	850	1,200
448.760 Small Tools and Minor Equipment	1,055	1,517	869	4,383	1,856	3,541	3,000	1,400	3,000
448.761 Repairs and Maintenance-Water Equip	0	0	0	0	4,107	2,750	13,523	6,100	11,291
448.762 Safety Equipment	0	0	0	248	459	3,866	950	1,276	950
Subtotal	**124,409**	**134,791**	**115,612**	**155,189**	**157,774**	**183,584**	**202,873**	**168,926**	**183,810**
TOTAL DISTRIBUTION SYSTEM	**161,625**	**172,236**	**148,272**	**213,032**	**195,877**	**226,458**	**245,798**	**207,876**	**226,440**

STORAGE – DALE STREET RESERVOIR

448.341 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of miscellaneous supplies specific to this facility.

448.342 POWER PURCHASED

This line item covers the electricity used for monitoring equipment and in lighting the area.

448.343 EQUIPMENT MAINTENANCE

This line item covers the cost incurred in maintaining the equipment located at this site. SCADA System components are considered to be equipment.

448.344 STRUCTURE MAINTENANCE

This line item covers the cost incurred in repairing and maintaining the reservoir and other structures at this facility.

STORAGE – STRUBLE ROAD TANK

448.351 OPERATING SUPPLIES AND EXPENSE

This line item covers the cost of miscellaneous supplies specific to this facility.

448.352 POWER PURCHASED

This line item covers the electricity used for monitoring equipment and in lighting the area.

448.353 EQUIPMENT MAINTENANCE

This line item covers the cost incurred in maintaining the equipment located at this site. SCADA System components are considered to be equipment.

448.354 STRUCTURE MAINTENANCE

This line item covers the cost incurred in repairing and maintaining the above ground storage tank located at Struble Road.

MAINTENANCE – DISTRIBUTION SYSTEM

448.475 MAINTENANCE OF DISTRIBUTION/TRANSMISSION MAINS

Distribution waterlines deliver water to and through specific areas and to individual customers. Costs incurred in repairing distribution water mains and appurtenances, such as blow-offs and gate valves, in the distribution system are recorded here.

DISTRIBUTION SYSTEM EXPENSES

Transmission waterlines are those primary routes where large flows of water are expected to be conveyed across a pressure zone and typically extend from the water source to and from storage/booster facilities, and beyond to areas of high water demand. The costs involved in repairing and maintaining the various transmission lines throughout the water system are recorded here.

448.490 MAINTENANCE OF SERVICE LINES

This line item covers the costs incurred in maintaining service lines, curb stops, main corporations, and curb boxes in the distribution system.

448.510 MAINTENANCE OF HYDRANTS

This item covers the cost incurred in maintaining, including painting fire hydrants. Currently, the authority maintains 229 hydrants.

448.530 METER SUPPLIES AND MAINTENANCE

This line item covers the costs incurred testing and calibrating meters as well as parts needed to maintain meters in good working condition.

448.532 PRV – PENN HILLS

This line item covers the cost in maintaining the pressure reducing valve located at Penn Hills.

448.534 PRV – INDEPENDENCE PLACE

This line item covers the cost in maintaining the pressure reducing valve located at Independence Place.

448.536 PRV – OAK HALL

This line item covers the cost in maintaining the pressure reducing valve located at Baldwin Street for the Oak Hall system.

448.537 PRV - ROCKVIEW NORTH

This line item covers the cost in maintaining the pressure reducing valve located at Rockview North.

448.538 PRV - ROCKVIEW SOUTH

This line item covers the cost in maintaining the pressure reducing valve located at Rockview South.

448.539 PRV - BELLEFONTE INTERCONNECT

This line item covers the cost in maintaining the pressure reducing valve located at Bellefonte Interconnect.

448.541 PRV – NITTANY COMMONS

This line item covers the cost in maintaining the pressure reducing valve located at Nittany Commons.

GENERAL – DISTRIBUTION SYSTEM

448.181 CONTRACT LABOR – COLLEGE TOWNSHIP PERSONNEL

This line item covers the labor charges incurred when College Township personnel are needed for various projects.

448.540 CONTRACT LABOR – TECHNICIANS

This line item covers the cost of labor charges, including scheduled overtime, for four full-time service technicians.

448.556 LEAK DETECTION SERVICES

This line item covers the costs incurred in employing an independent company to identify leaks in the water system.

448.575 R-O-W, REGULATORY COMPLIANCE

This line item covers the cost of producing the annual water quality report, acquiring right of ways, various permits required by state and federal regulatory bodies, fees associated with regulatory reporting such as the Tier II Report, and CDL license expenses.

448.648 PA ONE CALL SERVICE

This line item covers the monthly per fax charge for identifying underground facilities.

448.760 SMALL TOOLS AND MINOR EQUIPMENT

This line item covers the cost of acquiring and maintaining small tools used in every day operation.

448.761 REPAIRS AND MAINTENANCE – WATER EQUPMENT

This line item covers the cost of maintaining specialized water system equipment such as the SCADA System and Chlorine Analyzers. For 2010, the following costs are as follows:

Hach Company Service Agreement - $2,891

This agreement would provide four on-site preventive maintenance visits per year, once each quarter, to service the chlorine analyzers and turbidimeters at the Spring Creek Park Station and the Rogers Well Station. Each visit includes cleaning, calibration and the replacement of any necessary parts to keep the units functioning properly and in compliance with all DEP regulations. Any emergency visits required in between regular scheduled maintenance visits to service or repair the units would also be included in this agreement.

Tri-Star – SCADA Maintenance Agreement - $9,900

This agreement will provide two working days/trips per year as requested by a Tri-Star technician to verify proper operation of all SCADA controls, instruments and related equipment including annual calibration of equipment to ensure accurate measuring and transmitting of data. This agreement does not provide for any miscellaneous repair of equipment or replacement parts if needed. $6,000 has been included for repairs and parts.

Allied Agreement	**$3,900.00**
Repairs/Parts	**$6,000.00**
	$ 9,900.00

448.762 SAFETY EQUIPMENT

In 2004, College Township formed a safety committee.

The purpose of the College Township Safety Committee is to bring workers and management together in a non-adversarial, cooperative effort to detect hazards, correct workplace hazards and increase safety awareness in the workplace. $950 is budgeted for items identified by the committee during 2010 that will serve to increase safety in the work place.

GENERAL EXPENSES

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
OFFICE									
448.600 Contract Labor - Billing and Cust Serv	36,663	33,728	35,926	38,280	40,478	37,054	39,900	32,100	41,435
448.605 Contract Labor - College Twp Personnel	4,207	4,298	3,787	6,208	7,721	8,508	9,625	9,750	9,250
448.610 Contract Labor - Meter Reading	5,690	4,144	3,974	3,877	5,782	10,997	7,000	12,600	12,300
448.612 Professional Employment Services	0	0	0	0	0	1,468	500	11,850	0
448.620 Office and Other Supplies	3,396	3,357	2,617	3,084	1,939	2,301	3,750	2,950	3,750
448.621 Computer and Software Maintenance	1,527	4,247	3,213	2,497	6,100	4,384	7,200	5,000	5,250
448.625 Postage and Freight Charges	4,897	6,429	3,374	5,100	4,531	4,403	5,000	5,000	5,000
448.641 Advertising	2,772	3,213	1,307	584	3,254	1,004	1,500	785	1,000
448.643 Internet and Email	176	192	230	1,157	1,362	1,535	1,750	1,750	1,750
448.645 Telephone	1,826	1,864	1,709	2,127	2,208	1,862	2,500	1,650	2,000
448.647 Cellular Phone	300	296	415	763	420	548	700	475	800
448.655 Uncollectible Accounts	0	2,936	(2,696)	(496)	1,251	1,806	0	0	0
Subtotal	**61,454**	**64,704**	**53,856**	**63,181**	**75,046**	**75,870**	**79,425**	**83,910**	**82,535**
GENERAL PROPERTY									
448.702 Vehicle Repairs and Maintenance	3,021	6,027	2,572	4,721	8,119	7,496	6,000	3,000	5,000
448.731 Vehicle Fuels: Gas, Diesel, Oil, Etc	2,322	2,621	3,007	4,062	4,251	5,741	6,100	3,250	3,900
448.735 Repairs of Tools and Machinery	0	44	167	345	309	117	500	100	500
448.740 Materials and Supplies	1,279	413	2,107	1,267	2,322	2,064	2,150	2,950	2,950
448.765 Radio/Paging Equipment and Maint	513	371	322	221	237	4,024	450	300	450
448.770 Rental of Equipment	1,476	0	4,130	4,887	11,712	1,523	7,500	7,700	6,000
Subtotal	**8,611**	**9,476**	**12,305**	**15,503**	**26,950**	**20,965**	**22,700**	**17,300**	**18,800**
ENGINEERING AND PROFESSIONAL									
448.810 Engineering - Consulting	42,555	31,471	43,486	34,054	21,656	19,795	25,000	30,000	25,000
448.818 Engineering - Inspection	0	1,429	0	0	2,523	0	2,500	2,500	2,500
448.840 Accounting and Audit	12,585	12,888	17,805	11,765	15,060	12,868	14,500	16,995	15,900
448.845 Legal	5,863	3,406	3,207	495	1,210	647	1,500	8,500	12,000
448.850 Professional - Other	0	0	7,000	0	1,600	1,600	1,600	1,600	1,600
Subtotal	**61,003**	**49,194**	**71,498**	**46,314**	**42,049**	**34,910**	**45,100**	**59,595**	**57,000**

GENERAL EXPENSES

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
TAXES, BENEFITS, AND INSURANCE									
448.615 Training - Distribution and Office	0	0	530	229	798	240	1,000	100	1,000
448.618 Conventions	1,050	1,445	1,295	1,335	1,373	1,145	2,000	980	1,500
448.738 Clothing and Uniforms	1,662	2,263	2,575	2,079	2,364	1,413	2,000	1,875	2,000
448.802 Dues, Subscriptions, and Memberships	1,894	1,903	1,959	2,151	2,215	2,401	2,500	2,500	2,500
448.855 Insurance Policies	14,526	19,343	19,683	21,228	12,518	14,990	16,100	17,250	17,250
448.858 Workers' Compensation Insurance	3,724	7,282	9,552	10,384	11,738	0	12,000	12,000	12,000
448.860 Pension Expense	9,594	7,032	9,218	10,487	11,347	8,102	14,850	12,000	14,100
448.865 Bond	123	0	154	0	0	0	200	200	200
448.870 Medical / Dental Insurance	18,778	25,676	29,703	37,615	36,265	44,438	48,100	48,100	68,600
448.875 Group Term Life/Disability Insurance	2,070	2,680	2,362	3,244	2,858	3,867	3,600	3,850	3,875
448.880 Payroll Taxes - FICA	12,017	11,333	11,183	13,002	12,741	13,820	18,250	13,625	15,200
448.881 Unemployment Compensation Insurance	1,126	3,575	961	1,129	549	638	650	1,960	1,960
Subtotal	**66,564**	**82,532**	**89,175**	**102,883**	**94,766**	**91,054**	**121,250**	**114,440**	**140,185**
MISCELLANEOUS									
448.885 Operational and Management Agreement	60,000	61,800	64,044	67,057	69,396	72,072	74,820	74,820	74,820
480.470 Miscellaneous	1,403	439	52	660	592	225	1,000	200	1,000
481.460 Board, Staff, and Professional Meetings	47	0	109	69	31	0	500	500	500
Subtotal	**61,450**	**62,239**	**64,205**	**67,786**	**70,019**	**72,297**	**76,320**	**75,520**	**76,320**
TOTAL GENERAL EXPENSE	**259,082**	**268,145**	**291,039**	**295,667**	**308,830**	**295,096**	**344,795**	**350,765**	**374,840**

OFFICE

448.600 CONTRACT LABOR – BILLING AND CUSTOMER SERVICE

In accordance with section 5.7 of the management agreement, the Authority reimburses the Township for all non-exempt Township employees' time associated with obligations of the Authority. This account covers the cost of the Customer Service Specialist and 40% of the Finance Office Assistant's wages. The budgeted amount includes scheduled overtime incurred for attendance at Authority meetings by the recording secretary.

448.605 CONTRACT LABOR – COLLEGE TOWNSHIP PERSONNEL

This line item covers time spent by non-exempt personnel in the performance of duties other than billing and customer service. Such duties include payables, budget preparation support, and special project accounting.

448.610 CONTRACT LABOR – METER READER

This line item covers the wages incurred for the part-time meter reader (non-exempt) which requires approximately 145 hours per quarter. In addition to reading meters, this position performs other maintenance functions such as mowing, trimming, weeding, and painting. Also covered by this account is the cost of reimbursing the meter reader for using a personal vehicle for Authority business.

448.612 PROFESSIONAL EMPLOYMENT SERVICES

The Authority reimburses the Township for the cost of temporary employee services that are needed from time to time.

448.620 OFFICE AND OTHER SUPPLIES

This line item covers the cost of routine office, computer, and other miscellaneous supplies used in the day-to-day operations.

448.621 COMPUTER AND SOFTWARE MAINTENANCE

This line item covers the cost of hardware maintenance, network software maintenance, and the maintenance contract on the billing software package.

448.625 POSTAGE AND SHIPPING CHARGES

This line item covers the cost of postage, mailing services, and shipping charges.

448.641 ADVERTISING

This line item covers the cost incurred for advertising meetings, notifications, and employment opportunities.

448.643 INTERNET AND EMAIL

The Township entered into a new agreement with CEI Network in 2007 that provides for the use of a fiber optic line and the hosting of email accounts for township personnel. This line costs $888 per month of which $89 is charged to the Authority and $183 is charged to the Tax Collection department. The township approved a policy in 2002 governing the use of the internet and email by employees.

448.643 INTERNET AND EMAIL (Cont.)

Also, the Authority reimburses 2 employees for the cost of cable modems installed in their homes. The cable modem provides a reliable means for accessing the Authority's SCADA system when required, and serves to reduce the overtime that would otherwise be incurred.

448.645 TELEPHONE

This line item covers the cost of monthly local/long distance service and required modem lines.

448.647 CELLULAR PHONE

This line item covers the cost of a cellular phone used by the Manager and a Water Technician. Personal use is reimbursed via payroll deductions.

448.655 UNCOLLECTIBLE ACCOUNTS

This line item covers the cost of employing an outside collection firm in collecting delinquent accounts.

<u>GENERAL PROPERTY</u>

448.702 VEHICLE REPAIRS AND MAINTENANCE

This line item covers 100% of the cost of repairing and maintaining licensed vehicles owned by the Authority. Where title is shared with the Township, upkeep costs are shared equally.

448.731 VEHICLE FUELS: GAS, DIESEL, OIL, ETC.

This line item covers the cost of fuel and other consumable items in the operation of Authority owned vehicles. Where title is shared with the Township, these costs are shared equally.

448.735 REPAIRS OF TOOLS AND MACHINERY

This account captures the costs of repairing machinery and tools owned by the Authority.

448.740 MATERIALS AND SUPPLIES

This line item covers materials and supplies not accounted for anywhere else.

448.765 RADIO AND PAGING EQUIPMENT AND MAINTENANCE

The Authority utilizes the Township's radio trunking which is provided at no charge through the County. Each service vehicle has a radio. Additionally, one technician carries a pager. This account is used to record the cost associated with this communication equipment.

448.770 RENTAL OF EQUIPMENT

This line item covers the cost of equipment rental in emergency type situations including items such as generators rented from outside vendors. Equipment rented from the Township is based on an equipment rental rate schedule.

ENGINEERING AND PROFESSIONAL

448.810 ENGINEERING - CONSULTING

This line item covers the retainer fee paid to the consulting engineer plus charges for other routine engineering services.

448.818 ENGINEERING – INSPECTION

This account covers costs incurred inspecting service line and water main installations. Some of these charges are reimbursable by customers, developers and contractors. Reimbursements are accounted for as an item of revenue account #378.895.

448.840 ACCOUNTING AND AUDIT

Outside auditor services in auditing the Authority's 2009 financial statements and preparing the 2009 Annual Report of Municipal Authorities is expected to cost $13,200. An estimate of $2,650 is included for professional consultation on other financial issues.

448.845 LEGAL

This budget item covers the cost for the Authority's solicitor plus other legal services that are requested during the year.

448.850 PROFESSIONAL - OTHER

This line item covers the annual trustee's fee of $1,600 for administering the 2003 Trust.

TAXES, BENEFITS, AND INSURANCE

448.615 TRAINING – DISTRIBUTION AND OFFICE

This line item covers the training costs of providing services or personnel certified with the appropriate class and type of certification under the Sewage Treatment Plant and Waterworks Operators Certification Act of 1968. Also, the manager authorizes non-exempt staff members' attendance at courses and seminars that will enhance their job performance. This line item is used for this purpose, as well as training for Authority board members.

448.618 CONVENTIONS

This line item covers the cost of attending the annual PRWA conference and the cost of the appointed officials and/or the manager attending the annual PMAA Conference and other selected seminars.

448.738 CLOTHING AND UNIFORMS

This account covers the following for the Authority's technicians: 1) renting and laundering uniforms, 2) $250 bi-annual boot and winter jacket replacement allowance, 3) insignia shirts for field identification and 4) $350 bi-annual safety glasses allowance.

Recommended Change to Policy:
The Safety Committee recommends the current boot/coat bi-annual allowance of $250 be increased to $300 and be used exclusively for quality work boots. The committee furter recommends an annual inspection of each employee's coat and sweatshirt by the Public Works Director. The Public Works Director will then place an annual order for replacements. There will be exceptions to the annual order for new employees, bad tears, etc. The increased cost to this line item is expected to be minimal.

448.802 DUES, SUBSCRIPTIONS, AND MEMBERSHIPS

This line item covers membership in the Pennsylvania Municipal Authorities Association, the Pennsylvania Rural Water Association, and the American Water Association. In addition, $100 is budgeted for reference sources and miscellaneous subscriptions.

448.855 INSURANCE POLICIES

Pursuant to section 10.03 of the Trust Indenture dated November 5, 2003; the Authority maintains public liability, property damage, and workers' compensation insurance satisfactory to the Trustee. This account covers the cost of all insurance, including the Authority's share of the public official's liability insurance, other than the premiums for workers' compensation insurance which is recorded in account #448.858.

448.858 WORKERS' COMPENSATION INSURANCE

In accordance with section 6.3 of the management agreement, the Township maintains adequate workers' compensation coverage for their employees assigned to performing the obligations of the Township. This account records the annual invoice to the Authority for their portion of the premium.

448.860 PENSION EXPENSE

This line item covers the Authority's share of the cost of providing a pension for the Township employees.

448.865 BOND

This represents the cost of bonding those individuals charged with the responsibility of handling funds relating to the Water System.

448.870 MEDICAL/ DENTAL/VISION INSURANCE

This line item accounts for the Authority's share of the cost of providing health, dental, and vision insurance coverage for the Township employees. The projected monthly premiums are as follows:

HEALTH INSURANCE	DENTAL INSURANCE	VISION INSURANCE
Single rate $ 459.24	Single rate $32.39	Single rate $4.30
Family rate $1,148.11	Family rate $100.66	Family rate $11.60

The Township deducts a portion of the cost of the premium from the employee's paycheck. It should be noted that dental & vision rates remain the same as 2009, while health premiums increase 20%.

448.875 GROUP TERM LIFE/DISABILITY INSURANCE

This line item covers the Authority's share of the cost of providing life, accident, and short-term disability insurance for the Township employees.

448.880 PAYROLL TAXES – FICA

This line item covers the Authority's share of the social security tax on employee wages. The 2010 rate is .062 of gross earnings up to $106,800 per employee.

Also covered is the Authority's share of the Medicare tax on employee wages. The 2010 rate is .0145 of gross earnings.

448.881 UNEMPLOYMENT COMPENSATION INSURANCE

This covers the Authority's share of unemployment insurance, which is calculated to be 3.5% of an employee's first $8,000 of earnings.

MISCELLANEOUS

448.885 OPERATIONAL AND MANAGEMENT AGREEMENT

College Township provides operation and management of the water system to the Authority pursuant to an AGREEMENT FOR MANAGEMENT SERVICES dated September 23, 1998. In accordance with section 5.8.1 of that agreement, the reimbursement rate has been reviewed and will remain at the present amount of $6,235 per month.

480.470 MISCELLANEOUS

This line item includes a $500 contribution to the Spring Creek Watershed Community's 2010 Water Resource Monitoring Project and $500 for the cost of other miscellaneous or one-time expenses that cannot be directly allocated to another budget item.

481.460 BOARD, STAFF AND PROFESSIONAL MEETINGS

This item covers the cost of lunch for working luncheon meetings.

NON-OPERATING INCOME (EXPENSE)

	2003 AUDITED	2004 AUDITED	2005 AUDITED	2006 AUDITED	2007 AUDITED	2008 AUDITED	2009 BUDGET	2009 EXPECTED	2010 PROPOSED
NON-OPERATING INCOME (EXPENSE)									
341.000 Investment Income	9,561	26,906	43,084	62,760	59,300	40,943	47,000	20,800	17,500
341.050 Investment Income - SCI Rockview	0	16,959	25,746	19,673	13,308	6,717	1,012	1,012	0
NET NON-OPERATING INCOME (EXP)	9,561	43,865	68,830	82,433	72,608	47,660	48,012	21,812	17,500

College Township Water Authority
PLANNED CONSTRUCTION PROJECTS A CAPITAL ASSET PURCHASES FOR 2010

	2010 FUNDING		
	Bond Redemp & Improve Fund (1)	2010 Contingencies & Reserve	Total
Water System Upgrade Projects			
Cedar Lane / Bathgate Drive	$ 34,225	$ -	$ 34,225
Clyde Avenue	$ 2,180	$ -	$ 2,180
Pike Street	$ 9,525	$ -	$ 9,525
Fairlawn Avenue	$ 32,823	$ -	$ 32,823
Hickory Lane	$ 10,415	$ -	$ 10,415
Water System Maintenance/Repairs			
Spring Creek Park Station: Well Pump	$ 34,825	$ -	$ 34,825
Clair Property Drainage Project	$ -	$ 50,000	$ 50,000
Capital Asset Purchases			
Alert Notification Software	$ -	$ 7,500	$ 7,500
Replace 2001 Service Truck #30	$ 27,000	$ -	$ 27,000
Hole Hog	$ 4,930	$ -	$ 4,930
Cross Connection Control/Backflow Prevention Program	$ -	$ 6,600	$ 6,600
Purchase 55 Residential Meters @ $120 each	$ -	$ 6,600	$ 6,600
Telog Hydrant Pressure Recorder	$ 2,030	$ -	$ 2,030
TOTALS	$ 157,953	$ 70,700	$ 228,653

Estimated Costs for Future Projects	
Refurbish Spring Creek Park Well Pump	$ 7,000
Nittany Mall - Meter Pit	$ 90,000
Clyde Avenue	$ 55,275
Scholl Street	$ 48,500
Puddintown Road	$ 97,130
Dale Street Reservoir	$ 150,000
Portable Valve Exerciser	$ 6,500
	$ 454,405

NOTE:
(1) Projected balance in BR&IF at 1/1/2010 - $240,000

CROSS CONNECTION CONTROL/BACKFLOW PREVENTION PROGRAM - $6,600

This new program was started in 2009 to inspect customer interior water service connections for compliance with CTWA Rules and Regulations for the proper installation of backflow prevention devices and overall correct meter set area plumbing. It is proposed that the inspections for 2010 will continue with the three meter reading routes with the highest elevations. An additional 55 residential meters @ $120 will be purchased for the expected change out of old meters found during the inspections.

PURCHASE 55 RESIDENTIAL METERS - $6,600

The upgrade and maintenance of customer water meters is essential in tracking the efficiency of the Water System and protecting the revenue of the Authority. The accuracy of the water meters needs to be monitored, and the meters themselves are periodically replaced and/or upgraded over time. The College Township Water Authority has had a meter replacement program in place since 1997. The capital purchase of 55 additional meters will allow the Authority to continue the replacement program of all residential meters.

TELOG HYDRANT PRESSURE RECORDER - $2,030

The hydrant pressure recorders would be used for long term on-site monitoring of system pressure, water hammer event recording and pressure complaint investigations. The price is for two units including software, cable and security cover with keys.

FUTURE PROJECTS

REFURBISH SPRING CREEK PARK WELL PUMP - $7,000

This will provide a backup for a failed pump at either Spring Creek or Rogers Well.

CONSTRUCTION PROJECTS/CAPITAL ASSET PURCHASES

CLYDE AVENUE - $55,275

Construct approximately 610 lineal feet of 8” ductile iron pipe from the fire hydrant at the Waskob Industrial Park to the re-located fire hydrant on Clyde Avenue to complete a main line loop in the distribution system in this area. This connection will improve the fire flow capacity at both fire hydrants.

SCHOLL STREET - $48,500

Construct approximately 540 lineal feet of 8” ductile iron pipe from Houserville Road connected to the North and South sections of Fairlawn Avenue to complete a main line loop in the distribution system for Spring Creek Estates and to improve the fire flow capacity at the fire hydrant on the South section of Fairlawn Avenue and at the fire hydrant at the Houserville Elementary School. When this section of main line is completed, the 6” main line from Oak Lane crossing the school property to the fire hydrant at the school could be abandoned.

PUDDINTOWN ROAD - $97,130

Install approximately 780 LF of 8” ductile iron pipe from Meadow Lane to Spring Creek Lane to complete a main line loop in the distribution system to the Houserville Area. Connect five ¾” service lines and connect the 2” main line at Spring Creek Lane to the new 8” line.

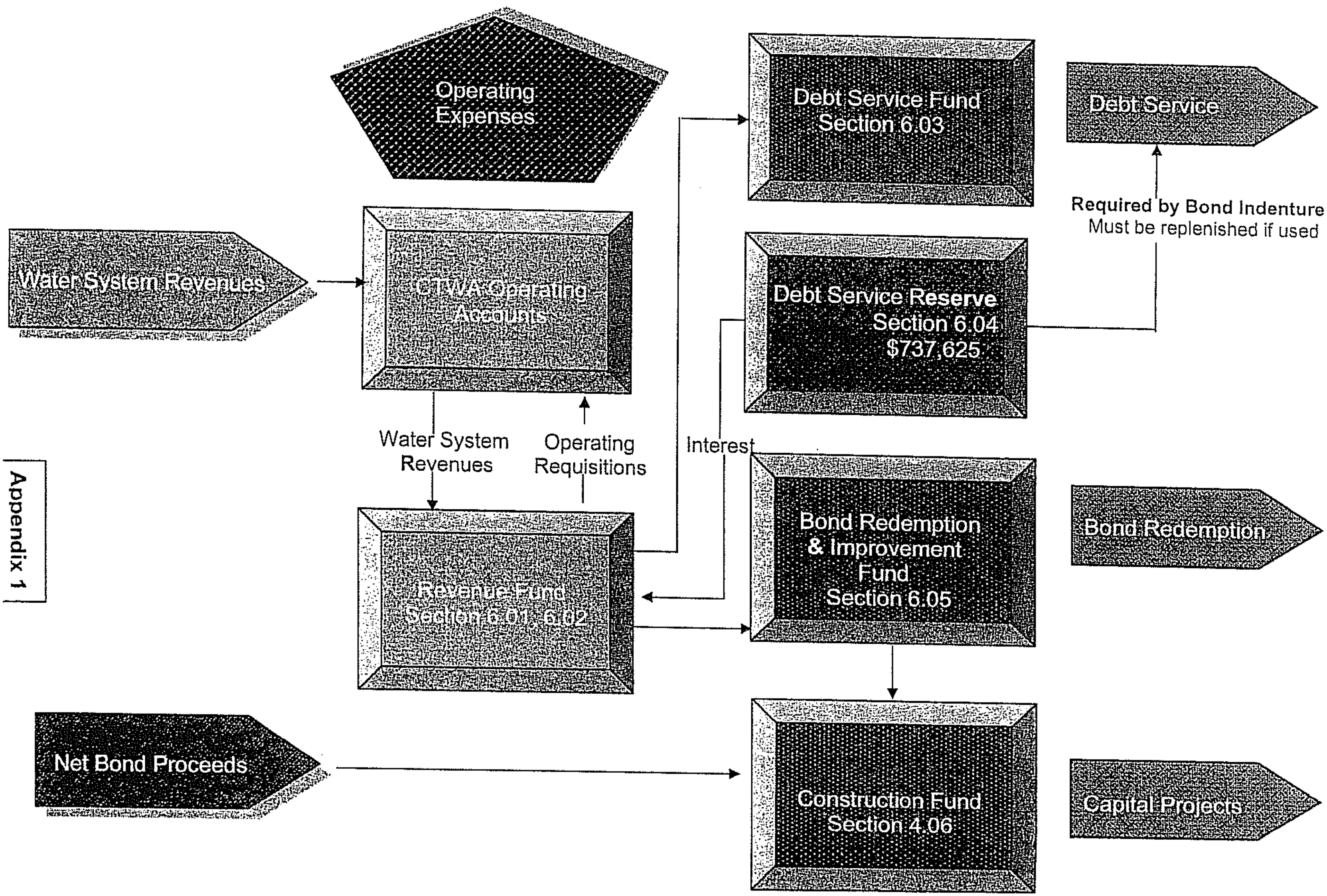
DALE STREET RESERVOIR - $150,000

Replace the liner and cover at the Dale Street Reservoir.

PORTABLE VALVE EXERCISER - $6,500

The valve exerciser is a trailer mounted unit with a gas engine and hydraulics capable of producing sufficient torque to operate large gate valves. It would be used for the yearly exercising of the distribution system's 750 main line valves.

CTWA Flow Of Funds (Trustee Account)



Appendix 1

COLLEGE TOWNSHIP WATER AUTHORITY
SERIES OF 2003

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
1/01/2004	210,000.00	3.250%	65,741.46	275,741.46
7/01/2004	-	-	193,811.88	193,811.88
1/01/2005	170,000.00	3.250%	193,811.88	363,811.88
7/01/2005	-	-	191,049.38	191,049.38
1/01/2006	175,000.00	3.250%	191,049.38	366,049.38
7/01/2006	-	-	188,205.63	188,205.63
1/01/2007	180,000.00	3.250%	188,205.63	368,205.63
7/01/2007	-	-	185,280.63	185,280.63
1/01/2008	185,000.00	3.250%	185,280.63	370,280.63
7/01/2008	-	-	182,274.38	182,274.38
1/01/2009	355,000.00	3.250%	182,274.38	537,274.38
7/01/2009	-	-	176,505.63	176,505.63
1/01/2010	370,000.00	3.250%	176,505.63	546,505.63
7/01/2010	-	-	170,493.13	170,493.13
1/01/2011	380,000.00	3.250%	170,493.13	550,493.13
7/01/2011	-	-	164,318.13	164,318.13
1/01/2012	395,000.00	3.250%	164,318.13	559,318.13
7/01/2012	-	-	157,899.38	157,899.38
1/01/2013	410,000.00	3.500%	157,899.38	567,899.38
7/01/2013	-	-	150,724.38	150,724.38
1/01/2014	425,000.00	3.500%	150,724.38	575,724.38
7/01/2014	-	-	143,286.88	143,286.88
1/01/2015	440,000.00	3.625%	143,286.88	583,286.88
7/01/2015	-	-	135,311.88	135,311.88
1/01/2016	455,000.00	3.750%	135,311.88	590,311.88
7/01/2016	-	-	126,780.63	126,780.63
1/01/2017	475,000.00	4.000%	126,780.63	601,780.63
7/01/2017	-	-	117,280.63	117,280.63
1/01/2018	495,000.00	4.000%	117,280.63	612,280.63
7/01/2018	-	-	107,380.63	107,380.63
1/01/2019	515,000.00	4.100%	107,380.63	622,380.63
7/01/2019	-	-	96,823.13	96,823.13
1/01/2020	535,000.00	4.125%	96,823.13	631,823.13
7/01/2020	-	-	85,788.76	85,788.76
1/01/2021	555,000.00	4.250%	85,788.76	640,788.76
7/01/2021	-	-	73,995.01	73,995.01
1/01/2022	580,000.00	4.375%	73,995.01	653,995.01
7/01/2022	-	-	61,307.50	61,307.50
1/01/2023	615,000.00	4.500%	61,307.50	676,307.50
7/01/2023	-	-	47,470.00	47,470.00
1/01/2024	510,000.00	4.500%	47,470.00	557,470.00
7/01/2024	-	-	35,995.00	35,995.00
1/01/2025	530,000.00	4.600%	35,995.00	565,995.00
7/01/2025	-	-	23,805.00	23,805.00
1/01/2026	560,000.00	4.600%	23,805.00	583,805.00
7/01/2026	-	-	10,925.00	10,925.00
1/01/2027	475,000.00	4.600%	10,925.00	485,925.00
Total	9,995,000.00	-	5,719,166.66	15,714,166.66

APPENDIX 2

College Township Water Authority 2010 Budget
Existing Equipment Replacement Fund Projection

PURCHASE YEAR	DISCRIPTION OF EQUIPMENT	PURCHASE PRICE	EXPECTED LIFE	YEAR TO REPLACE	REPLACEMENT PRICE	ANNUAL REVENUE NEEDED
MAINTENANCE VEHICLES:						
2001	2001 FORD F350 UTILITY BODY #30	$32,800	10	2011	$35,000	$3,500
2001	2001 FORD F350 UTILITY BODY #31	$28,400	10	2011	$35,000	$3,500
2002	2002 GMC VAN #34	$21,640	10	2012	$25,000	$2,500
	TOTALS:	$82,840			$95,000	$9,500
OFFICE AND STAFF VEHICLES:						
	TOTALS:	$0			$0	$0
OFF ROAD EQUIPMENT:						
2006	BOBCAT 331E TRACK EXCAVATOR	$31,250	15	2021	$38,000	$2,533
2009	2008 CASE BACKHOE	$78,650	15	2024	$85,000	$5,667
	TOTALS:	$109,900			$123,000	$8,200

College Township Water Authority 2010 Budget
Existing Equipment Replacement Fund Projection

PURCHASE YEAR	DISCRIPTION OF EQUIPMENT	PURCHASE PRICE	EXPECTED LIFE	YEAR TO REPLACE	REPLACEMENT PRICE	ANNUAL REVENUE NEEDED
TOOLS & ATTACHMENTS:						
1936	MULLER TAPPING MACHINE	$1,000	15	1951	$1,200	$80
1990	PIPE AND CABLE LOCATOR	$1,000	25	2015	$1,300	$52
1993	5000W GENERATOR	$500	20	2013	$700	$35
1997	STONE 2" TRASH PUMP	$300	15	2012	$500	$33
1997	SCHONSTEDT METAL DETECTOR #1	$875	20	2017	$1,000	$50
1997	SCHONSTEDT METAL DETECTOR #2	$875	20	2017	$1,000	$50
1997	FORD TAPPING TOOL	$800	20	2017	$950	$48
1998	FIRE HYDRANT METER	$600	15	2013	$750	$50
2001	STIHL MULTI PURPOSE SAW	$700	10	2011	$850	$85
2002	FIRE HYDRANT FLOW TEST KIT	$1,200	20	2022	$1,500	$75
2004	PIPE THREADER	$1,200	20	2024	$1,500	$75
2005	HONDA 2" TRASH PUMP	$400	15	2020	$550	$37
2006	GAS DETECTOR	$1,300	15	2021	$1,500	$100
2006	12 VOLT SUBMERSIBLE PUMP	$500	12	2018	$650	$54
2006	HOSE MONSTER	$700	20	2026	$900	$45
2006	RIGID NO. 460 TRI STAND	$500	20	2026	$700	$35
2007	SCHONSTEDT LINE LOCATOR	$3,300	15	2022	$3,500	$233
2007	ALLEGRO VENTILATOR	$800	20	2027	$1,000	$50
2008	2008 INGERSOLL-RAND LIGHT TOWER	$6,885	20	2028	$8,000	$400
2008	VALVE LUBRICATOR	$400	20	2028	$600	$30
2008	TRIPOD RETRIEVAL WINCH #102144	$2,590	20	2028	$3,000	$150
2009	SALA LIFT II 9' TRIPOD	$800	20	2029	$1,000	$50
2009	TRIPOD RETRIEVAL WINCH #108561	$2,590	20	2029	$3,000	$150
	TOTALS:	$29,815			$35,650	$1,967
LAWN & GROUNDS TOOLS:						
2009	HUSKEE 22" LAWN MOWER	$150	8	2017	$175	$22
	TOTALS:	$150			$175	$22
	GRAND TOTALS:	$179,055			$208,825	$16,879

Year To Replace = Purchase Year + Expected Life

Annual Reserve = (Replacement Price - 10% of Purchase Price)/Expected Life