Purpose:

The purpose of this policy is to insure that the Hillsborough County Water Department utilizes a financial program using acceptable and sound procedures consistent with standard criteria for operating utilities and that the Water Department shall be an enterprise fund existing solely on its own revenues and that such funds are utilized only for the use of the Water Department.

Policy:

Hillsborough County intends to operate its water and wastewater system in a businesslike manner using financial procedures which are consistent with those used in standard utilities operations. The Water Department shall be an enterprise fund department existing solely on its own revenues (i.e. monthly service revenues and fees, grants, interest income, bond sale proceeds, etc.) and such revenues are expended only for use of the Water Department. Further, monthly water and wastewater service revenues shall be used, to the greatest extent possible, to provide for the operation and maintenance of the utilities system, renewal and replacement, debt service (except for the portion eligible to be paid by capacity fees), and any capital rehabilitation related to service of existing customers.

In addition, the funds to expand the utilities system to service new customers shall be obtained through capacity fees, past earnings of the system, grants (including Community Investment Tax), proceeds from bonded Capacity Assessments Units (CAU's), and un-bonded CAU’s. Provided, however, that any Water Department funds may be used to meet cash flow requirements to expand the utilities system with a return of those funds used in lieu of capacity fees. Capacity fees and CAUs shall be accounted for as set forth in appropriate county ordinances and bond covenants. Also, these fees and all other Water Department fees, rates and charges shall be reviewed on an annual basis to determine their sufficient for providing service in compliance with the bond resolution.

Oversight Responsibility:

The Water Department under the direction of the County Administrator will establish and execute procedures necessary and comply with existing ordinances and bond covenants to accomplish the appropriate financial planning, accounting and review for the operation, maintenance and expansion of the utilities system.

Approved By: Board of County Commissioners
Approval Date: February 4, 2004