

*Inverness Public Utility District*

**2010/2011 OPERATING BUDGET**

		<i>Audited</i> FY 2008/09	<i>Approved</i> FY 2009/10	<i>Approved</i> FY 2010/11	<i>Notes</i>
<b>WATER SYSTEM</b>					
<b>REVENUE</b>					
<b>CUSTOMER REVENUE</b>					
	Basic Charge	278,760	303,600	303,600	1
	Usage Charges	93,254	82,400	81,000	2
	Customer-Paid Work	3,496	1,500	1,000	3
	Cross-Connection Fees	1,020	1,020	1,020	4
	Miscellaneous Charges	635	500	500	5
	Other Income	631	0	0	
	Uncollectibles	0	0	0	
	<b>Total Water Revenue</b>	<b>377,796</b>	<b>389,020</b>	<b>387,120</b>	
<b>INTEREST &amp; MISCELLANEOUS INCOME</b>					
	Local Agency Investment Fund (interest)	8,097	8,300	2,148	6
	Intergovernmental Aid	0	0	0	7
	Other Income	4,500	100	100	8
	<b>Total Interest &amp; Miscellaneous Income</b>	<b>12,597</b>	<b>8,400</b>	<b>2,248</b>	
	<b>TOTAL REVENUE</b>	<b>390,393</b>	<b>397,420</b>	<b>389,368</b>	
<b>EXPENSES</b>					
<b>PERSONNEL COSTS</b>					
	Health Insurance	19,520	33,954	38,993	9
	Retirement	22,308	21,214	19,041	10
	Payroll Taxes	9,790	8,603	8,644	11
	Salary, General Manager	0	0	0	12
	Salary, Superintendent	36,564	38,931	38,931	12
	Salary, Operations & Admin.	83,177	65,124	69,346	12
	Worker's Compensation Insurance	4,412	5,542	8,253	13
	Accrued Vacation	13,525	13,100	13,216	14
	<b>Total Personnel Costs</b>	<b>189,296</b>	<b>186,468</b>	<b>196,424</b>	
<b>PHYSICAL OPERATIONS</b>					
	Collection & Treatment System	15,856	19,000	16,000	15
	Laboratory & Monitoring	10,524	13,000	10,000	16
	Professional Services	0	5,000	5,000	17
	Storage & Distribution System	18,122	18,000	12,000	18
	Supplies & Inventory	14,967	13,784	12,000	19
	Vehicle Operation	8,649	8,640	8,000	20
	Operator Training, Licensing	163	570	200	21
	<b>Total Physical Operations</b>	<b>68,281</b>	<b>77,994</b>	<b>63,200</b>	

Page 2		Audited	Approved	Approved	
2009/2010 OPERATING BUDGET		FY 2008/09	FY 2009/10	FY 2010/11	Notes
<b>OFFICE &amp; ADMINISTRATION</b>					
Billing & Collections		14,425	15,000	14,700	22
Dues & Publications		904	600	900	
DPH Annual Fee		728	728	3,006	23
DPH Hourly Charges		0	0	0	23
Legal & Misc.		1,452	1,000	1,000	
Telephone		1,026	1,594	1,600	
Travel & Meetings		173	175	200	24
General Liability/Auto Insurance		3,996	6,408	6,010	25
<b>Total Office &amp; Administration</b>		<b>22,704</b>	<b>25,505</b>	<b>27,416</b>	
<b>INTEREST EXPENSE</b>					
1979 Revenue Bonds Interest		15,949	14,950	13,900	
<b>Total Interest Expense</b>		<b>15,949</b>	<b>14,950</b>	<b>13,900</b>	
<b>DISTRICT OVERHEAD</b>					
<b>Allocation of District Overhead</b>		<b>37,162</b>	32,286	32,080	26
<b>TOTAL OPERATING EXPENSES</b>		<b>333,392</b>	<b>337,203</b>	<b>333,020</b>	
<b>NET INCOME</b>		<b>57,001</b>	<b>60,217</b>	<b>56,348</b>	
<b>OTHER RECEIPTS</b>					
<b>New Service Connection Fees</b>		0	0	0	27
<b>TOTAL INCOME*</b>		<b>57,001</b>	<b>60,217</b>	<b>56,348</b>	28
Depreciation		57,074	58,000	54,680	29
Amortization		433	433	433	30
<b>Total Depreciation/Amortization†</b>		<b>57,507</b>	<b>58,433</b>	<b>55,113</b>	
<b>CURRENT EARNINGS</b>		<b>(506)</b>	<b>1,784</b>	<b>1,235</b>	31
<b>* Distribution of Total Income:</b>					
Total Income		<b>57,001</b>	<b>60,217</b>	<b>56,348</b>	
Principal Payment, 1979 Bonds		20,000	21,000	21,525	
Reserve and Capital Projects		37,001	39,217	34,823	32
Balance		0	0	0	
†Depreciation/Amortization Funding Ratio		<b>0.99</b>	<b>1.03</b>	<b>1.02</b>	33
Debt Service Factor‡		<b>2.05</b>	<b>2.23</b>	<b>2.39</b>	34
<b>Cash Reserve Requirement (Resolution 71-94)</b>					
Operating Cash Reserve		60,000	<b>130,000</b>	<b>115,000</b>	35
Emergency Capital Reserve		70,000	<b>25,000</b>	<b>70,000</b>	36
<b>Total Cash Reserve Requirement</b>		<b>130,000</b>	<b>155,000</b>	<b>185,000</b>	
‡Bond indenture requires that the debt service factor be not less than 1.2.					

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2009/2010 OPERATING BUDGET		FY 2008/09	FY 2009/10	FY 2010/11	Notes
<b>FIRE DEPARTMENT</b>					
<b>REVENUE</b>					
TAX REVENUE					
	Current Property Taxes	280,675	247,020	280,675	37
	Supplementals - Current	11,386	9,757	7,122	37
	Supplementals - Prior	473	732	287	37
	Homeowners (HOPTR) Rebate	3,478	1,026	1,010	37
	Prior Years' Taxes	285	0	0	37
	Miscellaneous Taxes	75,362	41,338	38,057	37A
	Special Fire Tax	0	68,000	67,000	37B
	<b>Total Tax Revenue</b>	<b>371,659</b>	<b>367,873</b>	<b>394,151</b>	
NONTAX AND INTEREST INCOME					
	Local Agency Investment Fund (Interest)	25,117	26,015	6,444	6
	West Marin Emergency Services Fund	14,980	7,490	7,490	38
	Intergovernmental Aid	57,257	125,000	0	7
	Merchandise Sales	605	700	700	39
	Chipper Day	3,660	3,600	3,600	
	Other Income	271	0	0	40
	<b>Total Nontax &amp; Interest Income</b>	<b>101,890</b>	<b>162,805</b>	<b>18,234</b>	
	<b>TOTAL REVENUE</b>	<b>473,549</b>	<b>530,678</b>	<b>412,385</b>	
<b>EXPENSES</b>					
PERSONNEL					
	Health Insurance	25,336	32,969	37,858	9
	Retirement	13,012	23,918	19,041	10
	Payroll Taxes	4,495	8,637	7,997	11
	Salary, General Manager	0	0	0	12
	Salary, Fire Chief	39,750	38,931	38,931	12
	Salary, Department Operations	19,834	60,962	63,042	12
	Worker's Compensation Insurance	13,238	12,590	16,807	13
	Accrued Vacation	21,523	21,404	13,843	14
	Volunteers' Compensation	0	1,200	1,200	41
	<b>Total Personnel Costs</b>	<b>137,188</b>	<b>200,611</b>	<b>198,719</b>	
PHYSICAL OPERATIONS					
	Dispatch & Communications	25,600	26,500	24,258	42
	Maintenance & Repair	5,193	3,100	3,100	43
	Professional Services	7,280	9,600	9,600	17
	Supplies & Inventory	18,239	14,000	14,000	19
	Education, Programs & Incentives	39,981	70,000	20,000	44
	Utilities	3,501	2,800	2,800	
	Vehicle Operations	27,737	8,354	8,000	20
	<b>Total Physical Operations</b>	<b>127,531</b>	<b>134,354</b>	<b>81,758</b>	
OFFICE & ADMINISTRATION					
	Dues & Publications	389	300	300	
	Miscellaneous	3,171	2,000	2,000	
	Telephone	972	900	1,100	
	Travel & Meetings	266	200	200	24
	Tax Collection	4,616	4,616	6,054	45
	General Liability/Auto Insurance	12,078	9,529	11,260	25
	<b>Total Office &amp; Administration</b>	<b>21,492</b>	<b>17,545</b>	<b>20,914</b>	

Page 4		<i>Audited</i>	<i>Approved</i>	<i>Approved</i>	
2009/2010 OPERATING BUDGET		<i>FY 2008/09</i>	<i>FY 2009/10</i>	<i>FY 2010/11</i>	<i>Notes</i>
<b>DISTRICT OVERHEAD</b>					
	<b>Allocation of District Overhead</b>	<b>111,486</b>	96,858	96,239	26
<b>TOTAL OPERATING EXPENSES</b>					
	Depreciation	<b>24,786</b>	19,000	36,603	29
	Less: Extraordinary Expense	0	0	0	
<b>CURRENT EARNINGS</b>					
		<b>75,852</b>	81,310	14,755	31
<b>Total Revenue</b>					
		473,549	530,678	412,385	
<b>Total Operating Expenses</b>					
		397,697	449,368	397,630	
<b>Operating Income</b>					
		<b>75,852</b>	<b>81,310</b>	<b>14,755</b>	
<b>Cash Reserve Requirement (Resolution 71-94)</b>					
	Operating Cash Reserve	165,000	<b>185,000</b>	<b>232,478</b>	46
<b>Total Cash Reserve</b>					
		<b>165,000</b>	<b>185,000</b>	<b>232,478</b>	

Page 5			<i>Audited</i>	<i>Approved</i>	<i>Approved</i>	
2009/2010 OPERATING BUDGET			<i>FY 2007/08</i>	<i>FY 2009/10</i>	<i>FY 2010/11</i>	<i>Notes</i>
<b>DISTRICT OVERHEAD</b>						
<b>EXPENSES</b>						
PERSONNEL						
	Health Insurance		12,418	20,640	21,711	9
	Retirement		15,480	13,868	8,867	10
	Payroll Taxes		5,943	5,801	4,542	11
	Salary, General Manager		58,620	28,705	40,050	12
	Salary, Clerical		19,060	25,938	14,872	12
	<b>Total Personnel Costs</b>		<b>111,521</b>	<b>94,952</b>	<b>90,042</b>	
OFFICE & ADMINISTRATION						
	LAFCO Budget		546	550	550	
	Dues & Publications		1,621	1,500	1,500	
	Office Equipment Maintenance		1,039	452	452	47
	Miscellaneous		3,379	650	2,500	
	Professional Services		18,702	19,750	22,275	17
	Professional Services - Legal		924	100	200	
	Board Expenses & Elections		0	1,800	0	
	Office Supplies & Postage		6,069	4,124	5,500	
	Telephone, Internet Service		2,657	2,486	2,500	
	Travel & Meetings		629	1,950	1,500	24
	Bank Charges		1,087	800	1,000	
	Legal Advertising		474	30	300	
	Other Advertising		0	0	0	
	<b>Total Office &amp; Administration</b>		<b>37,127</b>	<b>34,192</b>	<b>38,277</b>	
	<b>TOTAL EXPENSES</b>		<b>148,648</b>	<b>129,144</b>	<b>128,319</b>	
ALLOCATION OF EXPENSES						
	To Water System		37,162	32,286	32,080	26
	To Fire Department		111,486	96,858	96,239	26
	<b>Total Allocation</b>		<b>148,648</b>	<b>129,144</b>	<b>128,319</b>	
<b>BALANCE</b>			<b>0</b>	<b>0</b>	<b>0</b>	

<b>Debt Service Factor</b>				
		Audited	Approved	Approved
Revenue		390,393	397,420	389,368
Interest		8,097	8,400	2,248
Net revenue		382,296	389,020	387,120
Operating Expenses		333,392	337,203	333,020
Bond Interest		15,949	14,950	13,900
Net Expenses		317,443	322,253	319,120
Available (Net Revenue less Net Expenses)		64,853	66,767	68,000
Total Debt (at begin of year)		411,500	359,600	312,900
Years		13	12	11
Average Annual Debt		31,654	29,967	28,445
DEBT SERVICE FACTOR		2.05	2.23	2.39
Debt Service Factor = Available Net Revenue divided by Average Annual Debt				
(Note: Total Debt and Years must be corrected each year from data in Audit Notes under Bonds Payable, Debt Service Ratio)				
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