

*Inverness Public Utility District*

## 2007/2008 OPERATING BUDGET

Approved by Board June 27, 2007

	<i>Approved</i> FY 2006/07	<i>Estimated</i> FY 2006/07	<b><i>Approved</i></b> <b>FY 2007/08</b>	<i>Notes</i>
<b>WATER SYSTEM</b>				
<b><u>REVENUE</u></b>				
<b>CUSTOMER REVENUE</b>				
Basic Charge	231,693	230,674	231,924	1
Usage Charges	83,750	82,287	88,400	2
Customer-Paid Work	2,200	0	3,000	3
Cross-Connection Fees	672	672	840	4
Miscellaneous Charges	200	236	200	5
Uncollectibles	0	0	0	
<b>Total Water Revenue</b>	<b>318,515</b>	<b>313,869</b>	<b>324,364</b>	
<b>INTEREST &amp; MISCELLANEOUS INCOME</b>				
Local Agency Investment Fund (interest)	12,000	17,504	16,368	6
Intergovernmental Aid	0	0	0	7
Other Income	597	1,650	100	8
<b>Total Interest &amp; Miscellaneous Income</b>	<b>12,597</b>	<b>19,154</b>	<b>16,468</b>	
<b><u>TOTAL REVENUE</u></b>	<b>331,112</b>	<b>333,023</b>	<b>340,832</b>	
<b><u>EXPENSES</u></b>				
<b>PERSONNEL COSTS</b>				
Health Insurance	20,235	20,235	25,884	9
Retirement	23,012	23,012	18,611	10
Payroll Taxes	7,615	6,370	6,661	11
Salary, General Manager	0	0	0	12
Salary, Superintendent	33,556	33,556	34,630	12
Salary, Operations & Admin.	54,623	54,623	44,674	12
Worker's Compensation Insurance	4,943	4,943	7,673	13
Accrued Vacation	2,783	2,783	3,809	14
<b>Total Personnel Costs</b>	<b>146,767</b>	<b>145,522</b>	<b>141,942</b>	
<b>PHYSICAL OPERATIONS</b>				
Collection & Treatment System	13,072	27,252	13,490	15
Laboratory & Monitoring	7,115	8,930	7,343	16
Professional Services	500	500	500	17
Storage & Distribution System	7,432	8,815	7,670	18
Supplies & Inventory	6,731	4,034	5,000	19
Vehicle Operation	3,759	3,249	3,879	20
Operator Training, Licensing	420	1,700	630	21
<b>Total Physical Operations</b>	<b>39,029</b>	<b>54,480</b>	<b>38,512</b>	

## OFFICE &amp; ADMINISTRATION

Billing & Collections	14,400	14,400	14,400	22
Dues & Publications	320	805	800	
State Fees, Legal, Miscellaneous	842	1,500	1,500	23
Conservation & PR	1,500	0	0	
Telephone	660	660	681	
Travel & Meetings	109	525	600	24
General Liability/Auto Insurance	6,880	6,880	7,747	25
<b>Total Office &amp; Administration</b>	<b>24,711</b>	<b>24,770</b>	<b>25,728</b>	

## INTEREST EXPENSE

1979 Revenue Bonds Interest	18,850	18,850	16,950	
<b>Total Interest Expense</b>	<b>18,850</b>	<b>18,850</b>	<b>16,950</b>	

## DISTRICT OVERHEAD

<b>Allocation of District Overhead</b>	<b>45,965</b>	<b>48,722</b>	<b>63,055</b>	26
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**TOTAL OPERATING EXPENSES**

<b>275,322</b>	<b>292,344</b>	<b>286,187</b>
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**NET INCOME**

<b>55,790</b>	<b>40,679</b>	<b>54,645</b>
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## OTHER RECEIPTS

<b>New Service Connection Fees</b>	5,000	0	5,000	27
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**TOTAL INCOME\***

<b>60,790</b>	<b>40,679</b>	<b>59,645</b>	28
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Depreciation	66,320	66,320	56,767	29
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Amortization	433	433	433	30
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<b>Total Depreciation/Amortization†</b>	<b>66,753</b>	<b>66,753</b>	<b>57,200</b>
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<b>Capital Grants Offset</b>	<b>20,381</b>	<b>20,381</b>	<b>20,381</b>	31
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**CURRENT EARNINGS**

<b>14,418</b>	<b>(5,693)</b>	<b>22,826</b>
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**RETAINED EARNINGS**

Beginning of Year	<b>575,652</b>	<b>575,652</b>	<b>587,696</b>
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End of Year	<b>587,696</b>	<b>587,696</b>	<b>610,522</b>
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## \* Distribution of Total Income:

Total Income	<b>60,790</b>	<b>40,679</b>	<b>59,645</b>
Principal Payment, 1979 Bonds	19,000	<b>19,000</b>	20,000
Reserve and Capital Projects	41,790	<b>21,679</b>	39,645
Balance	<b>0</b>	<b>0</b>	<b>0</b>

†Depreciation/Amortization Funding Ratio	<b>0.91</b>	<b>0.61</b>	<b>1.04</b>	33
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Debt Service Factor‡	<b>2.07</b>	<b>1.29</b>	<b>1.86</b>	34
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## Cash Reserve Requirement (Resolution 71-94)

Operating Cash Reserve	85,000	85,000	60,000	35
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Emergency Capital Reserve	30,000	30,000	70,000	36
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<b>Total Cash Reserve Requirement</b>	<b>115,000</b>	<b>115,000</b>	<b>130,000</b>
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‡Bond indenture requires that the debt service factor be not less than 1.2.

**FIRE DEPARTMENT****REVENUE**

## TAX REVENUE

Current Property Taxes	215,579	215,579	226,358	37
Prior Property Taxes	680	680	714	37
Supplemental Assessments	9,854	9,854	10,347	37
Homeowners (HOPTR) Rebate	2,057	2,057	2,160	37
Miscellaneous Taxes	51,318	51,318	53,884	37
District's Special Fire Tax	66,245	66,245	68,365	37
<b>Total Tax Revenue</b>	<b>345,733</b>	<b>345,733</b>	<b>361,828</b>	

## NONTAX AND INTEREST INCOME

Local Agency Investment Fund (Interest)	15,608	33,742	45,231	6
West Marin Emergency Services Fund	7,000	7,490	7,000	38
Intergovernmental Aid	31,137	5,396	0	7
Merchandise Sales	825	900	851	39
Other Income	0	2,455	0	40
<b>Total Nontax &amp; Interest Income</b>	<b>54,570</b>	<b>49,983</b>	<b>53,082</b>	

**TOTAL REVENUE**

<b>400,303</b>	<b>395,716</b>	<b>414,910</b>
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**EXPENSES**

## PERSONNEL

Health Insurance	16,112	16,112	24,350	9
Retirement	13,969	13,969	18,611	10
Payroll Taxes	4,574	5,296	5,939	11
Salary, General Manager	0	0	0	12
Salary, Fire Chief	33,556	33,556	38,478	12
Salary, Department Operations	17,980	23,987	39,115	12
Worker's Compensation Insurance	5,242	8,124	13,312	13
Accrued Vacation	2,782	2,782	3,809	14
Volunteers' Compensation	1,200	0	1,200	41
<b>Total Personnel Costs</b>	<b>95,415</b>	<b>103,826</b>	<b>144,814</b>	

## PHYSICAL OPERATIONS

Dispatch & Communications	24,694	22,404	21,675	42
Maintenance & Repair	3,063	2,501	3,161	43
Fire Hazard Reduction (WUI)	0	0	0	
Professional Services	2,400	2,400	4,800	17
Operating Supplies	9,978	4,185	9,500	19
Education, Public Programs & Incentives	9,000	7,993	9,500	44
Utilities	3,001	4,612	3,100	
Vehicle Operation	3,609	2,683	5,724	20
<b>Total Physical Operations</b>	<b>55,745</b>	<b>46,778</b>	<b>57,460</b>	

## OFFICE &amp; ADMINISTRATION

Dues & Publications	542	465	559	
Miscellaneous	609	609	628	
Telephone	901	722	825	
Travel & Meetings	242	561	492	24
Tax Collection	3,917	3,917	4,042	45
General Liability/Auto Insurance	8,125	8,125	8,298	25
<b>Total Office &amp; Administration</b>	<b>14,336</b>	<b>14,399</b>	<b>14,844</b>	

2007/2008 OPERATING BUDGET	<i>Approved FY 2006/07</i>	<i>Estimated FY 2006/07</i>	<i>Approved FY 2007/08</i>	<i>Notes</i>
<b>INTEREST EXPENSE</b>				
Interest Expense	0	0	0	
<b>Total Interest Expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>DISTRICT OVERHEAD</b>				
<b>Allocation of District Overhead</b>	<b>45,965</b>	<b>48,722</b>	<b>63,055</b>	26
<b><u>TOTAL OPERATING EXPENSES</u></b>				
Less: Extraordinary Expense	0	0	0	
Capital Outlay	83,194	83,194	35,756	46
<b><u>CURRENT EARNINGS</u></b>	<b>188,842</b>	<b>181,991</b>	<b>98,981</b>	
<b>GENERAL FUND BALANCE</b>				
Beginning of Year	<b>844,519</b>	<b>844,519</b>	<b>926,433</b>	
End of Year	<b>926,433</b>	<b>926,433</b>	<b>1,025,414</b>	
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Total Revenue	400,303	395,716	414,910	
Total Operating Expenses	211,461	213,725	280,173	
<b>Operating Income</b>	<b>188,842</b>	<b>181,991</b>	<b>134,737</b>	
<b>Cash Reserve Requirement (Resolution 71-94)</b>				
Operating Cash Reserve	110,000	110,000	165,000	47
<b>Total Cash Reserve</b>	<b>110,000</b>	<b>110,000</b>	<b>165,000</b>	

**DISTRICT OVERHEAD**

**EXPENSES**

PERSONNEL

Health Insurance	5,894	5,894	5,327	9
Retirement	10,611	10,611	13,612	10
Payroll Taxes	3,414	3,106	5,274	11
Salary, General Manager	43,978	43,978	56,736	12
Salary, Clerical	646	646	12,208	12
Accrued Vacation	0	0	0	14
<b>Total Personnel Costs</b>	<b>64,543</b>	<b>64,235</b>	<b>93,157</b>	

OFFICE & ADMINISTRATION

LAFCO Budget	476	479	491	
Dues & Publications	784	982	1,013	
Office Equipment Maintenance	1,495	1,495	761	48
Miscellaneous	958	439	988	
Professional Services	16,600	22,123	22,400	17
Board Expenses & Elections	0	0	0	
Office Supplies & Postage	4,183	4,183	4,317	
Telephone, Internet Service	2,190	2,758	2,260	
Travel & Meetings	701	750	723	24
<b>Total Office &amp; Administration</b>	<b>27,387</b>	<b>33,209</b>	<b>32,953</b>	

**TOTAL EXPENSES**

**91,930     97,444     126,110**

**ALLOCATION OF EXPENSES**

To Water System	45,965	48,722	63,055	26
To Fire Department	45,965	48,722	63,055	26
<b>Total Allocation</b>	<b>91,930</b>	<b>97,444</b>	<b>126,110</b>	

**BALANCE**

**0     0     0**

	Approved	Estimated	Approved
Debt Service Factor (Note: Total Debt and Years in col. E must be corrected each year from data in Audit Notes)			
Revenue	331,112	333,023	340,832
Interest	12,000	17,504	16,368
NSC	5,000	0	5,000
Net revenue	324,112	315,519	329,464
Operating Expenses	275,322	292,344	286,187
Bond Interest	18,850	18,850	16,950
Net Expenses	256,472	273,494	269,237
Available (Net Revenue less Net Expenses)	67,640	42,025	60,227
Total Debt (at begin of year)	653,750	653,750	616,450
Years	20	20	19
Average Annual Debt	32,688	32,688	32,445
DEBT SERVICE FACTOR	2.07	1.29	1.86