

*Inverness Public Utility District*

**2006/2007 OPERATING BUDGET**  
**Approved June 21, 2006**

	<i>Audited</i> FY 2004/05	<i>Approved</i> FY 2005/06	<b>Approved</b> <b>FY 2006/07</b>	<i>Notes</i>
<b>WATER SYSTEM</b>				
<b><u>REVENUE</u></b>				
<b>CUSTOMER REVENUE</b>				
Basic Charge	210,490	232,155	231,693	
Usage Charges	83,749	81,661	83,750	
Customer-Paid Work	2,979	700	2,200	
Cross-Connection Fees	630	672	672	
Miscellaneous Charges	431	200	200	
Uncollectibles	0	0	0	
<b>Total Water Revenue</b>	<b>298,279</b>	<b>315,388</b>	<b>318,515</b>	
<b>INTEREST &amp; MISCELLANEOUS INCOME</b>				
Local Agency Investment Fund (interest)	8,982	8,000	12,000	
Intergovernmental Aid	1,257	0	0	
Other Income	583	250	597	
<b>Total Interest &amp; Miscellaneous Income</b>	<b>10,822</b>	<b>8,250</b>	<b>12,597</b>	
<b><u>TOTAL REVENUE</u></b>	<b>309,101</b>	<b>323,638</b>	<b>331,112</b>	
<b><u>EXPENSES</u></b>				
<b>PERSONNEL COSTS</b>				
Health Insurance	14,009	18,496	20,235	
Retirement	20,269	22,431	23,012	1
Payroll Taxes	8,211	7,782	7,615	2
Salary, General Manager	0	0	0	
Salary, Superintendent	31,885	30,583	33,556	
Salary, Operations & Clerical	54,309	56,782	54,623	
Accrued Vacation	990	0	2,783	
Worker's Compensation Insurance	521	5,378	4,943	3
<b>Total Personnel Costs</b>	<b>130,194</b>	<b>141,452</b>	<b>146,767</b>	
<b>PHYSICAL OPERATIONS</b>				
Collection & Treatment System	13,737	16,200	13,072	
Laboratory & Monitoring	6,948	9,185	7,115	
Professional Services	0	500	500	
Storage & Distribution System	7,759	8,938	7,432	
Supplies & Inventory	6,606	8,159	6,731	
Vehicle Operation	3,857	2,700	3,759	
Operator Training, Licensing	1,332	410	420	
<b>Total Physical Operations</b>	<b>40,239</b>	<b>46,092</b>	<b>39,029</b>	

## OFFICE &amp; ADMINISTRATION

Billing & Collections	16,131	14,400	14,400
Dues & Publications	595	480	320
State Fees, Legal, Miscellaneous	1,063	817	842
Conservation & PR	140	0	1,500
Telephone	651	656	660
Travel & Meetings	21	106	109
General Liability/Auto Insurance	6,201	5,853	6,880
<b>Total Office &amp; Administration</b>	<b>24,802</b>	<b>22,312</b>	<b>24,711</b>

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## INTEREST EXPENSE

1979 Revenue Bonds Interest	19,700	19,700	18,850
<b>Total Interest Expense</b>	<b>19,700</b>	<b>19,700</b>	<b>18,850</b>

## DISTRICT OVERHEAD

<b>Allocation of District Overhead</b>	<b>56,049</b>	<b>47,460</b>	<b>45,965</b>
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**TOTAL OPERATING EXPENSES**

<b>270,984</b>	<b>277,016</b>	<b>275,322</b>
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**NET INCOME**

<b>38,117</b>	<b>46,622</b>	<b>55,790</b>
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## OTHER RECEIPTS

<b>New Service Connection Fees</b>	<b>9,800</b>	<b>4,800</b>	<b>5,000</b>
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**TOTAL INCOME\***

<b>47,917</b>	<b>51,422</b>	<b>60,790</b>
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Depreciation	68,687	70,942	66,320
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Amortization	433	433	433
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<b>Total Depreciation/Amortization†</b>	<b>69,120</b>	<b>71,375</b>	<b>66,753</b>
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<b>Capital Grants Offset</b>	<b>20,381</b>	<b>20,381</b>	<b>20,381</b>
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**CURRENT EARNINGS**

<b>(822)</b>	<b>428</b>	<b>14,418</b>
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**RETAINED EARNINGS**

Beginning of Year	<b>561,647</b>	<b>575,652</b>	<b>587,696</b>
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End of Year	<b>575,652</b>	<b>587,696</b>	<b>602,114</b>
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## \* Distribution of Total Income:

Total Income	<b>47,917</b>	<b>51,422</b>	<b>60,790</b>
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Principal Payment, 1979 Bonds	16,000	17,000	19,000
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Reserve and Capital Projects	31,917	34,422	41,790
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Balance	<b>0</b>	<b>0</b>	<b>0</b>
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†Depreciation/Amortization Funding Ratio

<b>0.69</b>	<b>0.72</b>	<b>0.91</b>
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Debt Service Factor‡

<b>1.73</b>	<b>3.48</b>	<b>2.08</b>
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Cash Reserve Requirement (Resolution 71-94)

Operating Cash Reserve	80,000	90,000	85,000
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Emergency Capital Reserve	30,000	30,000	30,000
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<b>Total Cash Reserve Requirement</b>	<b>110,000</b>	<b>120,000</b>	<b>115,000</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	210,526	185,354	215,579
Prior Property Taxes	664	447	680
Supplemental Assessments	9,623	7,612	9,854
Homeowners (HOPTR) Rebate	2,009	2,024	2,057
Miscellaneous Taxes	50,115	27,512	51,318
District's Special Fire Tax	64,692	55,533	66,245
<b>Total Tax Revenue</b>	<b>337,629</b>	<b>278,482</b>	<b>345,733</b>

## NONTAX AND INTEREST INCOME

Local Agency Investment Fund (Interest)	12,848	9,167	15,608
West Marin Emergency Services Fund	7,490	7,000	7,000
Intergovernmental Aid	132,328	0	31,137
Merchandise Sales	999	800	825
Other Income	6,018	0	0
<b>Total Nontax &amp; Interest Income</b>	<b>159,683</b>	<b>16,967</b>	<b>54,570</b>

**TOTAL REVENUE**

<b>497,312</b>	<b>295,449</b>	<b>400,303</b>
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**EXPENSES**

## PERSONNEL

Health Insurance	10,324	21,640	16,112	1
Retirement	12,249	12,732	13,969	2
Payroll Taxes	5,284	5,330	4,574	
Salary, General Manager	0	0	0	
Salary, Fire Chief	33,152	32,767	33,556	
Salary, Department Operations	20,480	26,223	17,980	
Accrued Vacation	115	0	2,782	
Volunteers' Compensation	0	1,500	1,200	
Worker's Compensation Insurance	8,625	6,842	5,242	3
<b>Total Personnel Costs</b>	<b>90,229</b>	<b>107,034</b>	<b>95,415</b>	

## PHYSICAL OPERATIONS

Dispatch & Communications	21,342	22,000	24,694	5
Maintenance & Repair	2,991	6,759	3,063	
Fire Hazard Reduction (WUI)	382		0	
Professional Services	2,071	2,400	2,400	
Operating Supplies	9,744	6,794	9,978	
Education, Public Programs & Incentives	6,283	6,450	9,000	6
Utilities	2,931	3,184	3,001	
Vehicle Operation	3,437	2,062	3,609	
<b>Total Physical Operations</b>	<b>49,181</b>	<b>49,649</b>	<b>55,745</b>	

## OFFICE &amp; ADMINISTRATION

Dues & Publications	530	335	542	
Miscellaneous	595	526	609	
Telephone	880	692	901	
Travel & Meetings	236	50	242	
Tax Collection	3,825	1,172	3,917	
General Liability/Auto Insurance	7,291	6,617	8,125	4
<b>Total Office &amp; Administration</b>	<b>13,357</b>	<b>9,392</b>	<b>14,336</b>	

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<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>56,049</b>	<b>47,460</b>	<b>45,965</b>	
<b><u>TOTAL OPERATING EXPENSES</u></b>				
Total Operating Expenses	208,816	213,535	211,461	
Less: Extraordinary Expense	(22,472)	0	0	
Capital Outlay			83,194	
<b><u>CURRENT EARNINGS</u></b>	<b>266,024</b>	<b>81,914</b>	<b>105,648</b>	
<b>GENERAL FUND BALANCE</b>				
Beginning of Year	436,587	844,519	926,433	
End of Year	702,611	926,433	1,032,081	
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Total Revenue	497,312	295,449	400,303	
Total Operating Expenses	208,816	213,535	211,461	
<b>Operating Income</b>	<b>288,496</b>	<b>81,914</b>	<b>188,842</b>	
<b>Cash Reserve Requirement (Resolution 71-94)</b>				
Operating Cash Reserve	120,000	125,000	110,000	
<b>Total Cash Reserve</b>	<b>120,000</b>	<b>125,000</b>	<b>110,000</b>	

**DISTRICT OVERHEAD**

**EXPENSES**

PERSONNEL

Health Insurance	14,696	5,683	5,894	1
Retirement	12,692	11,416	10,611	2
Payroll Taxes	5,244	3,869	3,414	
Salary, General Manager	51,162	48,319	43,978	
Salary, Clerical	1,635	1,801	646	
Accrued Vacation	2,547	0	0	
<b>Total Personnel Costs</b>	<b>87,976</b>	<b>71,088</b>	<b>64,543</b>	

OFFICE & ADMINISTRATION

LAFCO Budget	465	468	476	
Dues & Publications	766	1,086	784	
Office Equipment Maintenance	1,495	761	1,495	
Miscellaneous	937	1,687	958	
Professional Services	13,550	12,600	16,600	7
Board Expenses & Elections	0	0	0	
Office Supplies & Postage	4,085	4,545	4,183	
Telephone, Internet Service	2,139	1,960	2,190	
Travel & Meetings	685	725	701	
<b>Total Office &amp; Administration</b>	<b>24,122</b>	<b>23,832</b>	<b>27,387</b>	

**TOTAL EXPENSES**

**112,098      94,920      91,930**

**ALLOCATION OF EXPENSES**

To Water System	56,049	47,460	45,965
To Fire Department	56,049	47,460	45,965
<b>Total Allocation</b>	<b>112,098</b>	<b>94,920</b>	<b>91,930</b>

**BALANCE**

**0                      0                      0**