

	A	B	C	D	E	G	H	I	J	K	L
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT										
3											
4											
5											
6	<u>Budget Summary</u>										
7	Income										
8	Operating Income		(See Row 298 for explanation of composition of income)							\$170,933	
9	Non-Operating Income		This is mostly the assessment income plus lease plus interest							\$113,075	
10	Total Income										\$284,008
12	Expenses										
13	Operating Expenses									\$153,880	
14	Non- Operating Expenses		This includes loan payment and County fees for collection of the assessment							\$12,068	
15	Total Expenses										\$165,948
17	Capital Projects and Equipment Purchases										
18	Capital Improvement Projects Covered by Assessment (including Mallo Pass easement effort)										
20	Assessment and Operating Reserve Changes										
21	Assessment Reserves Account Deposits and Withdrawls (Not Including Interest)										
22	Deposits in Assessment Reserves									\$94,091	
23	Draws From Assessment Reserves (Loan Repayment, Tank #5 Replacement & Mallo Pass Easement)									-\$256,609	
25	Operating Reserves Account Deposits and Withdrawls (Not Including Interest)										
26	Deposits in Operating Reserves / Projects										\$11,965
27	<u>Budget Balance Reconciliation</u>										
28	<u>Expense Reconciliation</u>										
29	Expenses Funded by Water Charges										
30	Expenses Funded from Usage Charges									\$25,855	
31	Expenses Funded from Availability Charges									\$132,663	
32	Expenses Charged Directly to Customers (Meter Connections)									\$792	
33											Expenses Funded by Income (Subtotal)
34	Expenses Funded by Assessment									\$6,638	\$159,310
35											
35										\$165,948	Total Funded Expenses
36	<u>Income Reconciliation</u>										
37	Income Designated for Expenses									\$158,968	
38	Income Designated for Reserves (Funded by Availability Charges)									\$11,965	\$170,933
39	Interest Income Allowed to Accumulate in Accounts									\$17,622	
40	Reimbursements, Late Fees, & Penalties Not Budgeted for Expenses (Unacceptable High Uncertainty)										
41	Lease Income from IBVFD firehouse to be either placed in reserves or used for budget shortfalls at end of year and not committed to funding expenses due to uncertainty of IBVFD future.									\$1,362	
42	Restricted Assessment Income									\$94,091	
44											Total Income
45											\$284,008
46	Water Rates Based on Funding Requirements of this Budget										
47											
48	Total Number of Users as of 9/30/09										
49	100s of Gallons used in District per year (2008 Basis)										
50	Total Expenses Chargeable to Usage										
51	Expenses Chargeable to Availability										
52	Reserves Chargeable to Availability										
53	Total Expenses Chargeable to Availability										
55	Usage Charge										
56	Availability Charge										
57											

**Resolution of the Board of the Irish Beach Water District Documenting
The Approval of the District's FY2009/10 Budgets for Water**

WHEREAS, the Irish Beach Water District income requirements are stated in the annual budget and income is derived by water rates and the District-Wide Capital Improvement Assessment. Since the budget varies each year depending on anticipated expenses, capital projects, and reserve goals, the water rates must be adjusted to meet the needs of the budget.

1. NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Irish Beach Water District approves the FY 2009/2010 Water District Budget as attachments to this resolution titled "Cash Flow Water Budget For the Irish Beach Water District – October 1, 2009 through September 30, 2010".

2. NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Irish Beach Water District has determined that the water rates, as stated below and on the attached "Cash Flow Water Budget For the Irish Beach Water District – October 1, 2009 through September 30, 2010 are responsive to and in support of the needs of the Water District and are approved for the FY 2009/2010. These rates will be effective beginning October 1, 2009.

Water Rate Calculation

<u>Basis</u>	
Total Number of Connected Users as of 9/30/09	196
100s of Gallons used in District per year (most recent yr., 2008)	69,155
Total Budget Expenses Chargeable to Usage	\$25,855
Total Budget Expenses & Reserve Funding Chargeable to Availability	\$144,628
Total Billing Periods in Year	6

<u>Rate Calculation</u>	
Usage Rate/100 Gallons	\$0.37
Availability Charge/ 1 month	\$61.49
Availability Charge/ 2 months	\$122.98

3. BE IT FURTHER RESOLVED that the Board of Directors of the Irish Beach Water District will review water rates annually in conjunction with the annual budget and make adjustments to water rates as required to assure that water rates accurately reflect the needs of the approved budget.

The foregoing Resolution No. 2009 3 was considered and adopted by the Directors of the Irish Beach Water District at their regular meeting held November 14, 2009 by the following vote:

Ayes: 4 (Murray, Harley, Whitaker, Jarsawski)

Noes: 0

Abstain: 0

Absent: 1 (Poling)

Dated: 11/14/09

Attest: Annette Fromwell
Secretary of the Board

Stephen Whitaker
President
STEPHEN WHITAKER

WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT

Treasurer

Presented for approval to IBWD Board of Directors (September 2009)

Budget Updates & Revision History

Package Contents

Page 1	Summary, Budget Balance Reconciliation & Water Rate Calculation
Page 2	Income
Page 2-3	Expenses
Page 4	Capital Projects
Page 4	Asset Transfers
Page 5	Budget Notes

Income (1)

410.000 Operating Revenues

411.100	Water Sales Residential-Water Usage		\$25,855
421.300	Availability Charges		\$144,628
421.510	Meter Connections		\$450

Total 410.000 Operating Revenues

\$170,933

490.000 Non-Operating Revenues

491.000	Leases (2)		\$1,362
492.000	Interest		\$17,622
492.100	Interest - Checking/Operations Cash Account		\$35
492.200	Interest - Operating Reserves		\$2,597
492.300	Interest - <40yr Assets Capital Replacement Reserve		\$1,224
492.400	Interest - 40yr Assets Capital Replacement Reserve		\$3,933
492.500	Interest - System Wide Capital Improvements Account		\$5,460
492.600	Interest - Mallo Pass Account		\$4,373
493.350	Property Assessment-Current		\$94,091
493.351	Assessment-40yr Assets Capital Replacement Reserve		\$20,594
493.352	Assessment-System Wide Capital Improvements		\$32,905
493.353	Assessment-Mallo Pass		\$33,983
493.354	Assessment-Loan Repayment - 65% Allocated to Parcels		\$6,609
498.000	Other Non-Operating Revenue		
498.110	Copies		
498.310	Other Refunds		
498.400	Reimbursements From IBVFD		

\$113,075

Total Income

\$284,008

Expenses (1)

500.000 Operating Expenses

510.000	Source of Supply		
511.000	Labor & Materials For Operating Installed Equip. (Supervision & Labor & Ex)	50%	UC & AC \$2,826
511.100	Labor for the Operating of Equipment, Maintaining Associated Logs and Records, Patrolling Irish Creek, Brush Cutting, etc.		\$2,526
511.200	Equipment & Supplies for Operation of Equipment		\$300
512.000	Labor & Materials for Maintenance (Maintenance-Structures & Improvement)	AC	\$1,962
512.100	Labor for Maintenance & Repair of Installed Items		\$1,662

Budget Summary

	A	B	C	D	E	G	H	I	J	K	L
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT										
3											
4											
109		512.200	Equipment & Supplies for Maintenance & Repair of Installed Items					\$300			
110		513.000	Power Purchased for Source of Supply (Electric)				UC		\$1,200		
111		Total 510.000 Source of Supply									\$5,987
112											
113		530.000	Water Treatment								
114		531.000	Labor & Materials For Operating Installed Equip. (Supervision & Labor & Expense)								
115		531.100	Labor for Water Treatment Activities, Operating Equipment,			50%	UC		\$20,117		
116			Maintaining Associated Logs and Records			50%	AC				
117											
118		531.200	Equipment & Supplies for Operation of Equipment				UC	200	\$2,960		
119		531.500	Water Eye / Satellite Paging					2760			
120		531.300	Analytical Testing								
121		531.3	Analytical Testing					UC	\$4,500		
122						100%	AC				
123		531.400	Chemicals and Filtering Supplies				UC		\$1,400		
124		532.000	Labor and Materials for Maintenance (Maintenance-Structures & Improveme				AC		\$3,648		
125			532.100 Labor for Maintenance & Repair of Installed Items					\$3,448			
126			532.200 Equipment & Supplies for Maintenance & Repair of Installed Items					\$200			
127		533.000	Power Purchased for Treatment (Electric)				UC		\$650		
128		Total 530.000 Water Treatment									\$33,276

Budget Summary

	A	B	C	D	E	G	H	I	J	K	L
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT										
3											
4											
131		540.000	Transmission and Distribution								
132		541.000	Labor & Materials For Operating Installed Equip. (Supervision & Labor & Ex)	50%	UC & AC				\$6,113		
133		541.100	Labor for Transmission Activities, Operating Equipment, Maintaining					\$4,113			
134			Associated Logs and Records, Patrolling Distribution System, Brush Cutting, etc.								
135		541.200	Equipment & Supplies for Operation of Installed Items					\$2,000			
136		542.000	Labor and Materials for Maintenance (Maintenance-Structures & Improve	AC					\$9,441		
137		542.100	Labor for Maintenance & Repair of Installed Items					\$8,441			
138		542.200	Equipment & Supplies Maintenance & Repair of Installed Items					\$1,000			
139											
140		543.000	Power Purchased for Transmission and Distribution (Electric)	UC					\$1,300		
141		544.000	Telephone for Distribution	UC					\$792		
142		Total 540.000 Transmission and Distribution									\$17,646
143											
144		550.000	Customer Accounts								
145		551.000	Labor, Matrerials, and other Expenses for Customer Accounting and Collection								
146		551.100	Labor for Billing	AC					\$7,944		
147		551.200	Labor for Meter Reading	UC					\$2,275		
148		551.300	Meter Intallations								
149		551.310	Labor for meter installations						\$792		
150		551.320	Meters								
151		Total 550.000 Customer Accounts									\$11,011
152											
153		560.000	Administrative & General								
154		561.000	Salaries	AC					\$29,410		
155		562.000	Office Supplies & Other Expenses								
156		562.010	Office Maintenance & Supplies					\$1,000			
157		562.020	Administrative Services (12)								
158		562.030	Outside copy work					\$50			
159		562.040	Postage					\$1,000			
160		562.050	Software					\$610			
161											
162			QB Payroll					\$480			
163			Billing Maintenece					\$130			
164		562.060	Licenses and Permits					\$400			
165		562.070	Memberships/Dues/ Annual Fees					\$2,142			
166			Calif Rural Water					\$255			
167			Calif Special Districts					\$427			
168			State Water Resources Control Board					\$436			
169			Department of Health Services							Paid in prior fiscal year (521.00)	
170			LAFCO					\$704			
171			State Bd of Equilization					\$320			
172		562.080	Training					\$500			
173		562.090	Advertising/noticing in paper					\$100			
174		562.100	Election					\$150			
175		562.110	Port-A-Potty/Garbage					\$680			
176		562.120	Printer and accessories					\$750			
177		562.140	Telephone-Administrative					\$1,080			

Budget Summary

	A	B	C	D	E	G	H	I	J	K	L
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT										
3											
4											
178			Total 562.000	Office Supplies & Other Expenses			AC		\$7,712		
179			563.000	Contractual Services							
180			563.100	Legal Attorney				\$22,025			
181			563.200	Auditor Contract			***	\$3,900			
182			563.400	Engineering				\$1,004			
183			Total 563.000	Contractual Services			AC		\$26,929		
184			564.000	Property Insurance, Injuries and Damages							
185			564.100	Ins.- General/Liability				\$5,800			
186			564.200	Workman's Comp.				\$4,225			
187			564.210	Workman's Comp Water				\$3,800			
188			564.220	Workman's Comp Directors				\$125			
189			564.230	Workman's Comp Admin				\$300			
190			564.400	Insurance - Bonded				\$100			
191			Total 564.000	Property Insurance, Injuries and Damages			AC		\$10,125		
192			565.000	Employee Retirement and Benefits			AC		\$3,400		
193			565.200	Vacation				\$3,400			
194			565.100	Payroll Taxes			AC		\$6,884		
195				FICA				\$5,216			
196				Medicare				\$1,220			
197				Training Tax				\$28			
198				UI Contributions				\$420			
199											
200											
201			569.000	Other Administrative Expenses							
202			Total 560.000 Administrative and General							\$84,461	
203											
204			570.000	Other Operating Expenses							
205				Depreciation & Amortization (10)							
206				Taxes			AC				
207			573.000	Other Operating Expenses							
208			573.100	Vehicle Operation for Operations			50%	UC & AC	\$1,500		
209			573.200	Misc Expenses			AC				
210			Total 570.000	Other Operating Expenses						\$1,500	
211			Total 500.000 Operating Expenses							\$153,880	
212											
213			590.000	Non-Operating Expenses							
214			591.000	Interest, Long Term Debt							
215			591.100	Loan Repayment Funded From Assessment (All parcels-65%)			PAF		\$6,638		
216			591.110	Interest				\$2,146			
217			214.100	Principle				\$4,165			
218			591.200	Loan Repayment Funded From Operations (Connected Users-35%)			AC		\$3,574		
219			591.210	Interest				\$1,326			
220			214.200	Principle				\$2,574			
221			Total 591.000	Interest, Long Term Debt					\$10,212		\$3,900
222			594.000	Other Non-Operating Expenses							
223			594.100	Mendocino County Assessment Collection Fee (2%)			AC		\$1,856		
224			Total 590.000	Non-Operating Expenses						\$12,068	
225			Total Expenses							\$165,948	

	A	B	C	D	E	Budget Summary			H	I	J	K	L	
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT													
3														
4														
226														
227														
228	Capital Projects & Equipment Purchases													
229	112.000 Projects - Construction in Progress													
230														
231														
232														
233	Total 112.700 Replace Tank #1 and Tank #3 (B&W Engineer's Report July 2002 Pg. 6)						PAF	\$250,000						
234	<i>General system-wide work</i>													
235	<i>Labor and Materials for tank Replacement (T1)</i>						PAF							
236														
237														
238	Total General System-Wide Improvements								\$250,000					
239														
240														
241	EIR and renewal of water permit for Mallo Pass													
242														
243							PAF							
244	Total 112.800 Mallo Pass						PAF							
245	Total Capital improvement Projects Covered by Assessment										\$250,000			
246	<hr/>													
247														
248														
249														
250	PROJECTS 2009-2010													
251							AC							
252							AC							
253							AC							
254														
255														
256														
257	TOTAL FUNDING PROJECTS <40 YEAR ITEMS													
258														
259	123.211 Draws From Operating Reserves													
260	123.210 Operating Reserve													
261	123.212 <i>Funding Operating Reserve Account</i>						AC	\$1,715						
262	Total funding for projects and basic operating reserve						AC			\$1,715				
263														
264	123.213 Interest Earned by Operating Reserve Account								\$2,597					
265	Total Funding for Project <40 Year items													
266	Total 123.210 Operating Reserve										\$4,312			
267														
268	123.220 < 40 yr Assets Capital Replacement Reserve Account													
269	123.221 Draws From< 40 yr Assets Capital Replacement Reserve Account													
270	123.222 Funding < 40 yr Assets Capital Replacement Reserve Account						AC	\$10,250						
271	Payback draw from <40 Year Asset Replacement Fund						AC							
272														
273														
274	123.223 Interest Earned by < 40 yr Assets Capital Replacement Reserve Account								\$1,224					
275	Total 123.220 <40yr Assets Capital Replacement Reserve						AC					\$10,250		

These projects to be funded by this year's AC

Total to collect for reserves and projects
Projects this

\$11,965

Budget Summary

	A	B	C	D	E	G	H	I	J	K	L	
2	WATER BUDGET FOR THE IRISH BEACH WATER DISTRICT											
3												
4												
276												
299												
300	Operating Income consists of:											
301							Total operating expenses	\$153,880				
302							Plus operating share of loan	\$3,574				
303							Plus County collection fee	\$1,856				
304							Plus amount to basic reserve fund / projects	\$1,715				
305	<u>Funding Source Key:</u>						Plus amount to <40 year portion of reserve fund	\$10,250				
306	UC Usage Charge							\$171,275				
307	AC Availability Charge											
308	SAF Service Assessment Funded											
309	ORF Operating Reserve Funded											
310	ACRF <40yr Asset Capital Reserve Funded											
311	PAF Property Assessment Funded											
312	PARF Property Assessment Reserve Funded											

Notes To The Irish Beach Water District Cash Flow Budget

- 1) The purpose of the Water District Budget is to show 100% of the cash and cash equivalent flow in the District. As Such, 100% of all IBWD revenues and expenses are shown on the Water District Budget; operating, capital improvement, and assessments.
- 2) Lease income from Fire House and other support provided to IBVFD. Created lease amount of \$1362/year at \$113.50/month based on the following
 - Firehouse depreciation \$762/yr.
 - Office Expenses \$100/yr.
 - Office labor \$600/yr.Assumed only a couple of hours of time per month by Office Manager and minor paper, copying and other office expenses. All other Fire Department Expenses to be reimbursed to the Water District by Fire on a case by case basis.
- 3) Operating Reserve and <40yr Asset Replacement Reserve are located in one bank account. Withdrawals from the account must be authorized by the IBWD Board of Directors by revision of the IBWD Budget. Interest is prorated between reserve account categories.
- 4) All funds collected from "District-wide Capital Improvement Assessment" are located in one bank account. Withdrawals from the account must be included in the Assessment Engineering Report and authorized by the IBWD Board of Directors by revision of the IBWD Budget. Interest is prorated between reserve account categories.
- 5) All expenses incurred by the Water District in Support of the IBVFD, other than those included in the lease agreement, are to be expensed by the Water District. Such expenses are to be invoiced at cost to the IBVFD so the Water District can be reimbursed for its fire department related expenses. When such invoices are paid by the Fire Department they are identified as income from reimbursements. No IBVFD expenses can be paid by the Water District without reimbursement by the IBVFD.
- 6) All projects, including capital replacement, capital improvement, and Mallo Pass expenditures are to be estimated with detailed budgets broken down by project within the appropriate Operating or Capital Improvement categories as indicated with additional sub categories established as required to adequately define the work to be performed. Such estimates should include all materials, supplies, equipment, associated labor and contracted services to support such projects. Contractors and other contracts such as engineering should be included here, not under administrative contracts.
- 7) Legal is funded as part of the Contracted Services Component with General Council as a regular expense. When legal assistance is required because of litigation or in support of a project, each specific project or litigation it is to be estimated and funded separately as additional sub categories.
- 8) Bank charges, messenger services, etc.
- 9) Legal Fees and Expenses include Court Costs, filing fees and other such expenses including any judgement expenses. Attorney costs are included under contractual services.

- 10) Depreciation is not used in the budget for any purpose because it does not directly correlate with cash or cash equivalent flow. Funding of reserves is addressed separately and is directed toward establishing reserves for replacement of aging infrastructure and is not driven by depreciation.
- 11) When additional consultant support is required, each specific project is to be estimated and funded separately as an Other Consultant sub category.
- 12) The funding source for each expense item is identified. While property assessment funded items are provided for as part of the District Wide Capital Improvement Assessment, all other expenses must be funded by charges to the connected users of the water system. The fixed and variable expenses are used to calculate the operating water rates.
 - Operating expenses that are primarily impacted by water usage are designated as variable and are funded by water Usage Charges (**UC**)
 - Operating expenses that are not significantly impacted by water usage are considered Fixed and are funded by the Availability Charges (**AC**).
 - Operating expenses that have little relationship to the supply of water or maintenance of the water system and are above and beyond normal operations are funded by Water Service Assessments(**SAF**). For example legal costs due to litigation are to be offset by a Water Service Assessment.
 - The Operating Reserve (**ORF**) is intended to fund such things as the IBWD Board of Directors deems appropriate and expenses not otherwise provided for by assessments (such as minor improvements). The Operating Reserve is funded by Availability Charges.
 - The < 40 yr. Asset Capital Replacement Reserve (**ACRF**) is intended to fund replacement of capital assets with an expected life of less than 40 years. The Asset Capital Replacement Reserve is funded by Availability Charges.
 - Items identified in the District Wide Capital Improvement Assessment (property assessment) are funded from the reserves established to hold those funds (**PARF**). Such reserves are funded from the property assessment (**PAF**).