

## Resolution No. 07-2006

A RESOLUTION of the Board of Directors of the North Beach Public Development Authority, Pacific County, Washington, relating to 2007 Annual Budget, fees, and fines, specifically drinking water rates and regulations for the operation of North Beach Water.

**WHEREAS**, the North Beach Public Development Authority (NBPDA) has established a water supply and distribution system, North Beach Water; and

**WHEREAS**, the NBPDA has incurred debt in purchasing such facilities that must be retired; and

**WHEREAS**, the NBPDA has a desire to operate and maintain the system, retire the debt and plan for the future; and

**WHEREAS**, the NBPDA had reviewed the operating expenses and revenue, held hearings, and reviewed and approved the proposed utility rates.

### **THE NBPDA BOARD OF DIRECTORS HEREBY RESOLVES AS FOLLOWS:**

This resolution reaffirms Resolution 05-2006 adopted, April 10, 2006, which established the rules, regulations and rates for the operation of the system, which operates North Beach Water.

**WE NOW THEREFORE**, present and approve the 2007 operations budget as follows;

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12/28/06

**North Beach Public Development Authority**  
**NORTH BEACH WATER**  
**2007 Budget – Accrual Basis**  
**Profit & Loss & Cash Flows**

		Budget January-December 2007
		<u>TOTAL</u>
<b>Operating Income/Expense</b>		
Base Rate (Ready to Serve) Meters		2,550
Water Usage Billed per Cubic Feet		15,838,365
Average Base Rate (Ready to Serve) Meters	\$	25.67
Water Usage Rate Billed per Cubic Feet	\$	0.0135
<b>Revenue</b>		
343.41 · Base Rate Water Revenue	\$	785,423
343.42 · Metered Water Revenue		213,818
343.81 · Customer Installations		52,000
343.82 · Customer Reconnections		8,520
343.86 · Construction Surcharge		11,946
343.87 · Other Customer Fees		400
343.88 · Customer Billing Adjustments		(6,187)
Total Revenue		<u>1,065,920</u>
<b>Expense</b>		
<b>500.0 · Operations</b>		
500.1 · Wages-System Operations		105,724
500.1 · Wages-System Op-New Employees		60,151
500.1 · Wages-System Op-Increase		5,429
500.2 · Personnel Benefits Allocated		53,210
500.3 · Communications (Tel, Cells)		1,800
500.6 · Small Tools, Equip, Materials		40,503
500.7 · Utility Service-Other		1,213
500.8 · Repairs & Maintenance		-
500.8.1 · Buildings R&M		-
500.8.2 · Chemical Testing & Lab		1,200
500.8.4 · Equipment R&M		-
500.8.6 · System R&M		70,000
Total 500.8 · Repairs & Maintenance		<u>71,200</u>
<b>500.9 · Vehicle Costs</b>		
500.9.1 · Vehicles - Fuel		11,754
500.9.4 · Vehicle Licenses		104
500.9.5 · Vehicle Repairs & Parts		10,000
Total 500.9 · Vehicle Costs		<u>21,858</u>
504.1 · Cost of Power		<u>40,302</u>
Total 500.0 · Operations		<u>401,390</u>

510.0 · General Administration

510 · Salaries & Wages	
510.6 · Wages-Administration	60,571
510.6 · Wages-Admin-New Employees	86,250
510.6 · Wages-Admin-Increase	6,743
Total 510 · Salaries & Wages G&A	<u>153,564</u>
520 · Personnel Benefits	
520.1 · Employee Insurance	42,450
520.2 · Employer FICA (OASI)	24,852
520.6 · Unemployment Compensation (SUI,FUTA)	2,599
520.8 · Workers' Compensation (L&I)	10,721
520.9 · Allocate Benefits to Operations	(53,210)
Total 520 · Personnel Benefits	<u>27,411</u>
531 · Office & Operating Supplies	
531.4 · Office Supplies	12,353
Total 531 · Office & Operating Supplies	<u>12,353</u>
535 · Small Tools/Software/Minor Equipment	
535.02 · Computer Software/Minor Equip	2,490
Total 535 · Small Tools/Software/Minor Equipment	<u>2,490</u>
541 · Professional Services	
541.1 · Accounting & Auditing	16,000
541.3 · Computer Programming	-
541.x · Legal Fees	10,000
541.7 · Management Consulting	-
541.7.x · Mgmt Services-Water System Plan (TJF)	77,881
541.7.x · Mgmt Services-TJF General Consulting	30,000
Total 541 · Professional Services	<u>133,881</u>
542 · Communication	
542.1 · Telephones	3,543
542.3 · Cell Phones & Pagers	-
542.4 · Internet Costs	2,200
542.8 · Postage & Deliveries	13,638
Total 542 · Communication	<u>19,381</u>
543 · Travel	
543.3 · Lodging	219
543.4 · Meals	70
543.6 · Auto & Mileage	4,041
Total 543 · Travel	<u>4,330</u>
544 · Customer Communications	
544.3 · Customer Surveys/Communication	1,800
544.5 · Newspapers & Publications	300
Total 544 · Customer Communications	<u>2,100</u>
545 · Operating Rentals & Leases	
545.1 · Building Rental-Office	12,000
Total 545 · Operating Rentals & Leases	<u>12,000</u>

546 · Insurance	
546.4 · Liability Insurance	18,834
Total 546 · Insurance	<u>18,834</u>
547 · Utility Services	
547.1 · Electricity	1,123
Total 547 · Utility Services	<u>1,123</u>
549 · Miscellaneous	
549.1 · Bank Charges	115
549.2 · Dues, Subscriptions, Membership	3,975
549.3 · Filing & Recording Fees	471
549.5 · Registrations/Conf/Tuition	3,436
549.8 · A/R Refunds & Other AR Adjust.	377
Total 549 · Miscellaneous	<u>8,374</u>
Total 510.0 · General Administration	395,841
553.0 · External Taxes & Operation Taxes	
553.2 · B&O Excise Taxes	53,605
553.5 · Operating Permit DOH	4,239
553.6 · Other Licenses & Permits	585
553.7 · Property Taxes	-
553.8 · Utility Regulator Assessment Fees	1,872
Total 553.0 · External Taxes & Operation Assessments	<u>60,301</u>
Total Expense	<u>857,532</u>
<b>Operating Income Before Depreciation</b>	<b>208,388</b>
<b>Other Income/Expense</b>	
Other Income	
361.11 · Interest & Dividend Income-PDA Funding	24,557
361.11 · Interest & Dividend Income-Operations	9,557
Total Other Income	<u>34,114</u>
Other Expense	
580 · Interest Expense & Related Cost	
583.1 · PWTF Loan #117 Interest	4,868
583.2 · PWTF Loan #129 Interest	4,868
583.7 · Revenue Bond Interest-Cashmere	150,576
Total 580 · Interest Expense & Related Cost	<u>160,313</u>
Total Other Expense	<u>160,313</u>
Net Other Income	<u>(126,199)</u>
<b>Net Income Before Depreciation</b>	<b>\$ <u>82,189</u></b>

**OPERATIONS CASH FLOW**

Operating Income Before Depreciation and Interest Income & Expense	\$ 208,388
Adjustments and Non-Cash Accruals: Expenses Funded thru PDA Loans	<u>77,881</u>
Net Cash Provided (Used) by Operations	286,269
<b>DEBT &amp; CAPITAL ASSETS PAID FROM OPERATIONS CASH</b>	
Principal & Interest paid on l debt	-
Water Revenue Bond	(275,100)
PWTF #1 (117)	(57,632)
PWTF #2 (129)	(57,632)
PWTF Planning Loan #204	-
Purchases of Bldg, Machinery & Equipment (Capital Budget)	(210,000)
Interest and dividends	<u>9,557</u>
Net operations cash provided (used) capital debt & operations assets	<u>(590,806)</u>
Net cash provided (used) Operations, Debt Payments, and Capital Assets	(304,537)
OPERATING CASH BALANCES - BEGINNING	<u>316,810</u>
OPERATING CASH BALANCES - ENDING	<u>\$ 12,273</u>

**NBPDA FUNDING CASH FLOW**

Proceeds from NBPDA Debt Funds PWTF Planning Loan #204	\$ 10,000
Expenditures against NBPDA Funding: Construction of Fire Flow/Inter-Tie Project	(221,949)
Water System Planning Costs from Operations	(77,881)
Interest and dividends	<u>24,557</u>
Net cash provided (used) by NBPDA Funding	(265,273)
CASH BALANCES PDA FUNDING - BEGINNING	<u>710,139</u>
CASH BALANCES PDA FUNDING - ENDING	<u>\$ 444,866</u>

**NBPDA FUNDING - CASH AVAILABLE FOR CASHMERE VALLEY NOTE & CAPITAL BUDGET**

Debt Service Reserve Fund	\$ (275,100)
Increase (decrease) in Debt Service Fund	-
Capital Reserve Fund	<u>(100,000)</u>
Total	(375,100)

**NBPDA FUNDING - REMAINING CASH AVAILABLE** \$ 69,766

**North Beach Public Development Authority  
NORTH BEACH WATER  
2007 CAPITAL BUDGET (ASSETS)**

	<u>Date of Purchase</u>	<u>Total Dec 06 &amp; 2007</u>	<u>Dec-06</u>	<u>2007 Total</u>
<b><u>FUNDED FROM PDA LOANS:</u></b>				
<b>Reservoir/Transmission Line/Pump House</b>				
Contract Management - TJF Engineers	03/01/07	\$ 18,000	\$ 2,000	\$ 16,000
Electrical	03/01/07	48,800		48,800
Pump House Bldg - DPR	03/01/07	50,000	5,000	45,000
PUD#2 - County Connection* Trench	03/01/07	35,410		35,410
Misc. - Adjust to TJF Budget	03/01/07	76,739		76,739
		<u>228,949</u>	<u>\$ 7,000</u>	<u>\$ 221,949</u>
		<u>643,509</u>		
		<u>\$872,458</u>		
<b><u>FUNDED FROM OPERATIONS:</u></b>				
<b>Field Operations Assets</b>				
Filtration Room Improvements		\$50,000	\$	\$ 50,000
Distribution Lines New or Major Improvements		60,000		60,000
Tools & Equipment per W/P	1, 2, 3 Qtr	30,000		30,000
		<u>140,000</u>	<u>0</u>	<u>140,000</u>
<b>Vehicle Assets</b>				
1 Ton Service Truck	05/01/07	30,000		30,000
Vehicle	07/01/07	20,000		20,000
		<u>50,000</u>	<u>0</u>	<u>50,000</u>
<b>Office Assets</b>				
RVS Billing Software & Computer	03/01/07	10,000		10,000
Copier & Misc. Equipment	02/01/07	5,000		5,000
Computer Upgrades	Qtr 3&4	5,000		5,000
		<u>20,000</u>	<u>0</u>	<u>20,000</u>
<b>Total Funded by Operations</b>		<u>\$ 210,000</u>	<u>\$</u>	<u>\$ 210,000</u>
<b>Total Capital Asset Purchases</b>		<u>\$ 438,949</u>	<u>\$ 7,000</u>	<u>\$ 431,949</u>

**NBPDA Water Rate Resolution 05-2006, Adopted April 10, 2006**

**1.01.390 – Service Charges**

Within the boundary of the agency’s service area the following rates shall apply:

- |     |  |   |                |
|-----|--|---|----------------|
| 1.  | Occupant turning on water after shutoff                                  | \$10.00   | Sec.1.01.330   |
| 2.  | Delinquency notification penalty   | \$10.00   | Sec.1.01.380   |
| 3.  | Service disconnected/water reconnect for nonpayment penalty              | \$25.00   | Sec. 1.01.380  |
| 4.  | Water for commercial construction purposes                               | \$50.00 per month plus consumption charge   | Sec.1.01.360   |
| 5.  | Water for residential building construction purpose                      | Flat fee of \$50.00 paid at application   | Sec.1.01.360   |
| 6.  | Connection charge for 6-inch and smaller main installed as of March 2006 | \$12.50 per front foot  | Sec.1.01.270   |
| 7.  | Connection charge for 8-inch main installed as of March 2006             | \$15.00 per front foot  | Sect. 1.01.270 |
| 8.  | Connection charge for main installed after March 2006                    | Actual cost per front foot to install water main including engineering and administrative costs |                |
| 9.  | ¾-inch Service   | \$650.00  | Sec.1.01.190   |
| 10. | 1-inch and larger Service  | Cost plus 15%   | Sec.1.01.190   |
| 11. | Water Meter Rates  |   |                |

**Monthly Charges**

The following is the monthly charge based upon meter size. Monthly charges for meter sizes not listed in the schedule shall correspond to the next larger meter size listed.

<b>Meter Size</b>	<b>Ready to Serve Charge</b>	<b>Sec. 1.01.350</b>
¾-inch	\$24.50+consumption charge	
1-inch	\$40.90+consumption charge	
1.5-inch	\$81.60+consumption charge	
2-inch	\$124.90+consumption charge	

**Consumption charge per 100 cubic feet**

Consumption charge \$1.35 per 100 cubic feet

This resolution shall become effective upon its adoption as provided by law.

*R. Miller*

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PRESIDENT

*K.M. Karch*

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VICE PRESIDENT

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TREASURER

*Paul M. ...*

\_\_\_\_\_  
DIRECTOR

*James J. ...*

\_\_\_\_\_  
DIRECTOR

**ATTEST:**

*Celsa Johnson*

\_\_\_\_\_  
SECRETARY to the BOARD

*12/28/06*

\_\_\_\_\_  
DATE