

**HOLMES HARBOR WATER COMPANY
PROPOSED 2019 OPERATING BUDGET**

	A	B	C	D	E	F	G	H	I	J	K	L
	Budget Category / Line Item	2018 Approved Budget	2018 Income / Expenditures	Difference	2019 Projected Budget							
1												
2												
3												
4	ANNUAL OPERATING BUDGET											
5												
6	INCOME											
7	3000 A & B Water Rates & Late Fees	31,160	34,118	2,958	33,100							
8	3000 C Interest - Savings & CD	250	423	173	500							
9	3000 D Liens/ Cert letters/ Other	N/A	160	160	150							
10	3000 E & F Water Res Fund & fees	13,430	14,010	580	15,500							
11	3000 G USDA Reimbursement (Est.)				37,382							
12	TOTAL INCOME	44,840	48,711	3,871	86,632							
13												
14	EXPENSES											
15	3001 Bank Charges	0	11	-11	0							
16	3002 Bookkeeping/Sec. Services	700	672	28	700							
17	3003 Capital Expenses	40,000	5684	34,316	8,000							
18	3005 Dues/Subscriptions	300	236	64	300							
19	3006 Education & Training	100	0	100	100							
20	3007 Insurance	0	0	0	0							
21	3008 Licenses & Permits, Taxes	500	456	44	500							
22	3009 Miscellaneous	150	0	150	150							
23	3010 Office Expenses	500	348	152	500							
24	3011 Postage	100	0	100	100							
25	3012 Professional Services	1,000	550	450	1000							
26	3014 Repairs/Maintenance	5,000	4,340	660	4,000							
27	3015 Travel	500	0	500	250							
28	3016 Utilities A) Electric. B) Propane	1,500	2,174	-674	1,500							
29	3017 A) Monthly Billing Service	1,000	1000	0	1,000							
30	3017 B) Cert. Letters/Liens/Other Billing	125	174	-49	150							
31	3017 C) Customer Water Use Billing	300	285	15	300							
32	3017 D) Reserve Fund Billing	N/A	153	-153	160							
33	3018 Water Quality Testing	1,400	715	685	1,200							
34	3019 Water System Management	4,000	3,700	300	4,000							
35	3021 Water Meter Reading	700	662	38	700							
36	3023 Interim Loan Payments				31,500							
37	TOTAL 2018 OPERATING EXPENSES	57,875	21,160	36,715	56,110							
38	Unallocated Funds				30,522							
39												
40	END OF YEAR ASSETS											
41	Whidbey Island Bank (WIB) Checking	7,008			7,000							
42	WIB Savings (Money Market)	31,171			32,000							
43	Heritage Bank CD (@1.45%)	25,036			25,400							
44	Total Cash & Equivalents	63,215			64,400							
45	Total Accounts Receivable	2,563										
46	Water Use: 1,448											
47	Reserve Fund: 1,115											
48	TOTAL ASSETS	65,778										
49												
50	USDA LOAN/ GRANT PROGRAM											
51												
52	USDA Program Expenses											
53	3022 A) Documents/notices Prep/Post	200	3,125	-2925	200			3,125				
54	3022 B) Rentals	0	0	0								
55	3022 C) Consulting; Engineering/other	50,000	53,629	-3629	50,000	& 13,819	from 2017 =	67,448				
56	3022 D) Arch/ Environ Studies	1,000	6,786	-5786	0	& 24,440	from 2017 =	31,226				
57	3022 E) Permits/Apps/filing fees	1,000	139	861	1,000			139				
58	3022 F) Office/Print/Mail Expenses	1,000	327	673	1,000	& 117	from 2017 =	444				
59	Total USDA Program Expenses	53,200	64,006	10,667	52,200*			102,382	Total out-of-pocket			
60								-65,000	Our "Down"			
61								37,382	USDA Reimbursement (est.)			
62												
63	* Virtually all USDA expenses going forward will first be paid through an 'interest only' interim construction loan with WIB, not from our operating budget.											
64	The interim construction loan will be paid off with periodic infusions of cash from the USDA up to the approved amount of the USDA loan (\$847K+).											
65	All additional invoices will be paid via the USDA Grant. After the project is finished we will be obligated to make annual payments of approx \$32K+/- on the USDA Loan.											