

RESOLUTION NO. 2016-10

A RESOLUTION of North Kootenai Water District, Kootenai County, Idaho, adopting a budget for fiscal year 2016/2017; and providing for other matters properly relating thereto.

NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF NORTH KOOTENAI WATER DISTRICT, KOOTENAI COUNTY, IDAHO, as follows:

WHEREAS, North Kootenai Water District (the "District") is a water district under and by virtue of the constitution and laws of the state of Idaho and is governed by an elected Board of Directors ("Board");

WHEREAS, the Board developed a draft of a budget for the next fiscal year;

WHEREAS, the Board advertised the adoption of its budget as required by Idaho Code and conducted a public hearing on the budget on September 15, 2016; and

WHEREAS, the Board is now prepared to adopt the budget for its next fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS as follows:

Section 1: Adoption of Budget. The budget, in the form attached hereto as Exhibit "A," is hereby adopted by the Board for the 2016/2017 fiscal year. The District Manager is hereby directed and authorized to operate the District within the confines of this budget. The Board reserves the right to make modification to the budget, as is provided by law.

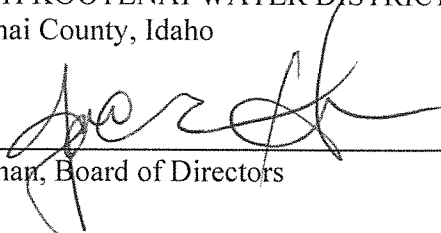
Section 2: Ratification. The Board hereby ratifies all acts of its staff consistent with this Resolution in the notices of the public hearing and development of the budget.

Section 3: Severability. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of each section, paragraph, clause, or provision shall in no manner affect any remaining provision of this Resolution.

Section 4: Effective Date. This Resolution is and shall be effective as of the date of its adoption.

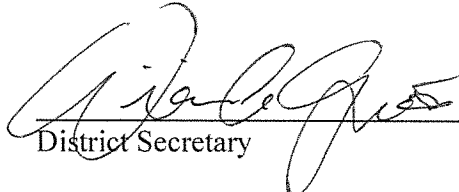
PASSED at a regular meeting of the Board of Directors of the North Kootenai Water District, Kootenai County, Idaho, on the 15th day of September, 2016, upon which a roll call vote was duly taken and duly enacted.

NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho



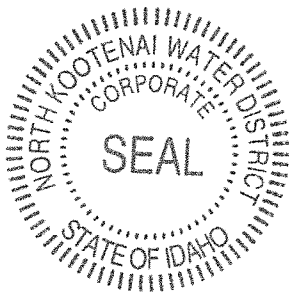
Chairman, Board of Directors

ATTEST:



District Secretary

(SEAL)



I, the undersigned, Secretary Pro Tem of the Board of Directors of North Kootenai Water District, Kootenai County, Idaho, hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a regular meeting of the Board of Directors, duly and regularly held at a regular meeting place thereof on September 15, 2016, of which meeting all members of said Board had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES, and in favor thereof, Directors:

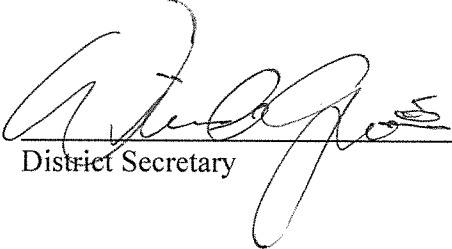
NAYS, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

I further certify that I have carefully compared the same with the original Resolution on file and of record in my office; that said Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting; and that said Resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the North Kootenai Water District, Kootenai County, Idaho, on September 15, 2016.


District Secretary

(SEAL)

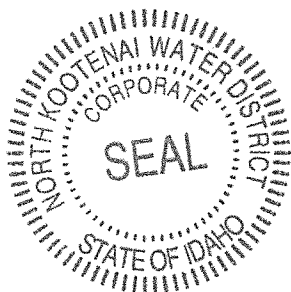


EXHIBIT "A"

**NORTH KOOTENAI WATER DISTRICT
2016/2017 Fiscal Year
Budget**

| | | |
|-------------------------------|-------------------------|-----------|
| Income | | |
| 40000 | Water Revenue | 1,168,050 |
| 40500 | System Access Fee | 1,195,548 |
| 40100 | Sewer Income | 247,100 |
| 40150 | Debt Service Fees | 371,465 |
| 40200 | Capitalization Fees | 152,295 |
| 40250 | Hook-Up Fees | 35,800 |
| 40650 | Misc. Revenue | 32,629 |
| 40800 | Delinquent Process Fees | 19,750 |
| 40850 | Recreation Service Fee | 3,348 |
| 40950 | Street Light Fee | 1,800 |
| 40960 | Water Sys Depr-Gozzer | 2,901 |
| | Total Income | 3,230,686 |
| Cost of Goods Sold | | |
| 50000 | Variable Expenses | 675,984 |
| Gross Profit | | 2,554,702 |
| Expense | | |
| 61000 | Auto Expense | 59,700 |
| 61200 | Bad Debts | 0 |
| 61300 | Dues & Subscriptions | 5,500 |
| 61400 | Equipment Rental | 6,000 |
| 61550 | Fees | 465 |
| 61600 | Insurance | 221,448 |
| 61700 | Interest Expense | 265,743 |
| 61590 | Freight | 1,270 |
| 61900 | Licenses & Permits | 1,710 |
| 62000 | Office Expense | 55,276 |
| 63000 | Payroll Expense | 864,571 |
| 63500 | Print & Reproduction | 42,600 |
| 63600 | Professional Fees | 83,955 |
| 63700 | Repair & Maintenance | 28,780 |
| 64000 | Shop Expense | 10,350 |
| 64200 | Special Program Bene. | 4,300 |
| 64300 | Tax & Penalties | 700 |
| 64400 | Telephone | 18,300 |
| 64500 | Travel & Meals | 2,050 |
| 64600 | Utilities | 13,619 |
| | Total Expense | 1,686,337 |
| Net Ordinary Income | | 868,365 |
| Less Bond Principal Payment | | 340,000 |
| Less Transfer to Depreciation | | 528,365 |
| Total Net Income | | 0 |