

## RESOLUTION 20-04

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT APPROVING AND ADOPTING THE PROPOSED BUDGET AND COMPENSATION PLAN OF THE TWENTYNINE PALMS WATER DISTRICT FOR FISCAL YEAR 2020-2021

**WHEREAS**, the General Manager and the Financial Advisor, Cindy Byerrum, have submitted a proposed budget and compensation plan for Fiscal Year 2020-2021, a copy of which is attached as Exhibit "A" hereto and copies of which are in the possession of the General Manager and the Financial Advisor;

**WHEREAS**, the said proposed budget contains estimates of the services, activities and projects comprising the budget and contains expenditure requirements and the resources available to the District; and,

**WHEREAS**, the proposed budget, as herein approved, will enable the Board of Directors to make adequate financial plans and will ensure that the District's management staff can administer their respective functions in accordance with such plans.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Twentynine Palms Water District as follows:

That the appropriation-expenditure budgeting system is hereby adopted. The system consists of:

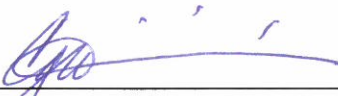
1. An appropriation-expenditure system which shows budgetary categories by department.
2. This system applies to operations and maintenance, replacement and rehabilitation and capital improvement expenditures as intended for use in Fiscal Year 2020-2021.
3. The General Manager is authorized to transfer operations and maintenance funds between activities and/or departments when he/she deems necessary to do so; however, he/she is not authorized to transfer funds between replacement and rehabilitation nor capital improvement projects or activities.
4. The budget system assumes existing service levels; Board of Directors approval will be required for any significant changes involving increased or decreased service levels.

5. The Financial Advisor shall be responsible for constant monitoring of the budget and shall establish and implement appropriate control mechanisms necessary for said purpose, after approval of the General Manager.
6. In the event that the General Manager or the Financial Advisor determines that revenues will be less than the amounts provided in the budget, the Board of Directors shall be provided with that information and revised revenue estimates at the next scheduled meeting of the Board so that the approved budget appropriations may be revised.
7. A monthly status report will be provided to the Board of Directors reflecting budget, year-to-date expenditures, and percentage of budget used to date by the District.

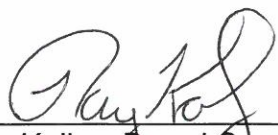
**BE IT RESOLVED FURTHER**, that the budget and compensation plan of the Twentynine Palms Water District for Fiscal Year 2020-2021 as set forth in Exhibit "A" hereof is hereby approved and adopted and the amounts of proposed expenditures as specified are appropriated for the programs and departments as specified.

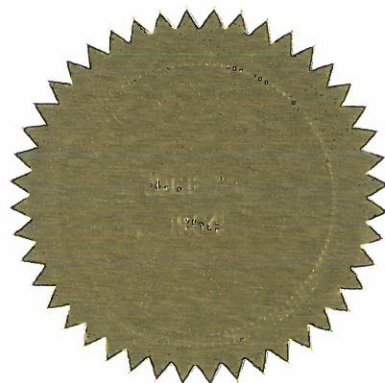
**PASSED, APPROVED AND ADOPTED** this 24th day of June 2020 by the following vote:

Ayes:	Directors Arthur, Coghill, Horn, Leazer, and Giannini
Noes:	None
Abstain:	None
Absent:	None

  
\_\_\_\_\_  
Carol Giannini, President  
Board of Directors

Attest:

  
\_\_\_\_\_  
Ray Kolisz, Board Secretary  
Twentynine Palms Water District



# Twentynine Palms Water Budget Schedules & Line Items: Proposed Budget

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## SCHEDULE A: SUMMARY BUDGET

This schedule summarizes the operating and non-operating revenues, operating and non-operating expenses, debt service, debt proceeds, capital related expenditures, and transfers in and out of the Water Department. Line 8 measures the difference between revenues and expenses; which results in net revenues remaining to fund the District's Capital Improvement Program. The District is budgeted to have \$79,500 in net revenues available to fund Capital Projects.

Line 9 shows the debt proceeds received to fund the AMI / AMR Capital Improvement project in the prior year. Lines 10-13 outline the District's Capital Improvement Program (CIP) expenses by category. Line 14 provides a sub-total of total capital expenditures with any receipt of debt proceeds included. Line 15 then adds in the net transfer of the cell tower revenues from the Special Revenue Fund. This amount represents the total cell tower lease revenue expected to be received, less the \$40,000 contribution to the pension trust which funds the CalPERS unfunded accrued actuarial liability for past Fire Department employees (the last annual transfer obligation occurs on July 1, 2020).

Line 16 depicts the increase or decrease in fund balance planned for the year. The amount will fluctuate year to year, with some years positive and some negative, primarily as the District's CIP fluctuates. This drawdown of fund balance was anticipated in the District's 2015 rate study. The District is currently undergoing another rate study to provide information and assistance in setting future rates and determining future cash flows.

## SCHEDULE B: DETAIL BUDGET

This Schedule shows the detailed budget for the District and will be used during FY 2020/21 while reporting monthly operating results to the Board.

The first column (A) is the Adopted Budget for Fiscal Year 2019/20. The second column (B) represents projected year-end balances for Fiscal Year 2019/20. These amounts are estimates of how we will end the year; actual results will vary. The third column (C) displays the Proposed Budget for FY 2020/21. The fourth (D) and fifth (E) columns are the \$ and % changes from the Projected 2019/20 results to the Proposed FY 2020/21 Budget.

### **REVENUES**

#### Line 2 Water Sales

- This category contains all volumetric water sales including residential, commercial, construction water, and Aqua Loader sales. Sales are budgeted to increase about 7% in FY 2020/21 with a 6% rate increase adopted for consumption after January 1, 2020 and another expected 9% rate increase effective January 1, 2021. The FY 2020/21 budget assumes no increase or decrease to consumption in comparison to FY 2019/20.

#### Line 3 RTS Revenues

- The Readiness-To-Serve (RTS) revenues represent the fixed charges on customer bills which will vary by water meter size. Overall RTS charges are budgeted to be \$1.427 million for FY 2020/21. This figure contemplates billing only active meters (currently) and anticipates the 6% rate increase effective January 1, 2020 along with an additional 9% rate increase (estimated) effective January 1, 2021.
- **Billing Inactive Meters:** *Billing inactive meters is common in most water agencies and is a Board policy decision that can be contemplated in the future. Additionally, many agencies bill the landlord for RTS charges when a renter moves out. It can be argued that fixed costs of a Water District remain the same regardless if a property is rented or not. This is another area of revenue that the Board could consider in the future.*

Line 4 Other Operating Revenues

- This includes fees such as Late Penalties, Meter Installation Fees, New Account fees, Application Fees and Reconnection related fees. Overall, these revenues were budgeted conservatively since these revenues are unpredictable. Meter Installation fees are budgeted at zero for FY 2020/21 because activity is unpredictable. Late Penalties are budgeted with a reduction due to the COVID-19 pandemic.

Line 5 Bad Debt Expense

- Bad debt expense includes the estimated 0.7% of annual operating revenues that are expected to be uncollectible along with additional considerations due to the implementation of SB998 and the COVID-19 pandemic. Fiscal years 2019/20 and 2020/21 are projected to experience an additional 30% loss in cash collections on Total Operating Revenues for March through September 2020 due to the pandemic.

Line 8 Capital Impact Fees

- Capital Impact Fees are fees imposed on developers or homeowners for new development. FY 2020/21 is budgeted at zero to be conservative since receipts are unpredictable.

Line 9 Water Availability Assessment

- These fees are the annual property tax fees assessed on homeowners for making water available to property owners. FY 2020/21 is budgeted similarly to actual results from FY 2018/19 as no increase is contemplated.

Line 10 Interest Revenue

- Interest is primarily earned on the District's Checking account and investments in the State of California's Local Agency Investment Fund (LAIF). Interest revenues are budgeted expected to decrease with falling interest rates during FY 2020/21.

Line 11 Other Penalties

- Other Penalties includes property tax penalty collections by the County of San Bernardino. These revenues are hard to predict and can vary greatly from year to year. FY 2020/21 is budgeted at the same amount as the FY 2019/20 projected results with no increase to be conservative.

Line 12 Reimbursed Expenses

- Includes billing customers or persons for reimbursements regarding damage to a district property (typically fire hydrants/meters). Reimbursed Expenses are difficult to predict and are budgeted conservatively due to the unknown timing and frequency of these revenues. Generally, these revenues are a minimum of \$5,000 per year and are budgeted accordingly.

Line 13 Misc. Non-Operating Revenue

- Includes money received from grants, scrap sales of inventory, proceeds from the sale of assets as well as non-sufficient fund (NSF) charges. Generally, these revenues are hard to predict and are budgeted conservatively since receipt of funds is uncertain. FY 19/20 was budgeted higher at \$25,000 with the expectation of \$10K in recycling revenue and \$15K in proceeds from the sale of two District trucks. FY 2020/21 is budgeted to receive \$10K in recycling revenues.

**EXPENDITURES**

Line 17-20 Total Source of Supply: Includes costs associated with pumping the water from the aquifers into the water system.

- This category includes the allocation of labor and benefits as well as other direct expenditures such as electricity (budgeted for a 3% increase), field supplies, radio equipment, state/local permits and fees, and outside services. Direct Expenses are budgeted at a 3% increase for electricity and fees, and other various items.

Line 21-24 Pumping: Includes costs associated with pumping water through the system to the various reservoirs and then to the customer.

- This category includes the allocation of labor and benefits as well as other direct expenditures such as electricity (budgeted for a 3% increase), field supplies, and outside services. Direct expenses are budgeted similarly to FY 19/20 projected results and adopted budget.

Line 25-28 Transmission and Distribution: Includes costs to maintain assets in the District's transmission and distribution system as well as general operating expenses.

- This category includes the allocation of labor and benefits as well as other direct expenses such as minor replacements to the distribution system (pipeline, meters, valves, meters, etc...), vehicle costs, uniforms and licensing costs, engineering fees, small tools, and other expenses to operate the distribution system. Labor & Benefits are budgeted to increase based on anticipated operations focus during FY 20/21. Direct Expenses are budgeted to decrease based on lower vehicles repairs and maintenance as heavy equipment is replaced.

Line 29-32 Treatment Wells: Includes costs to treat water at the well sites.

- This category includes the allocation of labor and benefits as well as other direct expenses such as chemicals and lab testing. FY 20/21 is budgeted for 2% inflationary increases in expenses.

Line 33-36 Treatment Facility: Includes costs to treat water at the fluoride removal plant and the arsenic treatment.

- Primary costs in this category include chemicals and supplies to treat water, costs to operate the treatment plant, permit fees, and repairs and maintenance. Labor and benefits allocations are anticipated

to increase in comparison to 2019/20 projected results due to increased staffing costs. Direct expenses are budgeted to decrease primarily due to the absence of an extra 2019/20 media purchase (\$100K) and Filterpress repair (\$15K). These decreases are somewhat offset by increases applied to chemicals, electricity, and general inflation.

Line 37-41 Customer Accounts: Includes costs to read customer meters, labor and benefits, postage and supplies to maintain customer accounts, and uncollectible accounts expense.

- Line 38: During 2019/20 the District hired (2) temporary employees for 6 months to fulfill additional duties associated with the AMI project. These costs will not take place during 2020/21.
- Fiscal Year 2020/21 is budgeted to increase with expected outside services costs of \$25K to maintain the new AMI/AMR system.

Line 42-46 Total General Administration: This category includes costs to operate the water district that cannot be attributed to the other functions already identified above.

- Line 42: Labor and Benefits includes District office staff and 50% of the General Manager's salary. These costs are anticipated to increase due to increased staffing costs for transition staff in the office.
- Line 43: Outside Services in this category include audit & accounting, legal, banking and other professional fees. FY 2020/21 is budgeted higher than 2019/20 projected year-end due to one-time costs associated with the rate study (\$40K study, \$10K accounting), salary survey (\$30K), and legal fees for MOU negotiations (\$15K) that were anticipated in the FY 2019/20 budget but have been deferred to FY 2020/21.
- Line 44: Direct Expenses included are costs to operate the District headquarters, property and liability insurance, office supplies, postage, and LAFCO annual fees.
  - Most expenses in this category are budgeted to remain consistent with prior year or may have modest increases due to inflation.
  - The budget for Grant writing services is proposed at \$25,500. External grant writers are crucial in securing grant funding for District capital projects and help relieve pressure on the budget.

Line 47 Total District Labor (Informational): Includes a total District Labor (salaries & wages only) analysis for all employees. Total District Labor is anticipated to increase with a COLA adjustment (2.5%) and various merit increases to valuable employees. Please refer to **Schedule C** for additional detail and assumptions regarding salaries and benefits.

Line 48-53 District Benefits (Informational): Includes an analysis of the total health benefits, payroll taxes, workers compensation, and CalPERS costs to the District.

- Line 48: Health, Dental & Vision insurance is budgeted to increase 9% due to a full staffing for the year and an estimated 5% increase from ACWA JPIA, which occur on January 1, 2020.
- Line 49-50: Payroll taxes and Workers Compensation are budgeted to increase in coordination with the merit and COLA pay increases.
- Line 51: CalPERS Retirement costs are budgeted to increase in coordination with the merit and COLA pay increases, full staffing and increased plan contribution rates. Please refer to **line 6 in the Schedule C section** of this narrative for detail regarding specific rates.
- Line 52: Provides a total cost of combined District benefits.

Line 54-57 Payouts & Retiree Medical: Includes sick and vacation payouts for current District employees and medical benefits for anticipated retirees.

Line 58-61 Total Board of Directors: Includes costs related to the Board of Directors meetings, training, and travel. Directors Fees and Direct expenses are projected to end the year under budget due to lack of travel due to the COVID-19 pandemic.

Line 64-67 Debt Service: The category accounts for all principal and interest payments for District debt. The District issued \$2 million in debt in May 2019 in order to fund the AMI / AMR capital project. This debt was issued for 10 years at 3.05% interest.

Line 68 Unfunded PERS Annual Payment: This is the amount the District is required to send CalPERS each year to pay down the District's Unfunded Accrued Actuarial Liability (UAAL). As of June 30, 2018 (the last valuation date provided by CalPERS), the District's plan was 75.8% funded.

Line 69 Unfunded Pension and Other Post-Employment Benefits (OPEB) Trust Payments: There is \$50,000 budgeted to transfer to the CERBT (California Employment Retirement Benefit Trust) irrevocable trust to fund a reserve to pay the Other Post-Employment Benefits liability for payment of future retiree health benefits. The other \$50,000 is to fund a proposed Pension trust with PARS, that can be used in the future to pay down the unfunded pension obligations. These transfers are half of the amounts transferred in the prior years.

Line 74 Debt Proceeds: \$2 million in debt proceeds were received to fund the AMI / AMR Capital Improvement project in May 2019.

Line 75-78 Capital Related: See Schedule D for explanations.

Lines 79-80: Transfers In Special Revenue Fund, Transfers Out PARS Trust Obligation: Cell Tower Revenues are accounted for in the Special Revenue Fund. The funds are transferred to the Water Fund, less the \$40,000 per year transfer to the pension trust fund (the last annual transfer obligation occurs on July 1, 2020) that contributes towards the funding of the CalPERS unfunded accrued actuarial liability for past Fire Department employees.

Line 81 Increase (Decrease) in Fund Balance: This is the amount the District projects to increase or decrease fund balance during the fiscal year. Some years will be positive and some years will be negative, mainly based on Capital Improvement Projects spending for the year. The decrease in Fund Balance is primarily caused by the District's Capital Improvement Plan, totaling \$3.295 million for FY 2020/21.

### SCHEDULE C: PERSONNEL COSTS

This schedule lists the detail of salaries and wages, paid leave, employee benefits, payroll taxes and worker's compensation. Major assumptions include:

Line 2: Regular Salary and Overtime is increasing due to:

- Merit increases averaging 3.5%
- A Cost of Living Adjustment (COLA) of 2.5%

Line 4: Vacation and Sick Leave is budgeted for an estimate of paid time off employees will be able to cash out during FY 2020/21.

Line 7: CalPERS Pension Payments rates are 14.729% of base salary for Classic members, and 7.732% for Public Employee Pension Reform Act (PEPRA) employees, which are generally employees hired after January 1, 2013. District employees contribute their full 8% Employee Contribution.

Line 8: Social Security and Payroll Taxes includes costs for FICA, Medicare, Employee Training Tax (ETT), and State Unemployment Insurance (SUI).

Line 9: Group Medical Insurance expenses are estimated to increase 5% per preliminary estimates from ACWA.

Line 10: Group Dental and Vision Insurance is estimated to increase by 2% or less.

Line 11: Group Life Insurance is estimated to increase by 2% or less.

Line 12: Worker's Compensation Insurance: FY 2020/21 is budgeted similarly to projected 2019/20 year-end results.

#### **SCHEDULE D: CAPITAL/REPAIRS & MAINTENANCE**

The schedule represents the following four categories of capital related spending (capital, and repairs & maintenance):

Line 1-11 District Projects: are overall general projects that do not involve capital construction or repairs and replacement.

Line 12-19 Capital Improvement Plan: is the plan for new capital improvements. These assets may be constructed or procured by the District.

Line 20-35 Repairs, Rehabilitation & Maintenance: are expenses to maintain and repair the District's assets, and costs to replace existing assets.

Line 36-44: Capital Outlay: are costs to purchase fixed assets for the Water Department (such as vehicles, furniture, radios, etc...) that are over the District's minimum capitalization policy of \$5,000.

#### **SCHEDULE E: SPECIAL REVENUE FUND**

This schedule is the Special Revenue Fund, which will be used to account for telecommunication lease revenues. The District is in the middle of an agreement to transfer \$40,000 per year, beginning on 7/1/16 and ending on 7/1/20, to the Pars Pension Retirement Irrevocable Trust, which will be used to the fund the CalPERS Unfunded Accrued Actuarial Liabilities for the past Fire employees' retirement.



# **EXHIBIT “A”**

# **TwentyNine Palms Water District**

## **Proposed Budget**

**Fiscal Year 2020 / 2021**



**TwentyNine Palms Water District**  
**Proposed Budget Summary**  
**Fiscal Year 2020/21**

*Schedule A*

	<b>A</b>	<b>B</b>	<b>C</b>
	<b>Adopted Budget 2019/20</b>	<b>Projected Year-End 2019/20</b>	<b>Proposed Budget 2020/21</b>
1 Operating Revenues	\$ 4,486,800	\$ 4,083,300	\$ 4,294,100
2 Non-Operating Revenues	780,300	814,300	728,000
<b>3 Total Revenue Available to Fund Operations &amp; Capital</b>	<b>5,267,100</b>	<b>4,897,600</b>	<b>5,022,100</b>
4 Operating Expenses	4,381,800	4,171,700	4,399,600
5 Non-Operating Expenses	366,700	428,000	269,500
6 Total Debt Service	249,200	249,200	243,500
<b>7 Total Expenses &amp; Debt Service</b>	<b>4,997,700</b>	<b>4,848,900</b>	<b>4,912,600</b>
<b>8 Net Revenues Available to Fund Capital Expenditures</b>	<b>269,400</b>	<b>48,700</b>	<b>109,500</b>
9 Debt Proceeds	2,000,000	2,000,000	-
10 District Projects	(205,000)	(70,000)	(415,000)
11 CIP Projects	(3,000,000)	(2,242,500)	(2,300,000)
12 Repairs & Replacement	(795,000)	(115,000)	(385,000)
13 Capital Outlay	(295,000)	(203,000)	(195,000)
<b>14 Sub-Total: Net Debt Proceeds / Capital</b>	<b>(2,295,000)</b>	<b>(630,500)</b>	<b>(3,295,000)</b>
15 Transfers in - Special Revenue Fund (Net)	95,100	93,400	97,400
<b>16 Increase (Decrease) in Fund Balance</b>	<b>\$ (1,930,500)</b>	<b>\$ (488,400)</b>	<b>\$ (3,088,100)</b>
<b>17 Projected Cash &amp; Investments Beg. Balance - July 1st</b>			<b>\$ 7,300,000</b>
<b>18 Projected Cash &amp; Investments End Balance - June 30th</b>			<b>\$ 4,211,900</b>



# TwentyNine Palms Water District

## Proposed Budget Detail

### Fiscal Year 2020/21

Schedule B

	A	B	C	D	E
	Adopted Budget 2019/20	Projected Year-End 2019/20	Proposed Budget 2020/21	\$ Difference (C - B)	% Difference (D / B)
<b>1 Operating Revenues</b>					
2 Water Sales (Volumetric)	\$ 3,055,500	\$ 3,003,600	\$ 3,213,200	\$ 209,600	7%
3 Readiness-To-Serve (Fixed)	1,342,300	1,333,500	1,427,200	93,700	7%
4 Other Operating Revenue	114,000	105,500	85,000	(20,500)	-19%
5 Bad Debt Expense	(25,000)	(359,300)	(431,300)	(72,000)	20%
<b>6 Total Operating Revenues</b>	<b>4,486,800</b>	<b>4,083,300</b>	<b>4,294,100</b>	<b>210,800</b>	<b>5%</b>
<b>7 Non-Operating Revenues</b>					
8 Capital Impact Fees	-	21,700	-	(21,700)	-100%
9 Water Availability Assessment	591,100	578,900	578,900	-	0%
10 Interest Revenue	124,300	146,700	110,000	(36,700)	-25%
11 Other Penalties	34,900	24,100	24,100	-	0%
12 Reimbursed Expenses	5,000	30,400	5,000	(25,400)	-84%
13 Miscellaneous Non-Op Revenue	25,000	12,500	10,000	(2,500)	-20%
<b>14 Total Non-Operating Revenues</b>	<b>780,300</b>	<b>814,300</b>	<b>728,000</b>	<b>(86,300)</b>	<b>-11%</b>
<b>15 Total Revenues</b>	<b>5,267,100</b>	<b>4,897,600</b>	<b>5,022,100</b>	<b>124,500</b>	<b>3%</b>
<b>16 Operating Expenditures</b>					
<b>17 Source of Supply</b>					
18 Labor & Benefits	19,400	8,300	8,600	300	4%
19 Direct Expenses	362,200	311,600	326,500	14,900	5%
<b>20 Total Source of Supply</b>	<b>381,600</b>	<b>319,900</b>	<b>335,100</b>	<b>15,200</b>	<b>5%</b>
<b>21 Pumping</b>					
22 Labor & Benefits	5,800	2,200	2,400	200	9%
23 Direct Expenses	125,000	130,500	134,000	3,500	3%
<b>24 Total Pumping</b>	<b>130,800</b>	<b>132,700</b>	<b>136,400</b>	<b>3,700</b>	<b>3%</b>
<b>25 Transmission &amp; Distribution</b>					
26 Labor & Benefits	993,900	1,050,000	1,196,400	146,400	14%
27 Direct Expenses	353,500	355,000	345,600	(9,400)	-3%
<b>28 Total Transmission &amp; Distribution</b>	<b>1,347,400</b>	<b>1,405,000</b>	<b>1,542,000</b>	<b>137,000</b>	<b>10%</b>
<b>29 Treatment Wells</b>					
30 Labor & Benefits	67,200	62,400	63,800	1,400	2%
31 Direct Expenses	41,400	25,600	26,200	600	2%
<b>32 Total Treatment Wells</b>	<b>108,600</b>	<b>88,000</b>	<b>90,000</b>	<b>2,000</b>	<b>2%</b>
<b>33 Treatment Facility</b>					
34 Labor & Benefits	261,400	237,900	243,300	5,400	2%
35 Direct Expenses	514,700	540,400	479,400	(61,000)	-11%
<b>36 Total Treatment Facility</b>	<b>776,100</b>	<b>778,300</b>	<b>722,700</b>	<b>(55,600)</b>	<b>-7%</b>
<b>37 Customer Accounts</b>					
38 Labor & Benefits	256,500	241,800	198,800	(43,000)	-18%
39 AMI Temporary Labor	55,000	49,400	-	(49,400)	
40 Direct Expenses	33,300	34,900	55,500	20,600	59%
<b>41 Total Customer Accounts</b>	<b>344,800</b>	<b>326,100</b>	<b>254,300</b>	<b>(71,800)</b>	<b>-22%</b>



# TwentyNine Palms Water District

## Proposed Budget Detail

### Fiscal Year 2020/21

Schedule B

		A	B	C	D	E
		Adopted Budget 2019/20	Projected Year-End 2019/20	Proposed Budget 2020/21	\$ Difference (C - B)	% Difference (D / B)
42	<b>General &amp; Administration</b>					
43	Labor & Benefits	461,100	460,600	501,400	40,800	9%
44	Outside Services	412,400	303,600	416,400	112,800	37%
45	Direct Expenses	306,500	288,700	299,700	11,000	4%
46	<b>Total General &amp; Administration</b>	<b>1,180,000</b>	<b>1,052,900</b>	<b>1,217,500</b>	<b>164,600</b>	<b>16%</b>
47	<b>Total District Labor (Informational)</b>	<b>1,451,900</b>	<b>1,474,000</b>	<b>1,509,800</b>	<b>35,800</b>	<b>2%</b>
48	<b>District Benefits (Informational)</b>					
49	Health, Dental & Vision Insurance	380,600	354,800	385,100	30,300	9%
50	Payroll Taxes	117,500	118,700	121,600	2,900	2%
51	Workers Compensation Insurance	52,700	57,800	61,700	3,900	7%
52	CalPERS Retirement	164,500	158,700	189,000	30,300	19%
53	<b>Total District Benefits (Informational)</b>	<b>715,300</b>	<b>690,000</b>	<b>757,400</b>	<b>67,400</b>	<b>10%</b>
54	<b>Payouts &amp; Retiree Medical</b>					
55	Vacation / Sick Payouts	58,000	58,000	66,500	8,500	15%
56	Retiree Medical	22,500	3,300	2,600	(700)	-21%
57	<b>Total Payouts &amp; Retiree Medical</b>	<b>80,500</b>	<b>61,300</b>	<b>69,100</b>	<b>7,800</b>	<b>13%</b>
58	<b>Board of Directors</b>					
59	Directors' Fees	17,000	7,100	17,000	9,900	139%
60	Direct Expenses	15,000	400	15,500	15,100	3775%
61	<b>Total Board of Directors</b>	<b>32,000</b>	<b>7,500</b>	<b>32,500</b>	<b>25,000</b>	<b>333%</b>
62	<b>Total Operating Expenditures</b>	<b>4,381,800</b>	<b>4,171,700</b>	<b>4,399,600</b>	<b>717,500</b>	<b>17%</b>
63	<b>Non-Operating Expenditures</b>					
64	<b>Debt Service</b>					
65	Principal	189,700	189,700	189,700	-	0%
66	Interest / Issuance Costs	59,500	59,500	53,800	(5,700)	-10%
67	<b>Total Debt Service</b>	<b>249,200</b>	<b>249,200</b>	<b>243,500</b>	<b>(5,700)</b>	<b>0%</b>
68	Unfunded PERS Annual Payment	146,700	149,400	169,500	20,100	13%
69	Unfunded Pension & OPEB Trust Payments	200,000	200,000	100,000	(100,000)	-50%
70	Election Expense	20,000	78,600	-	(78,600)	-100%
71	<b>Total Non-Operating Expenditures</b>	<b>615,900</b>	<b>677,200</b>	<b>513,000</b>	<b>(164,200)</b>	<b>-24%</b>
72	<b>Total Expenditures</b>	<b>4,997,700</b>	<b>4,848,900</b>	<b>4,912,600</b>	<b>63,700</b>	<b>1%</b>
	<b>Net Revenues Available to Fund Capital</b>					
73	<b>Related Expenditures</b>	<b>269,400</b>	<b>48,700</b>	<b>109,500</b>	<b>60,800</b>	<b>125%</b>
74	Debt Proceeds	2,000,000	2,000,000	-	(2,000,000)	
75	District Projects	(205,000)	(70,000)	(415,000)	(345,000)	
76	Capital Improvement Projects	(3,000,000)	(2,242,500)	(2,300,000)	(57,500)	
77	Repair, Rehabilitation, & Maintenance	(795,000)	(115,000)	(385,000)	(270,000)	
78	Capital Outlay	(295,000)	(203,000)	(195,000)	8,000	
79	Transfers In - Special Revenue Fund	95,100	133,400	137,400	4,000	
80	Transfers Out - PARS Trust Obligation	-	(40,000)	(40,000)	-	
81	<b>Increase/(Decrease) In Fund Balance</b>	<b>\$ (1,930,500)</b>	<b>\$ (488,400)</b>	<b>\$ (3,088,100)</b>	<b>\$ (2,599,700)</b>	<b>532%</b>



TwentyNine Palms Water District  
Proposed Budget - Personnel  
Fiscal Year 2020/21

Schedule C

	<b>A</b>	<b>B</b>	<b>C</b>
	<b>Adopted Budget 2019/20</b>	<b>Projected Year-End 2019/20</b>	<b>Proposed Budget 2020/21</b>
<b>1 Salary and Wages</b>			
2 Total Regular Salary and Overtime	\$ 1,451,900	\$ 1,474,000	\$ 1,509,800
3 Temporary AMI Labor	55,000	49,400	-
4 Vacation and Sick Leave	58,000	58,000	66,500
<b>5 Total Salary and Wages</b>	<b>1,564,900</b>	<b>1,581,400</b>	<b>1,576,300</b>
<b>6 Benefits/Taxes</b>			
7 CalPERS Pension Payments	164,500	158,700	189,000
8 Social Security & Payroll Taxes	117,500	118,700	121,600
9 Group Medical Insurance	348,800	323,900	352,100
10 Group Dental and Vision Insurance	26,100	24,200	25,600
11 Group Life Insurance	5,700	6,700	7,400
12 Worker's Compensation Insurance	52,700	57,800	61,700
<b>13 Total Employee Benefits</b>	<b>715,300</b>	<b>690,000</b>	<b>757,400</b>
<b>14 Total Salary and Benefits</b>	<b>\$ 2,280,200</b>	<b>\$ 2,271,400</b>	<b>\$ 2,333,700</b>



## TwentyNine Palms Water District Proposed Budget - Capital Plan Fiscal Year 2020/21

Schedule D

	A	B	C	D	E = C+D	F	G
	Adopted Budget 2019/20	Projected 2019/20	Carryover 2019/20	Budget Adjustment 2020/21	Proposed Budget 2020/21	Projected 2021/22	Projected 2022/23
<b>1 District Projects</b>							
2 GW Mgmt. Plan & Urban Water Mgmt. Plan	\$ 45,000	\$ -	\$ 45,000	\$ 55,000	\$ 100,000	\$ -	\$ 45,000
3 Treatment Feasibility & Exploration Costs	35,000	-	35,000	-	35,000	-	-
4 Vulnerability Assesment AWIA	-	-	-	45,000	45,000	-	-
5 Standard Drawings Update	25,000	-	25,000	-	25,000	-	-
6 Salt Nutrient Monitoring Wells\Sampling	50,000	20,000	30,000	20,000	50,000	-	100,000
7 Asset Management Plan	50,000	50,000	-	50,000	50,000	-	-
8 USGS Study\Feasibility Study	-	-	-	25,000	25,000	-	-
9 Centralized Sewer Plan\Groundwater Analysis	-	-	-	-	-	-	100,000
10 Master Plan Updates	-	-	-	85,000	85,000	-	-
<b>11 Total District</b>	<b>205,000</b>	<b>70,000</b>	<b>135,000</b>	<b>280,000</b>	<b>415,000</b>	<b>-</b>	<b>245,000</b>
<b>12 Capital Improvement Plan</b>							
13 Chromium VI and Flouride for Well 11B	650,000	25,000	625,000	375,000	1,000,000	-	-
14 Fluoride Variance (Expiring) - TP2/W12/W16	1,350,000	800,000	550,000	450,000	1,000,000	-	-
15 AMI/AMR* (see footnote)	1,000,000	1,400,000	(400,000)	700,000	300,000	-	-
16 Well 11-B Construction/Professional Services	-	17,500	-	-	-	-	-
17 Emergency Intertie Connection	-	-	-	-	-	250,000	-
18 Pay Meter Station Upgrade	-	-	-	-	-	-	125,000
<b>19 Capital Improvement Plan</b>	<b>3,000,000</b>	<b>2,242,500</b>	<b>775,000</b>	<b>1,525,000</b>	<b>2,300,000</b>	<b>250,000</b>	<b>125,000</b>
<b>20 Repairs, Rehabilitation, &amp; Maintenance</b>							
21 Plant 6 Electrical and Well Upgrade	25,000	-	25,000	-	25,000	-	-
22 Emergency Repairs, Unspecified	50,000	50,000	-	75,000	75,000	60,000	75,000
23 Repiping/Distribution System Upgrades	50,000	50,000	-	75,000	75,000	75,000	75,000
24 Reservoir Recoating / Cathodic Protection	30,000	10,000	20,000	-	20,000	-	-
25 Large Meter Replacement Program	20,000	-	20,000	10,000	30,000	-	-
26 Well Rehabilitation	10,000	-	10,000	(10,000)	-	90,000	-
27 Fluoride Plant Instr.\Coating\SCADA	10,000	5,000	5,000	5,000	10,000	25,000	100,000
28 Distribution SCADA System	-	-	-	-	-	-	-
29 Treated Water Reservoir Coating	500,000	-	500,000	(450,000)	50,000	600,000	-
30 Campbell Reservoir Road Paving\Seal Coating	100,000	-	100,000	-	100,000	-	-
31 Hansen Booster Station	-	-	-	-	-	-	150,000
32 Stockwell Booster Station	-	-	-	-	-	35,000	-
33 Cactus Booster Station	-	-	-	-	-	-	40,000
34 Paymeter Upgrade	-	-	-	-	-	125,000	-
<b>35 Total Repairs &amp; Maintenance</b>	<b>795,000</b>	<b>115,000</b>	<b>680,000</b>	<b>(295,000)</b>	<b>385,000</b>	<b>1,010,000</b>	<b>440,000</b>
<b>36 Capital Outlay</b>							
37 Vehicle/Equipment Replacements	125,000	120,000	5,000	35,000	40,000	45,000	60,000
38 Computer/Technology Replacements	30,000	15,000	15,000	15,000	30,000	10,000	10,000
39 GIS	30,000	20,000	10,000	10,000	20,000	10,000	20,000
40 Administrative Building\Office Remodel	25,000	15,000	10,000	25,000	35,000	10,000	10,000
41 Energy Efficiency Projects	50,000	15,000	35,000	-	35,000	-	-
42 One-Time Existing Conditions Sampling	-	-	-	20,000	20,000	-	-
43 Parking Lot Seal\Paving	35,000	18,000	17,000	(2,000)	15,000	25,000	-
<b>44 Total Capital Outlay</b>	<b>295,000</b>	<b>203,000</b>	<b>92,000</b>	<b>103,000</b>	<b>195,000</b>	<b>100,000</b>	<b>100,000</b>
<b>45 Total All</b>	<b>\$ 4,295,000</b>	<b>\$ 2,630,500</b>	<b>\$ 1,682,000</b>	<b>\$ 1,613,000</b>	<b>\$ 3,295,000</b>	<b>\$ 1,360,000</b>	<b>\$ 910,000</b>

\*Line 15 for the AMI / AMR project is funded by debt proceeds received by the District in May 2019.



TwentyNine Palms Water District  
Proposed Budget - Special Revenue Fund  
Fiscal Year 2020/21

Schedule E

	<b>A</b>	<b>B</b>	<b>C</b>
	<b>Adopted Budget 2019/20</b>	<b>Projected Year-End 2019/20</b>	<b>Proposed Budget 2020/21</b>
1 Tower Revenues	\$ 120,900	120,900	137,400
2 Less Transfers Out to Fire	-	-	-
3 Less Transfers Out To Water	(80,900)	(80,900)	(97,400)
4 Less Transfers Out to PARS Trust	(40,000)	(40,000)	(40,000)
5 <b>Ending Balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>



**TWENTYNINE PALMS WATER DISTRICT**

**COMPENSATION PLAN**

**FISCAL YEAR 2020/2021**

**POSITIONS COVERED BY MOU**

	Minimum	Maximum
Leadworker	28.02	33.45
Service Worker III	23.69	28.30
Service Worker II	20.01	23.89
Service Worker I	16.93	20.20
Mechanic	23.70	28.30
Bookkeeper	23.69	28.30
Customer Service Representative 2	20.01	22.87
Customer Service Representative	16.93	20.20
Treatment Plant Operator II	28.02	33.45
Treatment Plant Operator I	23.69	28.30
Water Quality/Production Operator	20.01	23.89

**MANAGEMENT/EXEMPT**

Director of Operations	50.61	65.47
Maintenance Superintendent	39.23	46.83
Treatment/Production Superintendent	39.23	46.83
Office Manager	30.79	36.80
District Secretary	30.79	36.80
General Manager	72.12	86.54