

## **RESOLUTION 25-08**

### **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 2025-2026**

**WHEREAS**, the General Manager and the Financial Advisor, Scott Nelsen, have submitted a proposed budget and compensation plan for Fiscal Year 2025-2026, 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 2025-2026.
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 2025-2026 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 25<sup>th</sup> day of June 2025 by the following vote:

Ayes:	Directors Arthur, Bowden, Leazer, Woods, and Coghill
Noes:	None
Abstain:	None
Absent:	None

  
\_\_\_\_\_  
Bob Coghill, President  
Board of Directors

Attest:

  
\_\_\_\_\_  
Matthew Shragge, Board Secretary  
Twentynine Palms Water District



# EXHIBIT “A”



Twentynine Palms Water District  
Proposed Budget Summary  
Fiscal Year 2025/26

Schedule A

	A	B	C
	Adopted Budget 2024/25	Projected Year-End 2024/25	Proposed Budget 2025/26
1 Operating Revenues	\$ 6,549,500	\$ 6,688,800	\$ 7,091,600
2 Non-Operating Revenues	1,068,200	1,337,100	1,083,100
3 <b>Total Revenues Available to Fund Operations &amp; Capital</b>	<b>7,617,700</b>	<b>8,025,900</b>	<b>8,174,700</b>
4 Operating Expenses	5,670,800	5,492,800	5,954,000
5 Non-Operating Expenses	325,000	275,000	326,100
6 Total Debt Service	243,500	243,500	243,500
7 <b>Total Expenses &amp; Debt Service</b>	<b>6,239,300</b>	<b>6,011,300</b>	<b>6,523,600</b>
8 <b>Net Revenues Available to Fund Capital Expenditures</b>	<b>1,378,400</b>	<b>2,014,600</b>	<b>1,651,100</b>
9 District Projects	(472,800)	(61,900)	(580,800)
10 Capital Improvement Projects	(1,695,300)	(312,000)	(1,920,300)
11 Repairs & Replacement	(819,800)	(410,000)	(920,100)
12 Capital Outlay	(650,000)	(427,000)	(540,000)
13 <b>Sub-Total: Capital</b>	<b>(3,637,900)</b>	<b>(1,210,900)</b>	<b>(3,961,200)</b>
14 <b>Increase (Decrease) in Fund Balance</b>	<b>\$ (2,259,500)</b>	<b>\$ 803,700</b>	<b>\$ (2,310,100)</b>
15 <b>Projected Cash &amp; Investments Beg. Balance - 7/1/25</b>			<b>\$ 10,100,000</b>
16 <b>Projected Cash &amp; Investments End. Balance - 6/30/26</b>			<b>\$ 7,789,900</b>



**Twentynine Palms Water District**  
**Proposed Budget Detail**  
**Fiscal Year 2025/26**

*Schedule B*

	A	B	C	D	E
	Adopted Budget 2024/25	Projected Year-End 2024/25	Proposed Budget 2025/26	\$ Difference (C - B)	% Difference (D / B)
<b>1 Operating Revenues</b>					
2 Water Sales (Volumetric)	\$ 4,296,900	\$ 4,422,500	\$ 4,702,600	\$ 280,100	6%
3 Readiness-To-Serve (Fixed)	1,999,100	1,999,100	2,115,800	116,700	6%
4 Other Operating Revenue	293,400	285,600	305,100	19,500	7%
5 Bad Debt Expense	(39,900)	(18,400)	(31,900)	(43,900)	239%
<b>6 Total Operating Revenues</b>	<b>6,549,500</b>	<b>6,688,800</b>	<b>7,091,600</b>	<b>402,800</b>	<b>6%</b>
<b>7 Non-Operating Revenues</b>					
8 Capital Impact Fees	75,000	81,500	75,000	(6,500)	-8%
9 Water Availability Assessment	592,000	592,000	592,000	-	0%
10 Interest Revenue	345,300	446,500	357,200	(89,300)	-20%
11 Other Penalties	25,900	28,900	28,900	-	0%
12 Reimbursed Expenses	20,000	161,400	20,000	(141,400)	-88%
13 Miscellaneous Non-Operating Revenue	10,000	26,800	10,000	(16,800)	-63%
<b>14 Total Non-Operating Revenues</b>	<b>1,068,200</b>	<b>1,337,100</b>	<b>1,083,100</b>	<b>(254,000)</b>	<b>-19%</b>
<b>15 Total Revenues</b>	<b>7,617,700</b>	<b>8,025,900</b>	<b>8,174,700</b>	<b>148,800</b>	<b>2%</b>
<b>16 Operating Expenses</b>					
<b>17 Source of Supply</b>					
18 Labor & Benefits	9,100	9,100	9,700	600	7%
19 Direct Expenses	540,100	505,700	533,900	28,200	6%
<b>20 Total Source of Supply</b>	<b>549,200</b>	<b>514,800</b>	<b>543,600</b>	<b>28,800</b>	<b>6%</b>
<b>21 Pumping</b>					
22 Labor & Benefits	5,000	2,500	2,700	200	8%
23 Direct Expenses	196,700	182,000	205,000	23,000	13%
<b>24 Total Pumping</b>	<b>201,700</b>	<b>184,500</b>	<b>207,700</b>	<b>23,200</b>	<b>13%</b>
<b>25 Transmission &amp; Distribution</b>					
26 Labor & Benefits	1,533,500	1,431,700	1,415,700	(16,000)	-1%
27 Direct Expenses	459,500	494,800	508,500	13,700	3%
<b>28 Total Transmission &amp; Distribution</b>	<b>1,993,000</b>	<b>1,926,500</b>	<b>1,924,200</b>	<b>(2,300)</b>	<b>0%</b>
<b>29 Treatment Wells</b>					
30 Labor & Benefits	95,600	140,800	149,600	8,800	6%
31 Direct Expenses	51,500	41,000	62,300	21,300	52%
<b>32 Total Treatment Wells</b>	<b>147,100</b>	<b>181,800</b>	<b>211,900</b>	<b>30,100</b>	<b>17%</b>
<b>33 Treatment Facility</b>					
34 Labor & Benefits	242,400	269,300	286,100	16,800	6%
35 Direct Expenses	471,000	478,300	512,900	34,600	7%
<b>36 Total Treatment Facility</b>	<b>713,400</b>	<b>747,600</b>	<b>799,000</b>	<b>51,400</b>	<b>7%</b>
<b>37 Customer Accounts</b>					
38 Labor & Benefits	342,200	311,400	359,000	47,600	15%
39 Direct Expenses	99,700	78,500	89,100	10,600	14%
<b>40 Total Customer Accounts</b>	<b>441,900</b>	<b>389,900</b>	<b>448,100</b>	<b>58,200</b>	<b>15%</b>
<b>41 General &amp; Administration</b>					
42 Labor & Benefits	564,800	579,400	641,600	62,200	11%



Twentynine Palms Water District  
Proposed Budget Detail  
Fiscal Year 2025/26

Schedule B

	A	B	C	D	E
	Adopted Budget 2024/25	Projected Year-End 2024/25	Proposed Budget 2025/26	\$ Difference (C - B)	% Difference (D / B)
43 Outside Services	527,900	547,900	593,300	45,400	8%
44 Direct Expenses	383,200	354,300	403,500	49,200	14%
45 <b>Total General &amp; Administration</b>	<b>1,475,900</b>	<b>1,481,600</b>	<b>1,638,400</b>	<b>156,800</b>	<b>11%</b>
46 <b>Payouts &amp; Retiree Medical</b>					
47 Vacation / Sick Payouts	100,100	34,200	127,100	92,900	272%
48 Retiree Medical	23,000	18,200	28,500	10,300	57%
49 <b>Total Payouts &amp; Retiree Medical</b>	<b>123,100</b>	<b>52,400</b>	<b>155,600</b>	<b>103,200</b>	<b>197%</b>
50 <b>Board of Directors</b>					
51 Director Fees	15,000	10,500	15,000	4,500	43%
52 Direct Expenses	10,500	3,200	10,500	7,300	228%
53 <b>Total Board of Directors</b>	<b>25,500</b>	<b>13,700</b>	<b>25,500</b>	<b>11,800</b>	<b>86%</b>
54 <b>Total Operating Expenses</b>	<b>5,670,800</b>	<b>5,492,800</b>	<b>5,954,000</b>	<b>461,200</b>	<b>8%</b>
55 <b>Non-Operating Expenses</b>					
56 <b>Debt Service</b>					
57 Debt Principal Payments	214,100	214,100	220,700	6,600	3%
58 Interest Expense / Issuance Costs	29,400	29,400	22,800	(6,600)	-22%
59 <b>Total Debt Service</b>	<b>243,500</b>	<b>243,500</b>	<b>243,500</b>	<b>-</b>	<b>0%</b>
60 CalPERS UAL Payment (Required)	275,000	275,000	326,100	51,100	19%
61 Pension & OPEB Trust Contribution	159,300	159,300	164,000	4,700	3%
62 Transfers In - Special Revenue Fund	(159,300)	(159,300)	(164,000)	(4,700)	3%
63 Election Expense	50,000	-	-	-	0%
64 <b>Total Non-Operating Expenses</b>	<b>568,500</b>	<b>518,500</b>	<b>569,600</b>	<b>51,100</b>	<b>10%</b>
65 <b>Total Expenses</b>	<b>6,239,300</b>	<b>6,011,300</b>	<b>6,523,600</b>	<b>512,300</b>	<b>9%</b>
66 <b>Net Revenues Available to Fund CIP</b>	<b>1,378,400</b>	<b>2,014,600</b>	<b>1,651,100</b>	<b>(363,500)</b>	<b>-18%</b>
67 District Projects	(472,800)	(61,900)	(580,800)		
68 Capital Improvement Projects	(1,695,300)	(312,000)	(1,920,300)		
69 Repair, Rehabilitation, & Maintenance	(819,800)	(410,000)	(920,100)		
70 Capital Outlay	(650,000)	(427,000)	(540,000)		
71 <b>Increase/(Decrease) In Fund Balance</b>	<b>\$ (2,259,500)</b>	<b>\$ 803,700</b>	<b>\$ (2,310,100)</b>		



TwentyNine Palms Water District  
Proposed Budget - Personnel  
Fiscal Year 2025/26

Schedule C

	A	B	C	D	E
	Adopted Budget 2024/25	Projected Year-End 2024/25	Proposed Budget 2025/26	\$ Difference (C - B)	% Difference (D / B)
<b>1 Salary and Wages</b>					
2 Total Regular Salary and Overtime	\$ 1,982,100	\$ 1,978,500	\$ 2,035,800	\$ 57,300	3%
3 Vacation and Sick Leave	100,100	34,200	127,100	92,900	272%
<b>4 Total Salary and Wages</b>	<b>2,082,200</b>	<b>2,012,700</b>	<b>2,162,900</b>	<b>150,200</b>	<b>7%</b>
<b>5 Benefits/Taxes</b>					
6 CalPERS Pension Payments	217,200	225,100	223,000	(2,100)	-1%
7 Social Security & Payroll Taxes	160,300	151,800	163,600	11,800	8%
8 Group Medical Insurance	351,700	331,400	366,800	35,400	11%
9 Group Dental and Vision Insurance	23,200	20,600	22,900	2,300	11%
10 Group Life Insurance	6,400	6,300	6,000	(300)	-5%
11 Worker's Compensation Insurance	81,600	67,500	76,200	8,700	13%
<b>12 Total Employee Benefits</b>	<b>840,400</b>	<b>802,700</b>	<b>858,500</b>	<b>55,800</b>	<b>7%</b>
<b>13 Total Salary and Benefits</b>	<b>\$ 2,922,600</b>	<b>\$ 2,815,400</b>	<b>\$ 3,021,400</b>	<b>\$ 206,000</b>	<b>7%</b>



**Twentynine Palms Water District**  
**Proposed Budget - Capital Plan**  
**Fiscal Year 2025/26**

*Schedule D*

	A	B	C = A - B	D	E = C+D	F	G
	Adopted Budget 2024/25	Projected Year-End 2024/25	Carryover Budget 2024/25	Budget Addition / (Deletion)	Proposed Budget 2025/26	Projected 2026/27	Projected 2027/28
<b>1 District Projects</b>							
2 Treatment Feasibility & Exploration Costs	\$ 49,600	\$ 44,400	\$ 5,200	\$ 45,000	\$ 50,200	\$ -	\$ -
3 Salt Nutrient Monitoring Wells/Sampling	42,600	7,000	35,600	10,000	45,600	-	100,000
4 USGS Study/Feasibility Study	100,000	-	100,000	100,000	200,000	100,000	50,000
5 Centralized Sewer Plan/Groundwater Analysis	75,000	3,900	71,100	(21,100)	50,000	50,000	-
6 Master Plan Updates	65,000	-	65,000	10,000	75,000	-	-
7 Campbell Reservoir Land Acquisition	32,100	-	32,100	(2,100)	30,000	-	-
8 Standard Drawings Update	13,500	1,400	12,100	(2,100)	10,000	-	-
9 Asset Management Plan	20,000	-	20,000	-	20,000	-	-
10 GW Mgmt. Plan & Urban Water Mgmt. Plan	75,000	5,200	69,800	30,200	100,000	75,000	-
<b>11 Total District Projects</b>	<b>472,800</b>	<b>61,900</b>	<b>410,900</b>	<b>169,900</b>	<b>580,800</b>	<b>225,000</b>	<b>150,000</b>
<b>12 Capital Improvement Plan</b>							
13 Chromium VI and Flouride for Well 11B	1,300,000	87,000	1,213,000	(963,000)	250,000	-	-
14 Water Reservoir at Treatment Plant	395,300	225,000	170,300	1,500,000	1,670,300	700,000	-
<b>15 Total Capital Improvement Plan</b>	<b>1,695,300</b>	<b>312,000</b>	<b>1,383,300</b>	<b>537,000</b>	<b>1,920,300</b>	<b>700,000</b>	<b>1,000,000</b>
<b>16 Repairs, Rehabilitation, &amp; Maintenance</b>							
17 Distribution SCADA System	195,100	25,000	170,100	25,000	195,100	-	50,000
18 Emergency Repairs, Unspecified	134,700	125,000	9,700	140,300	150,000	154,500	159,100
19 Campbell Reservoir Road Paving/Seal Coating	50,000	-	50,000	-	50,000	-	20,000
20 Treatment Plant Concrete	50,000	25,000	25,000	50,000	75,000	-	-
21 Ripping/Distribution System Upgrades	100,000	50,000	50,000	100,000	150,000	154,500	159,100
22 Cactus Booster Station (LHMP Generator)	100,000	75,000	25,000	15,000	40,000	-	-
23 Reservoir Recoating/Cathodic Protection	20,000	-	20,000	20,000	40,000	-	-
24 Soft Starts Wells/Boosters	-	-	-	50,000	50,000	50,000	50,000
25 Valve/CLA-Valve Replacement	100,000	55,000	45,000	105,000	150,000	51,500	53,000
26 Leer Booster (LHMP Generator)	40,000	30,000	10,000	5,000	15,000	-	-
27 Donnell Reservoir Altitude Valve	30,000	25,000	5,000	-	5,000	-	-
28 Well/Booster Rehabilitation	-	-	-	-	-	100,000	-
29 Plant 6 Electrical and Well Upgrade	-	-	-	-	-	50,000	-
<b>30 Total Repairs &amp; Maintenance</b>	<b>819,800</b>	<b>410,000</b>	<b>409,800</b>	<b>510,300</b>	<b>920,100</b>	<b>560,500</b>	<b>491,200</b>
<b>31 Capital Outlay</b>							
32 Vehicle/Equipment Replacements*	370,000	325,000	45,000	105,000	150,000	75,000	77,300
33 Computer/Technology Replacements	100,000	35,000	65,000	10,000	75,000	50,000	51,500
34 Geographic Information System (GIS)	50,000	25,000	25,000	25,000	50,000	-	-
35 Administrative Building/Office Remodel	75,000	17,000	58,000	42,000	100,000	-	25,000
36 Energy Efficiency Projects	30,000	25,000	5,000	25,000	30,000	-	-
37 Parking Lot Seal/Paving	100,000	-	100,000	(25,000)	75,000	-	-
38 Electric Vehicle Station	75,000	-	75,000	(15,000)	60,000	-	-
<b>39 Total Capital Outlay</b>	<b>800,000</b>	<b>427,000</b>	<b>373,000</b>	<b>167,000</b>	<b>540,000</b>	<b>125,000</b>	<b>153,800</b>
<b>40 Grand Total</b>	<b>\$ 3,787,900</b>	<b>\$ 1,210,900</b>	<b>\$ 2,577,000</b>	<b>\$ 1,384,200</b>	<b>\$ 3,961,200</b>	<b>\$ 1,610,500</b>	<b>\$ 1,795,000</b>



**Twentynine Palms Water District**  
**Proposed Budget - Special Revenue Fund**  
**Fiscal Year 2025/26**

*Schedule E*

	A	B	C
	Adopted Budget 2024/25	Projected Year-End 2024/25	Proposed Budget 2025/26
1 Tower Revenues	\$ 159,300	159,300	164,000
2 Less Transfers Out To Water	(159,300)	(159,300)	(164,000)
3 Ending Balance	\$ -	\$ -	\$ -

## **TWENTYNINE PALMS WATER DISTRICT**

### **COMPENSATION PLAN**

**Fiscal Year 2025-2026**

**(2.9% COLA per MOU)**

#### **POSITIONS COVERED BY MOU**

	Minimum	Maximum
Leadworker	39.16	46.29
Service Worker III	33.47	39.53
Service Worker II	28.65	33.73
Service Worker I	24.60	28.89
 Mechanic	 33.47	 39.53
 Bookkeeper	 33.47	 39.53
Customer Service Representative 2	28.65	33.73
Customer Service Representative	24.60	28.89
 Treatment Plant Operator II	 39.16	 46.29
Treatment Plant Operator I	33.47	39.53
Water Quality/Production Operator	28.65	33.73

#### **MANAGEMENT\EXEMPT**

Director of Operations	69.16	82.30
Maintenance Superintendent	53.89	63.88
Treatment/Production Superintendent	53.89	63.88
District Secretary	48.31	57.29
Office Manager	42.81	50.70
 *General Manager	 84.34	 101.19