

Exhibit "A"

**TWENTYNINE PALMS WATER DISTRICT
FISCAL YEAR 2006-2007 BUDGET**

As Adopted by the Board of Directors on

JUNE 14, 2006

The District is not a "local agency" subject to Article 13B of the California Constitution as the District is not a "special district" as defined in section 7901(e) of the California Government Code

**TWENTYNINE PALMS WATER DISTRICT
FOUR-YEAR BUDGET SUMMARY
FISCAL 2006-2007**

	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget	Fiscal 2007-08 Estimated	Fiscal 2008-09 Estimated
<u>REVENUES:</u>				
Water Sales and Ready to Serve Charges	\$2,684,000	\$2,682,000	\$2,682,000	\$2,682,000
Other Operating Revenues	352,000	245,000	185,000	185,000
Water Availability Assessment	598,000	598,000	598,000	598,000
Interest Revenues	160,000	100,000	80,000	80,000
Other Non-Operating Revenues	561,340	341,000	160,000	160,000
Grant Funds	0	0	0	0
TOTAL REVENUES	\$4,355,340	\$3,966,000	\$3,705,000	\$3,705,000
<u>OPERATING EXPENDITURES</u>				
Salaries and Benefits	\$1,036,800	\$1,292,297	\$1,330,998	\$1,398,380
Materials and Supplies	363,800	388,000	449,640	458,633
Outside Services	245,000	282,000	298,640	304,613
Equipment Costs	110,000	95,000	95,000	95,000
Telephone and Utilities	309,700	328,700	365,135	383,392
Insurance and Workers' Compensation Ins.	112,000	132,267	138,880	145,824
Permits and Fees	20,000	32,000	32,768	33,423
Uncollectable Accounts	0	20,000	40,000	40,000
Training, Seminars, Certifications, Travel, Dues & Subscriptions	38,000	50,500	51,510	52,540
Fire Department Reimbursements	(31,380)	(34,672)	(35,365)	(36,073)
TOTAL OPERATING EXPENDITURES	\$2,203,920	\$2,586,092	\$2,767,206	\$2,875,732
<u>NON-OPERATING EXPENDITURES AND TRANSFERS</u>				
Debt Service	\$819,062	\$632,398	\$632,332	\$632,332
Capital Improvements	0	1,000,000	350,000	0
Replacement & Rehabilitation Expenditures	1,738,000	410,000	145,000	95,000
Transfer To (From) Debt Reserve-Internal	(1,550,000)	0	0	0
Transfer To (From) Debt Reserve-Trustee	(260,911)	0	0	0
COP Debt Retirement	1,958,000	0	0	0
TOTAL NON-OPERATING EXPENDITURES & TRANSFERS	\$2,704,151	\$2,042,398	\$1,127,332	\$727,332
TOTAL EXPENDITURES & TRANSFERS	\$4,908,071	\$4,628,490	\$3,894,538	\$3,603,064
INCREASE (DECREASE) IN FUND BALANCE	(\$552,731)	(\$662,490)	(\$189,538)	\$101,936

**TWENTYNINE PALMS WATER DISTRICT
LINE ITEM SUMMARY
FISCAL 2006-2007**

<u>Item</u>	<u>Fiscal 2004-05 Actual</u>	<u>Fiscal 2005-06 Budget</u>	<u>Fiscal 2005-06 Projected</u>	<u>Fiscal 2006-07 Proposed Budget</u>	
<u>REVENUES:</u>					
<u>Operating Revenues</u>					
201	Water Sales and Ready to Service Charges	\$2,647,626	\$2,692,000	\$2,684,000	\$2,682,000
202	Other Operating Revenues	331,372	226,000	352,000	245,000
203	Total Operating Revenues	\$2,978,998	\$2,918,000	\$3,036,000	\$2,927,000
<u>Non-Operating Revenues</u>					
204	Water Availability Assessment	\$596,177	\$597,000	\$598,000	\$598,000
205	Interest Revenues	118,531	30,000	160,000	100,000
206	Other Non-Operating Revenues	582,841	240,100	561,340	341,000
207	Grant Funds	0	0	0	0
207	Total Non-Operating Revenues	\$1,297,549	\$867,100	\$1,319,340	\$1,039,000
208	TOTAL REVENUES	\$4,276,547	\$3,785,100	\$4,355,340	\$3,966,000
<u>EXPENDITURES:</u>					
<u>Operating Expenditures</u>					
209	Supervision Labor	\$169,115	\$156,488	\$93,000	\$97,028
210	Direct Labor	458,140	478,850	484,000	649,205
211	Employee Benefits, Allocated	311,453	563,219	535,800	628,331
212	Field Supplies and Chemicals	158,793	214,000	274,000	279,000
213	Office Supplies	13,374	16,500	20,000	18,500
214	Other Supplies	41,301	50,000	40,800	57,500
215	Inventory, (Gain) or Loss	8,204	0	0	0
216	Outside Repair and Maintenance	7,473	23,000	13,000	26,000
217	Outside Professional Services	113,759	88,000	84,000	98,000
218	Other Outside Services & Lab Fees	83,135	149,500	126,000	128,000
219	Outside Legal Services	23,132	30,000	22,000	30,000
220	Vehicle & Equipment Fuel and Maintenance	68,339	85,000	110,000	95,000
221	Telephone	13,698	17,600	15,500	16,600
222	Gas	1,709	1,700	2,000	2,100
223	Electric	266,559	338,000	292,200	310,000
224	Postage	18,931	20,000	18,000	20,000
225	Dues and Subscriptions	14,585	14,000	16,500	17,000
226	Travel Expense	1,954	9,500	6,000	10,000
227	Insurance	28,296	48,000	36,000	50,000
228	Workers Compensation Insurance	39,237	78,000	76,000	82,267
229	Printing and Publications	10,560	8,000	6,000	8,000
230	Conferences and Seminars	7,663	8,000	7,500	9,500

**TWENTYNINE PALMS WATER DISTRICT
LINE ITEM SUMMARY
FISCAL 2006-2007**

<u>Item</u>	<u>Fiscal 2004-05 Actual</u>	<u>Fiscal 2005-06 Budget</u>	<u>Fiscal 2005-06 Projected</u>	<u>Fiscal 2006-07 Proposed Budget</u>
231 Public Information	0	0	2,000	5,000
232 Miscellaneous, Other	2,250	8,000	5,000	5,000
233 Permits and Fees	24,698	28,000	20,000	32,000
234 Other Operating Expenses	3,303	9,000	6,000	9,000
235 Uncollectable Accounts	0	20,000	0	20,000
<i>Total Operating Expenditures, Before Allocation Variances</i>	\$1,889,661	\$2,462,357	\$2,311,300	\$2,703,031
237 Fire Department Reimbursements	(29,884)	(31,380)	(31,380)	(34,672)
238 Benefits Allocation Variance	124,929	(78,000)	(76,000)	(82,267)
239 TOTAL OPERATING EXPENSES	\$1,984,706	\$2,352,977	\$2,203,920	\$2,586,092
<u>NON-OPERATING EXPENDITURES</u>				
240 Total Debt Service		819,062	819,062	632,398
241 Total Capital Improvement Expenditures		0	0	1,000,000
242 Total Replacement & Rehabilitation Expend.		1,745,000	1,738,000	410,000
243 TOTAL NON-OPERATING EXPENDITURES		\$2,564,062	\$2,557,062	\$2,042,398
<u>TRANSFERS TO (FROM)</u>				
244 Transfer To (From) Debt Reserve-Internal		(1,550,000)	(1,550,000)	0
245 Transfer To (From) Debt Reserve-Trustee		(255,000)	(260,911)	0
246 COP Debt Retirement		1,958,000	1,958,000	0
247 TOTAL TRANSFERS		\$153,000	\$147,089	\$0
248 TOTAL EXPENDITURES AND TRANSFERS		\$5,070,039	\$4,908,071	\$4,628,490
249 INCREASE (DECREASE) IN FUND BALANCE		(\$1,284,939)	(\$552,731)	(\$662,490)

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05</u> <u>Actual</u>	<u>Fiscal 2005-06</u> <u>Budget</u>	<u>Fiscal 2005-06</u> <u>Projected</u>	<u>Fiscal 2006-07</u> <u>Proposed Budget</u>
<u>REVENUES:</u>				
<u>Operating Revenues</u>				
1 Residential Water	\$ 1,511,364	\$ 1,548,000	1,520,000	\$ 1,540,000
2 Business Water	297,988	340,000	280,000	290,000
3 Construction Water	25,341	5,000	35,000	10,000
4 Water Sales, Other	29,717	32,000	32,000	30,000
5 Fire Line	58,167	58,000	59,000	60,000
6 Residential R.T.S.	692,911	692,000	725,000	728,000
7 Business R.T.S.	104,170	104,000	104,000	104,000
8 Construction R.T.S.	15,852	3,000	20,000	10,000
9 Penalties	43,262	40,000	40,000	35,000
10 Meter Installation Fees	150,798	60,000	170,000	80,000
11 Opening Fees	36,778	28,000	38,000	32,000
12 Application Fees	2,870	1,000	3,000	1,000
13 Reconnection Fees	9,780	7,000	10,000	7,000
14 <i>Total Operating Revenues</i>	\$ 2,978,998	\$ 2,918,000	\$ 3,036,000	\$ 2,927,000
<u>Non-Operating Revenues</u>				
15 Capital Impact Fees	\$ 363,505	\$ 120,000	\$ 330,000	\$ 220,000
16 Water Availability Assessment	596,177	597,000	598,000	598,000
17 Interest Revenues, Unrestricted	111,651	30,000	160,000	100,000
18 Interest Revenues, Restricted	6,880	-	-	-
19 Property Leases	61,197	61,000	81,000	81,000
20 Other Penalties	135,013	50,000	65,000	30,000
21 Reimbursed Expenses	9,164	5,000	80,000	5,000
22 Other Non-Operating Revenue	5,271	4,000	5,000	4,900
23 Meter Test Fees	134	-	165	-
24 Tampering Fees	175	100	175	100
25 Sale of Fixed Assets	8,399	-	-	-
26 Cash, Over/(Short)	(17)	-	-	-
27 Other Sources, EPA Storage (Restricted)	-	-	-	-
28 <i>Total Non-Operating Revenues</i>	\$ 1,297,549	\$ 867,100	\$ 1,319,340	\$ 1,039,000
29 <i>TOTAL REVENUES</i>	\$ 4,276,547	\$ 3,785,100	\$ 4,355,340	\$ 3,966,000

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05</u> <u>Actual</u>	<u>Fiscal 2005-06</u> <u>Budget</u>	<u>Fiscal 2005-06</u> <u>Projected</u>	<u>Fiscal 2006-07</u> <u>Proposed Budget</u>	
<u>EXPENDITURES:</u>					
<u>Source of Supply</u>					
30	Direct Labor	8,444	15,000	3,000	5,000
31	Employee Benefits, Allocated	4,731	10,114	1,980	3,575
32	Field Supplies	10,526	5,000	6,000	10,000
33	Telemetry Supplies	374	2,000	1,500	2,000
34	Outside Repair and Maintenance	-	1,000	1,000	1,000
35	Outside Services, Other	-	2,000	2,000	2,000
36	Electric	219,691	270,000	240,000	255,000
37	Total Expenditures, Source of Supply	\$ 243,766	\$ 305,114	\$ 255,480	\$ 278,575
<u>Pumping</u>					
38	Direct Labor	2,518	2,000	1,000	2,000
39	Employee Benefits, Allocated	1,397	1,348	700	1,430
40	Field Supplies	1,380	1,500	6,000	1,500
41	Outside Services, Other	-	2,500	1,500	2,500
42	Electric	28,417	40,000	30,000	32,000
43	Total Expenditures, Pumping	\$ 33,712	\$ 47,348	\$ 39,200	\$ 39,430
<u>Transmission & Distribution</u>					
44	Direct Labor	47,463	60,000	70,000	76,000
45	Employee Benefits, Allocated	24,240	40,455	49,000	54,340
46	Field Supplies Incl. Meter Replacement	87,471	95,000	120,000	120,000
47	Outside Services, Other	2,592	5,000	4,000	5,000
48	Total Expenditures, Trans. & Dist.	\$ 161,766	\$ 200,455	\$ 243,000	\$ 255,340
<u>General Plant</u>					
49	Supervision Labor	\$ 44,957	\$ 56,648	\$ -	\$ -
50	Direct Labor	189,749	304,191	236,000	383,394
51	Employee Benefits, Allocated	115,829	243,293	216,720	275,952
52	Labor Charged to Capital/R & R Projects	(2,276)	(30,000)	(45,000)	(40,000)
53	Labor Charged to Other Programs	(44,708)	(170,000)	(70,000)	(90,000)
54	Field Supplies	3,407	20,000	10,000	15,000
55	Inventory, (Gain)/Loss	8,204	-	-	-
56	Small Tools	3,092	2,000	6,000	6,000
57	Other Supplies	-	7,000	7,000	12,000
58	Outside Repairs and Maintenance	4,881	10,000	3,000	10,000
59	Uniforms and Other Outside Services	13,295	12,000	11,000	14,000
60	Telephone	417	600	500	600

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

Item	Fiscal 2004-05 Actual	Fiscal 2005-06 Budget	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget
61 Gas	1,063	1,200	1,500	1,500
62 Electric	1,981	3,000	2,700	3,000
63 Permits and Fees	18,463	18,000	10,000	10,000
64 Certifications, Licenses and Physicals	3,252	6,000	5,000	6,000
65 Materials and Supplies-Safety	159	1,500	800	1,500
66 Outside Services-Safety	546	-	500	500
67 Conferences and Seminars-Safety	128	-	500	500
68 Dues and Subscriptions-Safety	3,012	2,000	2,500	3,000
69 <i>Total Expenditures, General Plant</i>	\$ 365,451	\$ 487,432	\$ 398,720	\$ 612,946
<u>Water Quality</u>				
70 Direct Labor	16,918	25,000	18,000	20,000
71 Employee Benefits, Allocated	6,036	16,856	12,600	14,300
72 Chemicals and Other Field Supplies	11,428	12,500	12,000	12,500
73 Lab Services	19,261	44,000	28,000	28,000
74 Permits and Fees	-	-	-	12,000
75 <i>Total Expenditures, Water Quality</i>	\$ 53,643	\$ 98,356	\$ 70,600	\$ 86,800
<u>Engineering</u>				
76 Engineering Labor	26,343	28,597	26,000	30,191
77 Employee Benefits, Allocated	14,109	19,281	18,200	21,586
78 Other Supplies	1,130	2,500	1,500	8,000
79 Outside Professional Fees	27,348	-	-	-
80 Professional Fees, Engineering	-	15,000	12,000	15,000
81 Outside Services, Blueprinting	-	500	500	500
82 <i>Total Expenditures, Engineering</i>	\$ 68,930	\$ 65,878	\$ 58,200	\$ 75,277

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05</u> <u>Actual</u>	<u>Fiscal 2005-06</u> <u>Budget</u>	<u>Fiscal 2005-06</u> <u>Projected</u>	<u>Fiscal 2006-07</u> <u>Proposed Budget</u>	
<u>Treatment Facility</u>					
83	Direct Labor	\$ 54,169	\$ 80,000	\$ 80,000	\$ 88,000
84	Employee Benefits, Allocated	-	53,939	56,000	62,920
85	Bulk Chemicals and Media	44,581	80,000	120,000	120,000
86	Lab, Testing and Other Supplies	36,546	35,000	24,000	28,000
87	Repairs and Maintenance	-	7,000	5,000	10,000
88	Outside Services, Lab Fees	3,152	4,000	4,000	4,000
89	Telephone	3,033	4,000	3,000	4,000
90	Electric	8,049	15,000	10,000	10,000
91	Permits and Fees	6,235	10,000	10,000	10,000
92	<i>Total Expenditures, Treatment Fac.</i>	\$ 155,765	\$ 288,939	\$ 312,000	\$ 336,920
<u>Customer Service</u>					
93	Direct Labor	53,577	54,701	56,000	58,407
94	Employee Benefits, Allocated	28,987	36,882	39,200	41,761
95	Office Supplies	-	2,500	2,000	2,500
96	Outside Services, Other	2,075	2,500	2,500	2,500
97	Uncollectable Account Expense	-	20,000	-	20,000
98	<i>Total Expenditures, Customer Service</i>	\$ 84,639	\$ 116,583	\$ 99,700	\$ 125,168
<u>Finance and Accounting</u>					
99	Direct Labor	72,018	72,039	72,000	75,396
100	Employee Benefits, Allocated	38,802	48,571	50,400	53,908
101	Outside Professional Fees	74,119	63,000	62,000	72,000
102	Outside Services, Other	5,703	9,000	9,000	7,000
103	<i>Total Expend., Finance and Acctg.</i>	\$ 190,642	\$ 192,610	\$ 193,400	\$ 208,304
<u>General Manager</u>					
104	Supervision Labor	\$ 124,158	\$ 99,840	\$ 93,000	\$ 97,028
105	Employee Benefits, Allocated	60,028	67,316	65,100	69,375
106	<i>Total Expenditures, General Manager</i>	\$ 184,186	\$ 167,156	\$ 158,100	\$ 166,403

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05</u> <u>Actual</u>	<u>Fiscal 2005-06</u> <u>Budget</u>	<u>Fiscal 2005-06</u> <u>Projected</u>	<u>Fiscal 2006-07</u> <u>Proposed Budget</u>	
<u>General Administration</u>					
107	Direct Labor	33,925	37,322	37,000	40,817
108	Employee Benefits, Allocated	17,294	25,164	25,900	29,184
109	Office Supplies	13,374	14,000	18,000	16,000
110	Outside Services, Banking Fees	17,875	18,000	18,000	18,000
111	Outside Services, Other	18,723	50,000	44,000	44,000
112	Equipment Rental	2,505	5,000	5,000	5,000
113	Telephone	10,248	13,000	12,000	12,000
114	Gas	646	500	500	600
115	Electric	8,421	10,000	9,500	10,000
116	Postage	18,931	20,000	18,000	20,000
117	Dues and Subscriptions	11,573	12,000	14,000	14,000
118	Travel Expense	347	1,500	2,000	2,000
119	Insurance	28,296	48,000	36,000	50,000
120	Workers Compensation Insurance	39,237	78,000	76,000	82,267
121	Printing and Publications	10,560	8,000	6,000	8,000
122	Conferences and Seminars	4,624	4,000	4,000	5,000
123	Public Information	-	-	2,000	5,000
124	Miscellaneous, Other	2,250	8,000	5,000	5,000
125	Fire Department Reimbursements	(29,884)	(31,380)	(31,380)	(34,672)
126	<i>Total Expenditures, General Admin.</i>	\$ 208,945	\$ 321,106	\$ 301,520	\$ 332,196
<u>Board of Directors</u>					
127	Directors' Fees	12,292	10,000	10,000	11,000
128	Conferences and Seminars	2,911	4,000	3,000	4,000
129	Travel Expense	1,607	8,000	4,000	8,000
130	Miscellaneous, Other	51	3,000	1,000	3,000
131	Outside Services, Legal	23,132	30,000	22,000	30,000
132	<i>Total Expend., Board of Directors</i>	\$ 39,993	\$ 55,000	\$ 40,000	\$ 56,000

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05 Actual</u>	<u>Fiscal 2005-06 Budget</u>	<u>Fiscal 2005-06 Projected</u>	<u>Fiscal 2006-07 Proposed Budget</u>
	<u>Equipment Costs</u>			
133 Equipment Cost	\$ 68,339	\$ 85,000	\$ 110,000	\$ 95,000
	<u>Employee Benefits</u>			
134 Paid Leave	\$ 93,505	\$ 83,712	\$ 88,000	\$ 87,442
135 Payroll Tax Expense	64,418	77,657	70,000	81,071
136 Group Medical Expense	150,418	170,000	140,000	176,000
137 Dental and Vision Expense	22,765	26,000	26,000	27,000
138 Group Life Insurance	4,925	6,000	5,800	6,000
139 Retirement Expense	100,349	121,851	130,000	168,551
140 Employee Benefit Clearing	(311,451)	(563,220)	(535,800)	(628,331)
141 Total Expenditures, Employee Benefits	\$ 124,929	\$ (78,000)	\$ (76,000)	\$ (82,267)
142 TOTAL OPERATING EXPENSES	\$ 1,984,706	\$ 2,352,977	\$ 2,203,920	\$ 2,586,092

TWENTYNINE PALMS WATER DISTRICT
LINE ITEM BUDGET
FISCAL 2006-2007

<u>Item</u>	<u>Fiscal 2004-05</u> <u>Actual</u>	<u>Fiscal 2005-06</u> <u>Budget</u>	<u>Fiscal 2005-06</u> <u>Projected</u>	<u>Fiscal 2006-07</u> <u>Proposed Budget</u>
<u>NON-OPERATING EXPENDITURES</u>				
<u>Debt Service</u>				
143	\$ 545,569	\$ 567,032	\$ 567,032	\$ 464,246
144	330,228	252,030	252,030	168,152
145	\$ 875,797	\$ 819,062	\$ 819,062	\$ 632,398
<u>Capital Improvements</u>				
146		-	-	-
147		-	-	1,000,000
148		\$ -	\$ -	\$ 1,000,000
<u>Replacement and Rehabilitation</u>				
149		\$ 25,000	\$ 18,000	\$ 25,000
150		1,720,000	1,720,000	135,000
151		-	-	250,000
152		\$ 1,745,000	\$ 1,738,000	\$ 410,000
<u>Transfers To (From)</u>				
153		(1,550,000)	(1,550,000)	-
154		(255,000)	(260,911)	-
155		1,958,000	1,958,000	-
		\$ 153,000	\$ 147,089	\$ -
156		\$ 2,717,062	\$ 2,704,151	\$ 2,042,398
157		\$ 5,070,039	\$ 4,908,071	\$ 4,628,490
158		\$(1,284,939)	\$ (552,731)	\$ (662,490)

**TWENTYNINE PALMS WATER DISTRICT
 CAPITAL IMPROVEMENTS &
 REPLACEMENT AND REHABILITATION BUDGET
 FISCAL 2006-2007**

Capital Improvement Projects

	Fiscal 2006-07 Budget	Estimated Fiscal 2007-08	Estimated Fiscal 2008-09	Estimated Fiscal 2009-10	Estimated Fiscal 2010-11
PROJECT:					
<i>a.</i> Arsenic Removal Project	1,000,000	0	0	0	0
<i>b.</i> Production Well, 49 Palms Aquifer	0	350,000	0	0	0
<i>Total Capital Improvement Projects</i>	\$1,000,000	\$350,000	\$0	\$0	\$0

**TWENTYNINE PALMS WATER DISTRICT
CAPITAL IMPROVEMENTS &
REPLACEMENT AND REHABILITATION BUDGET
FISCAL 2006-2007**

Replacement & Rehabilitation Projects

PROJECT:	Fiscal 2006-07 Budget	Estimated Fiscal 2007-08	Estimated Fiscal 2008-09	Estimated Fiscal 2009-10	Estimated Fiscal 2010-11
<i>c.</i> Service Truck Replacements	25,000	25,000	25,000	25,000	25,000
<i>d.</i> Emergency Repairs, Unspecified	15,000	15,000	15,000	15,000	15,000
<i>e.</i> Main Line Extensions	50,000	50,000	50,000	50,000	50,000
<i>f.</i> Relocation of O & M Building	250,000	0	0	0	0
<i>g.</i> Collector Tank Replacement, Plant 6	65,000	0	0	0	0
<i>h.</i> Computer & Software Replacements	5,000	5,000	5,000	5,000	5,000
<i>j.</i> Well Rehabilitation Program	0	50,000	0	0	60,000
<i>Total Replacement & Rehabilitation</i>	\$410,000	\$145,000	\$95,000	\$95,000	\$155,000
Grand Total, All Projects	\$1,410,000	\$495,000	\$95,000	\$95,000	\$155,000

**TWENTYNINE PALMS WATER DISTRICT
PROGRAM BUDGETS
FISCAL 2006-2007**

OPERATIONS AND MAINTENANCE

Beginning Unrestricted Balance **\$ 2,143,166**

Revenues

Operating Revenues \$2,892,602

Interest Revenue 100,000

Non-Operating Revenues 121,000

Total Revenues **\$ 3,113,602**

Expenditures and Transfers

Operating Costs \$1,774,787

General and Administrative Costs 811,305

Transfer to R. & R. Program 410,000

Transfer to Capital Improvement Program 780,000

Total O & M Costs & Transfers **\$ 3,776,092**

**Increase (Decrease) In
Unrestricted Balance** **\$ (662,490)**

Ending Unrestricted Balance **\$ 1,480,676**

**TWENTYNINE PALMS WATER DISTRICT
PROGRAM BUDGETS
FISCAL 2006-2007**

DEBT SERVICE RESERVE- INTERNAL

Beginning Reserve Balance		\$ -
<u>Revenues</u>		
Water Availability Assessment	\$ 598,000	
Operating Revenues	34,398	
Total Revenues		\$ 632,398
<u>Expenditures & Transfers</u>		
Department of Water Resources Loan	(339,065)	
2002 LaSalle Bank Loan	(293,333)	
Total Debt Service and Transfers		\$ (632,398)
Increase (Decrease) In Reserve Balance		\$ -
Ending Reserve Balance		\$ -

**TWENTYNINE PALMS WATER DISTRICT
PROGRAM BUDGETS
FISCAL 2006-2007**

CAPITAL IMPROVEMENTS & EXPANSION

Beginning Balance		\$ -
<u>Revenues</u>		
Transfer From Operations & Maintenance	\$ 780,000	
Capital Impact Fees	220,000	
	<hr/>	
Total Revenues		\$ 1,000,000
 <u>Expenditures</u>		
Buildings and Grounds	-	
Operational Equipment and Infrastructure	1,000,000	
	<hr/>	
Total Capital Improvement Costs		\$ 1,000,000
 Increase (Decrease) In Reserve Balance		 \$ -
		<hr/>
Ending Balance		\$ -
		<hr/> <hr/>

**TWENTYNINE PALMS WATER DISTRICT
PROGRAM BUDGETS
FISCAL 2006-2007**

REPLACEMENT & REHABILITATION - INTERNAL

Beginning Balance		\$ -
 <u>Revenues</u>		
Capital Impact Fees	\$ -	
Transfer From Operations and Maintenance Program	<u>410,000</u>	
Total Revenues		\$ 410,000
 <u>Expenditures</u>		
Vehicles and Motorized Equipment	\$ 25,000	
Operational Equipment and Infrastructure	380,000	
Office Equipment	<u>5,000</u>	
Total Replacement & Rehabilitation Costs		<u>\$ 410,000</u>
Increase (Decrease) In Reserve Balance		<u>\$ -</u>
Ending Balance		<u><u>\$ -</u></u>

**TWENTYNINE PALMS WATER DISTRICT
PERSONNEL AND BENEFITS
FISCAL 2006-2007**

	Fiscal 2004-05 Actual	Fiscal 2005-06 Budget	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget
<i><u>Salary and Wages</u></i>				
Total Regular Salary and Overtime	\$627,255	\$635,338	\$577,000	\$746,233
Vacation and Sick Leave	93,505	83,712	88,000	87,442
<i>Total Salary and Wages</i>	\$720,760	\$719,050	\$665,000	\$833,675
<i><u>Employee Benefits</u></i>				
PERS	\$100,349	\$121,851	\$130,000	\$168,551
Payroll Taxes	64,418	77,657	70,000	81,071
Group Medical Insurance	150,418	170,000	140,000	176,000
Group Dental and Vision Insurance	22,765	26,000	26,000	27,000
Group Life Insurance	4,925	6,000	5,800	6,000
<i>Total Employee Benefits</i>	\$342,875	\$401,508	\$371,800	\$458,622
TOTAL SALARY AND BENEFITS	\$1,063,635	\$1,120,558	\$1,036,800	\$1,292,297

**TWENTYNINE PALMS WATER DISTRICT
MONTHLY USER RATES
FISCAL 2006-2007**

Ready to Serve:		Water Charges:	
Meter Size:	Monthly Charge	Water Sales	\$1.54 per 100 Cubic Feet (HCF)
5/8" X 3/4"	9.00	Paystations:	
1.0"	22.50	Large Tokens	\$2.60 Each
1.5"	45.00	Small Tokens	\$0.65 Each
2.0"	72.00		
3.0"	202.50		
4.0"	450.00		
6.0"	675.00		
Fireline Charges:			
2" FL	23.00		
3" FL	46.00		
4" FL	86.00		
6" FL	184.00		
8" FL	338.00		
10" FL	522.00		

**TWENTYNINE PALMS WATER DISTRICT
WATER AVAILABILITY ASSESSMENT
FISCAL 2006-2007**

Each parcel, improved or unimproved, not over one-acre in size	\$30.00
Plus: For each acre over one-acre up to five-acres	\$8.00
Plus: For each acre over five-acres	\$7.50
Maximum Assessment per parcel	\$1,200.00

Budgeted water availability assessment revenue represents an estimate based upon the assumption that the Board will approve Fiscal Year 2006-2007 water availability assessments at the level existing in Fiscal Year 2005-2006. Final decisions as to Fiscal Year 2006-2007 water availability assessments will occur following a public hearing in June, 2006. If the assessments are changed, then this budget will be amended to reflect different revenue and expenditure assumptions.