

## RESOLUTION 07-15

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT APPROVING AND ADOPTING THE PROPOSED BUDGET OF THE TWENTYNINE PALMS WATER DISTRICT FOR FISCAL 2007-2008

**WHEREAS**, the General Manager and the Financial Advisor, Wayne Jones, have submitted a proposed budget for the fiscal year 2007-2008, 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; and

**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 2007-2008.
3. The General Manager is authorized to transfer operations and maintenance funds between activities and/or departments when he/she deems its 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.

**RESOLVED FURTHER**, that the budget of the Twentynine Palms Water District for fiscal year 2007-2008 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 in pages 5 through 10, inclusive, and pages 13 through 16, inclusive, of the budget.

**PASSED, APPROVED AND ADOPTED** this 13<sup>th</sup> day of June 2007.

Ayes: Directors Anthony, Carter, Cisneros, Moore and Yockey  
Noes: None

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Edith E. Carter, President  
Board of Directors

Attest:

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Mike Wright, Board Secretary  
Twentynine Palms Water District

**Exhibit "A"**

**TWENTYNINE PALMS WATER DISTRICT  
FISCAL YEAR 2007-2008 BUDGET**

*As Adopted by the Board of Directors On*

*June 13, 2007*

**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 2007-2008**

	<b>Fiscal 2006-07 Projected</b>	<b>Fiscal 2007-08 Proposed Budget</b>	<b>Fiscal 2008-09 Estimated</b>	<b>Fiscal 2009-10 Estimated</b>
<b><u>REVENUES:</u></b>				
Water Sales and Ready to Serve Charges	\$2,862,000	\$2,811,000	\$2,811,000	\$2,811,000
Other Operating Revenues	262,000	207,000	147,000	147,000
Water Availability Assessment	600,000	600,000	600,000	600,000
Interest Revenues	250,000	150,000	100,000	100,000
Other Non-Operating Revenues	309,300	241,000	160,000	160,000
Grant Funds	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$4,283,300</b>	<b>\$4,009,000</b>	<b>\$3,818,000</b>	<b>\$3,818,000</b>
<b><u>OPERATING EXPENDITURES</u></b>				
Salaries and Benefits	\$1,190,140	\$1,291,625	\$1,370,285	\$1,439,656
Materials and Supplies	491,000	529,500	545,385	556,293
Outside Services	256,000	291,500	300,245	306,250
Equipment Costs	125,000	125,000	125,000	125,000
Telephone and Utilities	373,400	405,200	425,460	446,733
Insurance and Workers' Compensation Ins.	49,000	116,000	121,800	127,890
Permits and Fees	18,000	21,000	21,525	22,063
Uncollectable Accounts	0	20,000	40,000	40,000
Training, Seminars, Certifications, Travel, Dues & Subscriptions	37,300	55,000	56,100	57,222
Fire Department Reimbursements	(34,672)	(35,370)	(36,077)	(36,799)
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,505,168</b>	<b>\$2,819,455</b>	<b>\$2,969,723</b>	<b>\$3,084,307</b>
<b><u>NON-OPERATING EXPENDITURES AND TRANSFERS</u></b>				
Debt Service	\$628,330	\$632,400	\$632,400	\$632,400
Capital Improvements	1,000,000	450,000	250,000	0
Replacement & Rehabilitation Expenditures	406,900	180,000	95,000	245,000
Transfer To (From) Debt Reserve-Internal	0	300,000	0	0
Debt Retirement	0	0	0	0
<b>TOTAL NON-OPERATING EXPENDITURES &amp; TRANSFERS</b>	<b>\$2,035,230</b>	<b>\$1,562,400</b>	<b>\$977,400</b>	<b>\$877,400</b>
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$4,540,398</b>	<b>\$4,381,855</b>	<b>\$3,947,123</b>	<b>\$3,961,707</b>
<b>INCREASE (DECREASE) IN FUND BALANCE</b>	<b>(\$257,098)</b>	<b>(\$372,855)</b>	<b>(\$129,123)</b>	<b>(\$143,707)</b>

**TWENTYNINE PALMS WATER DISTRICT  
LINE ITEM SUMMARY  
FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06 Actual</u>	<u>Fiscal 2006-07 Budget</u>	<u>Fiscal 2006-07 Projected</u>	<u>Fiscal 2007-08 Proposed Budget</u>	
<b><u>REVENUES:</u></b>					
<b><u>Operating Revenues</u></b>					
201	Water Sales and Ready to Service Charges	\$2,797,261	\$2,682,000	\$2,862,000	\$2,811,000
202	Other Operating Revenues	395,874	245,000	262,000	207,000
203	<b>Total Operating Revenues</b>	<b>\$3,193,135</b>	<b>\$2,927,000</b>	<b>\$3,124,000</b>	<b>\$3,018,000</b>
<b><u>Non-Operating Revenues</u></b>					
204	Water Availability Assessment	\$598,048	\$598,000	\$600,000	\$600,000
205	Interest Revenues	191,897	100,000	250,000	150,000
206	Other Non-Operating Revenues	603,774	341,000	309,300	241,000
207	Grant Funds	560,264	0	0	0
207	<b>Total Non-Operating Revenues</b>	<b>\$1,953,983</b>	<b>\$1,039,000</b>	<b>\$1,159,300</b>	<b>\$991,000</b>
208	<b>TOTAL REVENUES</b>	<b>\$5,147,118</b>	<b>\$3,966,000</b>	<b>\$4,283,300</b>	<b>\$4,009,000</b>
<b><u>EXPENDITURES:</u></b>					
<b><u>Operating Expenditures</u></b>					
209	Supervision Labor	\$93,673	\$97,028	\$93,500	\$102,961
210	Direct Labor	477,143	649,205	452,500	649,881
211	Employee Benefits, Allocated	348,564	628,331	606,210	604,783
212	Field Supplies and Chemicals	303,132	279,000	396,500	430,000
213	Office Supplies	15,814	18,500	28,000	20,000
214	Other Supplies	30,990	57,500	35,000	43,500
215	Inventory, (Gain) or Loss	(2,903)	0	0	0
216	Outside Repair and Maintenance	10,619	26,000	38,000	29,000
217	Outside Professional Services	60,636	98,000	94,500	102,000
218	Other Outside Services & Lab Fees	116,176	128,000	103,500	130,500
219	Outside Legal Services	33,014	30,000	20,000	30,000
220	Vehicle & Equipment Fuel and Maintenance	123,808	95,000	125,000	125,000
221	Telephone	14,466	16,600	15,000	16,500
222	Gas	1,588	2,100	1,500	1,700
223	Electric	265,296	310,000	356,900	387,000
224	Postage	19,155	20,000	20,000	22,000
225	Dues and Subscriptions	13,497	17,000	15,000	16,500
226	Travel Expense	5,241	10,000	5,500	12,000
227	Insurance	30,393	50,000	35,000	50,000
228	Workers Compensation Insurance	80,342	82,267	14,000	66,000
229	Printing and Publications	4,081	8,000	4,500	7,000
230	Conferences and Seminars	7,018	9,500	6,300	8,500

**TWENTYNINE PALMS WATER DISTRICT  
LINE ITEM SUMMARY  
FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06 Actual</u>	<u>Fiscal 2006-07 Budget</u>	<u>Fiscal 2006-07 Projected</u>	<u>Fiscal 2007-08 Proposed Budget</u>
231 Public Information	0	5,000	3,000	5,000
232 Miscellaneous, Other	3,392	5,000	7,000	7,000
233 Permits and Fees	15,056	32,000	18,000	21,000
234 Other Operating Expenses	4,260	9,000	7,500	13,000
235 Uncollectable Accounts	(62,231)	20,000	0	20,000
<b>236 <i>Total Operating Expenditures, Before Allocation Variances</i></b>	<b>\$2,012,220</b>	<b>\$2,703,031</b>	<b>\$2,501,910</b>	<b>\$2,920,825</b>
237 Fire Department Reimbursements	(31,380)	(34,672)	(34,672)	(35,370)
238 Benefits Allocation Variance	112,786	(82,267)	37,930	(66,000)
<b>239 <i>TOTAL OPERATING EXPENSES</i></b>	<b>\$2,093,626</b>	<b>\$2,586,092</b>	<b>\$2,505,168</b>	<b>\$2,819,455</b>
<b><u>NON-OPERATING EXPENDITURES</u></b>				
240 Total Debt Service		632,398	628,330	632,400
241 Total Capital Improvement Expenditures		1,000,000	1,000,000	450,000
242 Total Replacement & Rehabilitation Expend.		410,000	406,900	180,000
<b>243 <i>TOTAL NON-OPERATING EXPENDITURES</i></b>		<b>\$2,042,398</b>	<b>\$2,035,230</b>	<b>\$1,262,400</b>
<b><u>TRANSFERS TO (FROM)</u></b>				
244 Transfer To (From) Debt Reserve-Internal		0	0	300,000
245 Debt Retirement		0	0	0
<b>246 <i>TOTAL TRANSFERS</i></b>		<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>
<b>247 <i>TOTAL EXPENDITURES AND TRANSFERS</i></b>		<b>\$4,628,490</b>	<b>\$4,540,398</b>	<b>\$4,381,855</b>
<b>248 <i>INCREASE (DECREASE) IN FUND BALANCE</i></b>		<b>(\$662,490)</b>	<b>(\$257,098)</b>	<b>(\$372,855)</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>
<b><u>REVENUES:</u></b>				
<b><u>Operating Revenues</u></b>				
1 Residential Water	\$ 1,590,466	\$ 1,540,000	1,610,000	\$ 1,610,000
2 Business Water	298,538	290,000	340,000	320,000
3 Construction Water	49,694	10,000	40,000	10,000
4 Water Sales, Other	29,781	30,000	26,000	28,000
5 Fire Line	61,796	60,000	62,000	62,000
6 Residential R.T.S.	732,172	728,000	724,000	725,000
7 Business R.T.S.	103,826	104,000	136,000	136,000
8 Construction R.T.S.	22,565	10,000	12,000	10,000
9 Penalties	50,245	35,000	40,000	35,000
10 Meter Installation Fees	200,132	80,000	90,000	40,000
11 Opening Fees	38,920	32,000	32,000	32,000
12 Application Fees	3,350	1,000	1,500	1,000
13 Reconnection Fees	11,650	7,000	10,500	9,000
14 <b><i>Total Operating Revenues</i></b>	<b>\$ 3,193,135</b>	<b>\$ 2,927,000</b>	<b>\$ 3,124,000</b>	<b>\$ 3,018,000</b>
<b><u>Non-Operating Revenues</u></b>				
15 Capital Impact Fees	\$ 376,295	\$ 220,000	\$ 180,000	\$ 120,000
16 Water Availability Assessment	598,048	598,000	600,000	600,000
17 Interest Revenues, Unrestricted	191,897	100,000	250,000	150,000
18 Interest Revenues, Restricted	-	-	-	-
19 Property Leases	92,028	81,000	90,000	90,000
20 Other Penalties	87,990	30,000	28,000	22,000
21 Reimbursed Expenses	10,822	5,000	7,000	5,000
22 Other Non-Operating Revenue	36,433	4,900	4,000	3,900
23 Meter Test Fees	-	-	-	-
24 Tampering Fees	245	100	300	100
25 Sale of Fixed Assets	-	-	-	-
26 Cash, Over/(Short)	(39)	-	-	-
27 Other Sources, EPA Storage (Restricted)	560,264	-	-	-
28 <b><i>Total Non-Operating Revenues</i></b>	<b>\$ 1,953,983</b>	<b>\$ 1,039,000</b>	<b>\$ 1,159,300</b>	<b>\$ 991,000</b>
29 <b><i>TOTAL REVENUES</i></b>	<b>\$ 5,147,118</b>	<b>\$ 3,966,000</b>	<b>\$ 4,283,300</b>	<b>\$ 4,009,000</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>	
<b><u>EXPENDITURES:</u></b>					
<b><u>Source of Supply</u></b>					
30	Direct Labor	3,146	5,000	4,500	3,000
31	Employee Benefits, Allocated	1,942	3,575	3,510	2,232
32	Field Supplies	4,885	10,000	10,000	10,000
33	Telemetry Supplies	1,050	2,000	1,500	2,000
34	Outside Repair and Maintenance	-	1,000	1,000	2,000
35	Outside Services, Other	5,364	2,000	8,000	6,000
36	Electric	233,663	255,000	290,000	300,000
37	<b>Total Expenditures, Source of Supply</b>	<b>\$ 250,050</b>	<b>\$ 278,575</b>	<b>\$ 318,510</b>	<b>\$ 325,232</b>
<b><u>Pumping</u></b>					
38	Direct Labor	147	2,000	500	1,000
39	Employee Benefits, Allocated	86	1,430	390	744
40	Field Supplies	2,928	1,500	1,500	2,000
41	Outside Services, Other	-	2,500	2,500	5,000
42	Electric	13,443	32,000	34,000	45,000
43	<b>Total Expenditures, Pumping</b>	<b>\$ 16,604</b>	<b>\$ 39,430</b>	<b>\$ 38,890</b>	<b>\$ 53,744</b>
<b><u>Transmission &amp; Distribution</u></b>					
44	Direct Labor	68,195	76,000	50,000	60,000
45	Employee Benefits, Allocated	41,876	54,340	39,000	44,642
46	Field Supplies Incl. Meter Replacement	161,855	120,000	195,000	120,000
47	Outside Services, Other	2,837	5,000	10,000	5,000
48	<b>Total Expenditures, Trans. &amp; Dist.</b>	<b>\$ 274,763</b>	<b>\$ 255,340</b>	<b>\$ 294,000</b>	<b>\$ 229,642</b>
<b><u>General Plant</u></b>					
49	Supervision Labor	\$ -	\$ -	\$ -	\$ -
50	Direct Labor	246,088	383,394	326,500	331,073
51	Employee Benefits, Allocated	126,102	275,952	279,000	246,329
52	Labor Charged to Capital/R & R Projects	(68,244)	(90,000)	(150,000)	(15,000)
53	Labor Charged to Other Programs	(52,239)	(40,000)	(50,000)	(45,000)
54	Field Supplies	7,675	15,000	5,000	10,000
55	Inventory, (Gain)/Loss	(2,903)	-	-	-
56	Small Tools	6,309	6,000	6,000	6,000
57	Other Supplies	3,634	12,000	10,000	10,000
58	Outside Repairs and Maintenance	-	10,000	7,000	10,000
59	Uniforms and Other Outside Services	8,075	14,000	9,000	11,000
60	Telephone	440	600	500	600

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<b>Item</b>	<b>Fiscal 2005-06 Actual</b>	<b>Fiscal 2006-07 Budget</b>	<b>Fiscal 2006-07 Projected</b>	<b>Fiscal 2007-08 Proposed Budget</b>
61 Gas	786	1,500	900	900
62 Electric	2,657	3,000	3,600	4,000
63 Permits and Fees	7,584	10,000	9,000	12,000
64 Certifications, Licenses and Physicals	4,260	6,000	5,500	10,000
65 Materials and Supplies-Safety	264	1,500	500	1,500
66 Outside Services-Safety	1,820	500	1,500	1,500
67 Conferences and Seminars-Safety	345	500	300	500
68 Dues and Subscriptions-Safety	2,164	3,000	2,500	2,500
69 <b>Total Expenditures, General Plant</b>	<b>\$ 294,817</b>	<b>\$ 612,946</b>	<b>\$ 466,800</b>	<b>\$ 597,902</b>
<b><u>Water Quality</u></b>				
70 Direct Labor	18,228	20,000	16,000	20,000
71 Employee Benefits, Allocated	6,718	14,300	12,480	14,881
72 Chemicals and Other Field Supplies	12,597	12,500	15,000	18,000
73 Lab Services	22,978	28,000	16,000	20,000
74 Permits and Fees	-	12,000	-	-
75 <b>Total Expenditures, Water Quality</b>	<b>\$ 60,521</b>	<b>\$ 86,800</b>	<b>\$ 59,480</b>	<b>\$ 72,881</b>
<b><u>Engineering</u></b>				
76 Engineering Labor	25,260	30,191	25,000	24,841
77 Employee Benefits, Allocated	15,097	21,586	19,500	18,483
78 Other Supplies	5,550	8,000	5,000	8,000
79 Outside Professional Fees	7,856	-	-	-
80 Professional Fees, Engineering	-	15,000	8,000	15,000
81 Outside Services, Blueprinting	-	500	500	500
82 <b>Total Expenditures, Engineering</b>	<b>\$ 53,763</b>	<b>\$ 75,277</b>	<b>\$ 58,000</b>	<b>\$ 66,824</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>
<b><u>Treatment Facility</u></b>				
83	\$ 67,728	\$ 88,000	\$ 60,000	\$ 80,000
84	-	62,920	46,800	59,523
85	113,192	120,000	170,000	270,000
86	14,183	28,000	12,000	16,000
87	7,782	10,000	20,000	12,000
88	2,176	4,000	2,000	3,000
89	2,765	4,000	3,000	3,400
90	7,173	10,000	17,000	25,000
91	7,472	10,000	9,000	9,000
92	<b>\$ 222,471</b>	<b>\$ 336,920</b>	<b>\$ 339,800</b>	<b>\$ 477,923</b>
<b><u>Customer Service</u></b>				
93	55,443	58,407	52,000	66,734
94	33,117	41,761	40,560	49,653
95	-	2,500	4,000	4,000
96	2,221	2,500	2,500	2,500
97	(62,231)	20,000	-	20,000
98	<b>\$ 28,550</b>	<b>\$ 125,168</b>	<b>\$ 99,060</b>	<b>\$ 142,887</b>
<b><u>Finance and Accounting</u></b>				
99	75,056	75,396	78,000	78,220
100	44,703	53,908	60,840	58,199
101	44,609	72,000	76,000	76,000
102	7,192	7,000	8,000	8,500
103	<b>\$ 171,560</b>	<b>\$ 208,304</b>	<b>\$ 222,840</b>	<b>\$ 220,919</b>
<b><u>General Manager</u></b>				
104	\$ 93,673	\$ 97,028	\$ 93,500	\$ 102,961
105	56,000	69,375	72,930	76,607
106	<b>\$ 149,673</b>	<b>\$ 166,403</b>	<b>\$ 166,430</b>	<b>\$ 179,568</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>	
<u>General Administration</u>					
107	Direct Labor	38,335	40,817	40,000	45,012
108	Employee Benefits, Allocated	22,923	29,184	31,200	33,490
109	Office Supplies	15,814	16,000	24,000	16,000
110	Outside Services, Banking Fees	16,766	18,000	16,000	16,000
111	Outside Services, Other	47,834	44,000	35,000	54,000
112	Equipment Rental	1,750	5,000	2,500	2,500
113	Telephone	11,261	12,000	11,500	12,500
114	Gas	802	600	600	800
115	Electric	8,360	10,000	12,300	13,000
116	Postage	19,155	20,000	20,000	22,000
117	Dues and Subscriptions	11,333	14,000	12,500	14,000
118	Travel Expense	1,712	2,000	1,500	4,000
119	Insurance	30,393	50,000	35,000	50,000
120	Workers Compensation Insurance	80,342	82,267	14,000	66,000
121	Printing and Publications	4,081	8,000	4,500	7,000
122	Conferences and Seminars	4,058	5,000	3,000	4,000
123	Public Information	-	5,000	3,000	5,000
124	Miscellaneous, Other	3,392	5,000	7,000	7,000
125	Fire Department Reimbursements	(31,380)	(34,672)	(34,672)	(35,370)
126	<b>Total Expenditures, General Admin.</b>	<b>\$ 286,931</b>	<b>\$ 332,196</b>	<b>\$ 238,928</b>	<b>\$ 336,932</b>
<u>Board of Directors</u>					
127	Directors' Fees	8,171	11,000	10,500	11,000
128	Conferences and Seminars	2,615	4,000	3,000	4,000
129	Travel Expense	3,529	8,000	4,000	8,000
130	Miscellaneous, Other	-	3,000	2,000	3,000
131	Outside Services, Legal	33,014	30,000	20,000	30,000
132	<b>Total Expend., Board of Directors</b>	<b>\$ 47,329</b>	<b>\$ 56,000</b>	<b>\$ 39,500</b>	<b>\$ 56,000</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>
<b><u>Equipment Costs</u></b>				
133 Equipment Cost	\$ 123,808	\$ 95,000	\$ 125,000	\$ 125,000
<b><u>Employee Benefits</u></b>				
134 Paid Leave	\$ 109,080	\$ 87,442	\$ 106,000	\$ 87,050
135 Payroll Tax Expense	67,571	81,071	78,000	75,841
136 Group Medical Expense	120,766	176,000	170,000	180,000
137 Dental and Vision Expense	25,681	27,000	28,500	29,000
138 Group Life Insurance	5,311	6,000	4,000	6,000
139 Retirement Expense	132,942	168,551	150,000	160,891
140 Employee Benefit Clearing	(348,565)	(628,331)	(498,570)	(604,782)
141 <b>Total Expenditures, Employee Benefits</b>	<b>\$ 112,786</b>	<b>\$ (82,267)</b>	<b>\$ 37,930</b>	<b>\$ (66,000)</b>
142 <b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,093,626</b>	<b>\$ 2,586,092</b>	<b>\$ 2,505,168</b>	<b>\$ 2,819,455</b>

**TWENTYNINE PALMS WATER DISTRICT**  
**LINE ITEM BUDGET**  
**FISCAL 2007-2008**

<u>Item</u>	<u>Fiscal 2005-06</u> <u>Actual</u>	<u>Fiscal 2006-07</u> <u>Budget</u>	<u>Fiscal 2006-07</u> <u>Projected</u>	<u>Fiscal 2007-08</u> <u>Proposed Budget</u>
<b><u>NON-OPERATING EXPENDITURES</u></b>				
<b><u>Debt Service</u></b>				
143	\$ 2,486,979	\$ 464,246	\$ 459,710	\$ 482,169
144	229,232	168,152	168,620	150,231
145	<b>\$ 2,716,211</b>	<b>\$ 632,398</b>	<b>\$ 628,330</b>	<b>\$ 632,400</b>
<b><u>Capital Improvements</u></b>				
146		-	-	-
147		1,000,000	1,000,000	450,000
148		<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 450,000</b>
<b><u>Replacement and Rehabilitation</u></b>				
149		\$ 25,000	\$ 21,900	\$ 25,000
150		135,000	135,000	150,000
151		250,000	250,000	5,000
152		<b>\$ 410,000</b>	<b>\$ 406,900</b>	<b>\$ 180,000</b>
<b><u>Transfers To (From)</u></b>				
153		-	-	300,000
154		-	-	-
		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>
155		<b>\$ 2,042,398</b>	<b>\$ 2,035,230</b>	<b>\$ 1,562,400</b>
156		<b>\$ 4,628,490</b>	<b>\$ 4,540,398</b>	<b>\$ 4,381,855</b>
157		<b>\$ (662,490)</b>	<b>\$ (257,098)</b>	<b>\$ (372,855)</b>

**TWENTYNINE PALMS WATER DISTRICT  
 CAPITAL IMPROVEMENTS &  
 REPLACEMENT AND REHABILITATION BUDGET  
 FISCAL 2007-2008**

**Capital Improvement Projects**

	<b>Fiscal 2007-08 Budget</b>	<b>Estimated Fiscal 2008-09</b>	<b>Estimated Fiscal 2009-10</b>	<b>Estimated Fiscal 2010-11</b>	<b>Estimated Fiscal 2011-12</b>
<b>PROJECT:</b>					
<i>a.</i> Well Replacement, Non-Potable Well #1	0	250,000	0	0	0
<i>b.</i> Production Well, 49 Palms Aquifer	450,000	0	0	0	0
<i>Total Capital Improvement Projects</i>	<b>\$450,000</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**TWENTYNINE PALMS WATER DISTRICT  
CAPITAL IMPROVEMENTS &  
REPLACEMENT AND REHABILITATION BUDGET  
FISCAL 2007-2008**

**Replacement & Rehabilitation Projects**

<b>PROJECT:</b>	<b>Fiscal 2007-08 Budget</b>	<b>Estimated Fiscal 2008-09</b>	<b>Estimated Fiscal 2009-10</b>	<b>Estimated Fiscal 2010-11</b>	<b>Estimated Fiscal 2011-12</b>
<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> Reservoir Recoating	0	0	150,000	0	150,000
<i>g.</i> Collector Tank Replacement, Plant 6 (Supplemental)	35,000	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	50,000	0	0	60,000	0
<i>Total Replacement &amp; Rehabilitation</i>	<b>\$180,000</b>	<b>\$95,000</b>	<b>\$245,000</b>	<b>\$155,000</b>	<b>\$245,000</b>
<b>Grand Total, All Projects</b>	<b>\$630,000</b>	<b>\$345,000</b>	<b>\$245,000</b>	<b>\$155,000</b>	<b>\$245,000</b>

***TWENTYNINE PALMS WATER DISTRICT  
PROGRAM BUDGETS  
FISCAL 2007-2008***

***OPERATIONS AND MAINTENANCE***

**Beginning Unrestricted Balance** **\$ 1,845,177**

**Revenues**

Operating Revenues \$2,685,600

Interest Revenue 150,000

Non-Operating Revenues 121,000

**Total Revenues** **\$ 2,956,600**

**Expenditures and Transfers**

Operating Costs \$1,943,148

General and Administrative Costs 876,307

Transfer to R. & R. Program 180,000

Transfer to Capital Improvement Program 330,000

**Total O & M Costs & Transfers** **\$ 3,329,455**

**Increase (Decrease) In  
Unrestricted Balance** **\$ (372,855)**

**Ending Unrestricted Balance** **\$ 1,472,322**

**TWENTYNINE PALMS WATER DISTRICT  
PROGRAM BUDGETS  
FISCAL 2007-2008**

**DEBT SERVICE RESERVE- INTERNAL**

<b>Beginning Reserve Balance</b>		<b>\$ -</b>
<b><u>Revenues</u></b>		
Water Availability Assessment	\$ 600,000	
Operating Revenues	<u>332,400</u>	
<b>Total Revenues</b>		<b>\$ 932,400</b>
 <b><u>Expenditures &amp; Transfers</u></b>		
Department of Water Resources Loan	(339,068)	
2002 LaSalle Bank Loan	<u>(293,332)</u>	
<b>Total Debt Service and Transfers</b>		<b>\$ (632,400)</b>
<b>Increase (Decrease) In Reserve Balance</b>		<b>\$ 300,000</b>
<b>Ending Reserve Balance</b>		<b>\$ 300,000</b>

**TWENTYNINE PALMS WATER DISTRICT  
PROGRAM BUDGETS  
FISCAL 2007-2008**

**CAPITAL IMPROVEMENTS & EXPANSION**

<b>Beginning Balance</b>		<b>\$ -</b>
<b><u>Revenues</u></b>		
Transfer From Operations & Maintenance	\$ 330,000	
Capital Impact Fees	120,000	
	<hr/>	
<b>Total Revenues</b>		<b>\$ 450,000</b>
 <b><u>Expenditures</u></b>		
Buildings and Grounds	-	
Operational Equipment and Infrastructure	450,000	
	<hr/>	
<b>Total Capital Improvement Costs</b>		<b>\$ 450,000</b>
 <b>Increase (Decrease) In Reserve Balance</b>		 <b>\$ -</b>
		<hr/>
<b>Ending Balance</b>		<b>\$ -</b>
		<hr/> <hr/>

**TWENTYNINE PALMS WATER DISTRICT  
PROGRAM BUDGETS  
FISCAL 2007-2008**

**REPLACEMENT & REHABILITATION - INTERNAL**

<b>Beginning Balance</b>		<b>\$ -</b>
 <b><u>Revenues</u></b>		
Capital Impact Fees	\$ -	
Transfer From Operations and Maintenance Program	<u>180,000</u>	
<b>Total Revenues</b>		<b>\$ 180,000</b>
 <b><u>Expenditures</u></b>		
Vehicles and Motorized Equipment	\$ 25,000	
Operational Equipment and Infrastructure	150,000	
Office Equipment	<u>5,000</u>	
<b>Total Replacement &amp; Rehabilitation Costs</b>		<b><u>\$ 180,000</u></b>
<b>Increase (Decrease) In Reserve Balance</b>		<b><u>\$ -</u></b>
<b>Ending Balance</b>		<b><u><u>\$ -</u></u></b>

**TWENTYNINE PALMS WATER DISTRICT  
PERSONNEL AND BENEFITS  
FISCAL 2007-2008**

	<b>Fiscal 2005-06 Actual</b>	<b>Fiscal 2006-07 Budget</b>	<b>Fiscal 2006-07 Projected</b>	<b>Fiscal 2007-08 Proposed Budget</b>
<i><u>Salary and Wages</u></i>				
<b>Total Regular Salary and Overtime</b>	\$570,816	\$746,233	\$546,000	\$752,842
<b>Vacation and Sick Leave</b>	109,080	87,442	106,000	87,050
<i><b>Total Salary and Wages</b></i>	<b>\$679,896</b>	<b>\$833,675</b>	<b>\$652,000</b>	<b>\$839,892</b>
<i><u>Employee Benefits</u></i>				
<b>PERS</b>	\$132,942	\$168,551	\$150,000	\$160,891
<b>Payroll Taxes</b>	67,571	81,071	78,000	75,841
<b>Group Medical Insurance</b>	120,766	176,000	170,000	180,000
<b>Group Dental and Vision Insurance</b>	25,681	27,000	28,500	29,000
<b>Group Life Insurance</b>	5,311	6,000	4,000	6,000
<i><b>Total Employee Benefits</b></i>	<b>\$352,271</b>	<b>\$458,622</b>	<b>\$430,500</b>	<b>\$451,732</b>
<b>TOTAL SALARY AND BENEFITS</b>	<b>\$1,032,167</b>	<b>\$1,292,297</b>	<b>\$1,082,500</b>	<b>\$1,291,624</b>

**TWENTYNINE PALMS WATER DISTRICT  
MONTHLY USER RATES  
FISCAL 2007-2008**

<b>Ready to Serve:</b>		<b>Water Charges:</b>	
<u>Meter Size:</u>	<u>Monthly Charge</u>	<u>Water Sales</u>	<b>\$1.54 per 100 Cubic Feet (HCF)</b>
5/8" X 3/4"	9.00		
1.0"	22.50		
1.5"	45.00	<u>Paystations:</u>	
2.0"	72.00	Large Tokens	<b>\$2.60 Each</b>
3.0"	202.50	Small Tokens	<b>\$0.65 Each</b>
4.0"	450.00		
6.0"	675.00		
 <u>Fireline Charges:</u>			
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 2007-2008**

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