

Phelan Piñon Hills Community Service District
2021/2022 Schedule
Adopted February 16, 2022

BOARD DESIGNATED RESERVES	ENTERPRISE	GOVERNMENT	Total
1. UNRESTRICTED RESERVES	Fund 01	Fund 20/22/24/25	
1A. Contingency and Operations (Goal = 6 mo. No less than 3 mo.)			
2021/22 Budget Total	\$8,524,341	\$934,920	\$9,459,261
Less:			
Depreciation	1,890,312	85,722	1,976,034
Debt Service (Interest)	336,495		336,495
	<u>6,297,534</u>	<u>849,198</u>	<u>7,146,732</u>
Reserve @ Three Months =	<u>x 3/12</u>	<u>x 3/12</u>	<u>x 3/12</u>
Contingency and Operating Reserve	1,574,383	212,299	1,786,683
Debt Service Reserve - Loans (1 yr P&I)	930,160		930,160
TOTAL RESERVE FOR OPERATIONS	\$2,504,544	\$212,299	\$2,716,843
1B. Property, Plant, and Equipment Replacement Reserve (Goal = 2 to 4 Years of Depreciation)			
Annual Depreciation YE 06/30/21	1,885,592	84,252	1,969,844
Reserve = (Goal = 4x Annual Depreciation. No less than 2x)	5,656,776	3 210,630	5,867,406
Reserves used for WRAP project funding 2012	-886,751 *		-886,751
Reserves used for Water Rights funding AVW	-595,500 *		-595,500
TOTAL RESERVE FOR REPLACEMENT	\$4,174,525	2 \$210,630	\$4,385,155
1C. Disaster Response Reserve (Goal = 10% of Depreciable Asset Value)			
Total Assets (Excluding Land & Wtr Rts) 06/30/21	48,960,124	2,098,500	51,058,624
Reserve @ 10% =	4,896,012	209,850	5,105,862
Reserves used for WRAP project funding 2012	-886,751 *		-886,751
Reserves used for Water Rights funding AVW	-595,500 *		-595,500
TOTAL RESERVE FOR DISASTER	\$3,413,762	7% \$209,850	\$3,623,612
1D. Rate Stabilization Reserves (Goal 5% to 10% of Water Revenue)			
2021/2022 Budget for Water Meter and Consumption	<u>\$6,502,778</u>		<u>6,502,778</u>
Reserve = (Goal = 10%. No less than 5%)	<u>\$325,139</u>	5%	<u>\$325,139</u>
TOTAL RESERVES	\$10,417,970	\$632,779	\$11,050,749

2. ADDITIONAL RESERVES IDENTIFIED BY THE BOARD

Capital, Projects*, & Replacement Budget Current Year	<u>945,000</u>	<u>1,186,000</u>	<u>2,131,000</u>
TOTAL FUNDS NEEDED FOR CAPITAL PROJECTS	\$945,000	\$1,186,000	\$2,131,000

* WRAP = Water Rights Acquisition Project. The Board elected to borrow reserve funds to provide the cash necessary to fund this project. Water Operations revenue is used to reimburse the 2012 WRAP funding and for the 2021 AVW Water Rights funding.

Prior Reserves	\$10,539,071	\$639,595	\$11,178,666
Change in Reserves	-\$121,101	-\$6,816	-\$127,917