

PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

BUDGET

JULY 1, 2008

TO

JUNE 30, 2009

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**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

SUMMARY

	Administration	Water Operation	Phelan Park	Pinon Hills Park	Street Lighting	Total
Revenue Sources						
Charges for Services						
Water Sales		3,940,000				3,940,000
Connecting Fees		100,000				100,000
Permits and Inspections		10,000				10,000
Meter Installations		12,000				12,000
Other Services		18,000				18,000
Total Charges for Services	-	4,080,000	-	-	-	4,080,000
Other Income:						
Investment Earnings	300,000		2,000	2,500		304,500
Property Taxes - Regular	924,000		65,000	51,000		1,040,000
Special Assessments		267,500				267,500
County Assistance			900,000	175,000		1,075,000
Share of County's Pooled Equipment Fund		200,000				200,000
State Assistance	12,000					12,000
Franchise Fee						-
Parks & Recreation Fee			4,600	4,400		9,000
Penalties	10,000	120,000				130,000
Other:						-
Trust Transactions	1,500					1,500
Sales		35,000				35,000
NSF Checks						-
Other		185,000				185,000
Total Other Income	1,247,500	807,500	971,600	232,900	-	3,259,500
Total Revenue Sources	1,247,500	4,887,500	971,600	232,900	-	7,339,500
Expenses (Use of Funds)						
Professional Services	176,300	195,000				371,300
Salaries and Benefits	373,623	662,595	33,961	33,961		1,104,140
Board Expenses	95,000					95,000
Services and Supplies	236,200	1,796,500	29,225	22,925		2,084,850
Rents and Leases	40,000					40,000
Utilities	14,800	1,109,000			14,688	1,138,488
Other (Water Mitigation)		677,000				677,000
Depreciation	15,000	712,000	15,000	8,000		750,000
Debt Service - Interest & Admin.		169,202				169,202
Total Expenses (Uses)	950,923	5,321,297	78,186	64,886	14,688	6,429,980
NET SOURCES (USES) FROM OPERATIONS	296,577	(433,797)	893,414	168,014	(14,688)	909,520

709,518
200,002

**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

ADMINISTRATION

ACCOUNT NO.	ACCOUNT TITLE	ESTIMATED 2007-2008	BUDGET 2008-2009	Description
REVENUE SOURCES				
	Investment Earnings	312,613	300,000	3% return on daily cash balance.
	Taxes	920,000	924,000	Per County tax budget for 2008/09.
	Other Taxes	70,000	-	G.O. bonds not transferred.
	State Assistance	12,500	12,000	Consistent with past years.
	Penalties	10,000	10,000	Past Due accounts placed on tax roll.
	Other Income - Trust Transactions	1,500	1,500	Treas. Office
TOTAL REVENUE SOURCES		1,326,613	1,247,500	

SALARIES & FRINGE BENEFITS

6110100	Salaries	374,999	270,640	Administrative staff salaries - 5 FTE's
6120100	Salaries, Overtime		-	Payment of Overtime as needed during the year.
6130100	Payroll Taxes		3,924	Pays for the Employer's portion of federal and state payroll taxes.
6140100	Workers Compensation		11,638	Workers compensation paid in accordance to claims filed with SDRMA - First Year Premium(4.3%)
6150100	Employee Group Insurance		36,000	Medical insurance benefit paid for by the District as adopted by District resolution.
6170100	Retirement		51,422	Contribution paid to PERS for Administrative Employees
SUBTOTAL		374,999	373,623	

MAINTENANCE AND OPERATIONS

6210100	Directors' Fees		30,000	Director fees and other related costs. Each Director is entitled to \$100 per meeting plus incidental costs incurred during the course of conducting District business for up to five meetings per month.
6220100	Board Exp - Auto Expense		15,000	Cost of Board Director mileage reimbursement for using a personal vehicle to conduct District business.
6230100	Board Exp - Meals & Lodging		20,000	Cost of Board Director Meals & lodging to conduct District business
6240100	Board Exp - Education & Training		30,000	Cost of Board Director education & training
6310100	Auditing and Accounting Services	9,199	65,000	Cost of annual audit and incidental accounting support.
6320100	Legal Services	718	75,000	Cost of District legal counsel for Board meeting attendance, legal consultation and representation for legal matters involving the District.
6330100	Outside Services	210,096	300	Cost of other contractual services as needed.
6340100	Permits & Inspections	-	-	Cost of various permits and certification required by primary agencies. Moved to Water.
6350100	Software Support	-	36,000	Cost of software maintenance as needed for accounting and general computer system support.
6405100	Legal Advertising		5,000	Rate notification to customer
6410100	Auto Expense		15,000	Cost of fuel, vehicle maintenance supplies and minor repairs of District administrative vehicle.
6415100	Auto Allowance		8,000	Cost of auto allowance
6420100	Bank Service Charges		1,200	Monthly bank fees as assessed on District bank accounts
6430100	Dues & Subscriptions		15,000	District membership dues and cost of magazines and special interest publications for various industry and governmental organizations.
6440100	Education & Training		10,000	Cost of District staff training and education to maintain certifications, continuing education, safety training tapes and supplies.
6450100	Election Expense			Cost of bi-annual election for Board of Directors
6460100	Employment Expense		3,000	Cost of pre-employment physicals, drug testing and other employee health costs
6465100	Equipment Rental	636	10,000	Cost of equipment rental for 10 months
6470100	General Maintenance		2,000	Cost of janitorial cleaning and supplies, repairs and upkeep of administrative offices and Board room.
6475100	Insurance	1,117	50,000	Cost of liability and property insurance for all District facilities and staff
6480100	Meetings & Seminars		15,000	Cost of staff-related training seminars and meetings, including annual conferences, includes room and meals for out of town travel and training supplies and materials.
6490100	Computer & Equipment Maintenance	46,684	30,000	Cost of office equipment maintenance and operating supplies, such as toner, ink cartridges, specialized copier and laser printer parts, and computer equipment such as routers, cables, keyboards and input and storage devices.
6500100	Office Supplies & Expense	3,242	5,000	Cost of office supplies including copy paper, folders, envelopes, etc.
6530100	Public Relations		20,000	Cost of public relations flyers and give-aways, and other community information to support special events.
6535100	Water Conservation Program		35,000	Cost of sponsoring a District water conservation program including coloring contests, informative brochures, special classes and other programs/AWAC
6540100	SB County Fees & Services		11,000	Cost of fees paid to regulatory agencies as required
6560100	Small Tools	3,501	1,000	Purchase of all District small tools during 2007-08. These costs will be budgeted within each operating division in 2008-09.
6720100	Rent		40,000	Cost of administrative office rent.
6810100	Telephone	9,433	4,800	Cost of administrative phone charges including cellular phones
6820100	Utilities		10,000	Cost of electric, gas and water for Administrative offices and Board Room.
SUBTOTAL		284,626	562,300	

6950100	Depreciation		15,000	Depreciation Expense
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TOTAL EXPENSES (USES)	659,625	950,923
NET SOURCES (USES)	666,988	296,577

PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)

WATER OPERATIONS

ACCOUNT NO.	ACCOUNT TITLE	ESTIMATED 2007-2008	BUDGET 2008-09	DESCRIPTION
REVENUE SOURCES				
Charges for Services:				
	Water Sales	3,941,631	3,940,000	Decreased to \$10,000
	Connecting Fees	438,112	100,000	Decrease 75%
	Permits and Inspections	9,630	10,000	Slight increases
	Meter Installations	47,300	12,000	Decrease 75%
	Other Services	17,928	18,000	Slight increases
Total Charges for Services		4,454,601	4,080,000	

Other Revenue:

	Special Assessments	355,000	267,500	Per County 2008/09 Assess. Budget
	Share of County's Pooled Equipment Fund	-	200,000	Per LAFCO order under Condition 9.1 Total value of assets: \$403,980 (Generator and Trailer) Equipment provided: <u>-53,419</u> Balance due PPCSD: \$350,561 (Cash to be received during this fiscal year) Amount Requested now: \$200,000 (Cash to be received - maybe not in this fiscal year) Balance due within 12 months: \$150,561
	Penalties	121,686	120,000	Per Data Stream Reports.
	Other Water Sales	35,536	35,000	Per Data Stream Reports.
	Water - Other	185,961	185,000	Per Data Stream Reports.
Total Other Revenue		698,183	807,500	
TOTAL REVENUE SOURCES		5,152,784	4,887,500	

SALARIES & FRINGE BENEFITS

5110100	Salaries, Full Time	1,650,914	453,223	Water Operations staff salaries - 13.5 FTE's
5130100	Payroll Taxes		6,572	Employer's share of state and federal payroll taxes.
5140100	Workers Compensation		19,489	Workers compensation paid in accordance to claims filed with SDRMA First Year Premium(4.3%)
5160100	Employee Group Insurance		97,200	Medical insurance benefit paid for by the District as adopted by District resolution.
5170100	Retirement		86,112	Contribution paid to PERS for Water Operations Employees
SUBTOTAL		1,650,914	662,595	

MAINTENANCE AND OPERATIONS

5010100	MWA WM Admin & Bio Fees		14,000	Cost of the MWA Watermaster admin fee and the Fish and Game Biological fund fee.
5020100	MWA WM Make Up Water		48,000	Cost of makeup, carryover or current water FPA either leased or purchased from the MWA Watermaster.
5030100	MWA WM Replacement Water	195,016	615,000	Cost of replacement water purchased from the MWA Watermaster.
5310100	Engineering		50,000	Cost of engineering fee
5320100	Laboratory Analysis		25,000	Cost of laboratory fees for water quality sampling and monitoring
5330100	Outside Services	86,897	50,000	Pest Control / Landscaping / Treatment
5340100	Permits & Inspection	35,105	35,000	Cost of various inspections of District water facilities and permits required by oversight agencies. Includes the MWA admin fee and the Fish and Game Biological fund fee.
5350100	Software Support	-	35,000	Cost of water billing software support, program modifications and miscellaneous computer equipment.
5405100	Equipment Rental	-	10,000	Cost of equipment rented during the year needed for daily operations or during an emergency.
5410100	Fuel Costs	56,500	50,000	Cost of fuel for Water Operations vehicles
5420100	Operating Supplies	278,169	250,000	Cost of meter replacement, repair and service meter inventory, fittings, pipe and related supplies, fire hydrant repair and replacement, and chemicals including chlorine.
5425100	Contractual Service		1,040,000	Contractor support for repairs, maintenance, and engineering. (\$40,000x13 wks + \$20,000x13 wks + \$10,000 x 26 wks)
5430100	Repairs and Maintenance	379,524	350,000	Cost of well lubricants, well repairs and maintenance, including other material and supplies for the pumping operation
5440100	Small Tools		50,000	Cost of small tools such as wrenches, drills, hammers, abrasive saws, screwdrivers, pliers, pipe vices, shovels, ladders, etc. needed to maintain the water system.
5450100	Uniforms	473	6,500	Cost of providing uniforms to water operations staff. The District uses a uniform service to clean uniforms.
5460100	Vehicle Operation & Maintenance		10,000	Cost of lubricants and other repairs for Water Operations vehicles
5810100	Telephone - OP		4,000	Telephone and other utilities
5820100	Utilities - Pumping	971,552	1,105,000	Electric costs for wells and pumps.
6510100	Postage	24,634	25,000	Cost of mailing utility bills, newsletters and business mail.
6520100	Printing Costs	2,005	5,000	Cost of printing utility bills and other forms and envelopes, also includes the Water Report
SUBTOTAL		2,029,875	3,777,500	

	Depreciation	741,944	712,000	Depreciation Expense
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DEBT SERVICE

	Interest	159,951	155,844	CIEDB Loan Interest
	Fee	14,050	13,358	Loan Administrator Fee
SUBTOTAL		174,001	169,202	

TOTAL EXPENSES (USES)	4,596,734	5,321,297	
NET SOURCES (USES)	556,050	(433,797)	

Principal	117,331	121,438	CIEDB LOAN
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**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

PHELAN PARK & RECREATION

ACCOUNT NO.	ACCOUNT TITLE	ESTIMATED 2007-2008	BUDGET 2008-2009	DESCRIPTION
REVENUE GENERATED				
7070200	Property Taxes	63,775	65,000	Per County Budget 2008/09.
7410200	Park & Rec Program Fees	4,807	4,600	Slight decrease
7420200	Senior Nutrition Program	12,844	-	County will administer
	County Assistance		900,000	Per BOS
7820200	Interest Income	1,949	2,000	3% of avg. daily balances
TOTAL REVENUE		83,375	971,600	

SALARIES & FRINGE BENEFITS

6110200	Salaries	32,048	22,088	Phelan Park Operations staff salaries. 1.12 FTE's
6130200	Payroll Taxes		320	Employer's share of state and federal payroll taxes.
6140200	Workers Compensation		950	Workers compensation paid in accordance to claims filed with SDRMA - First Year Premium(4.3%)
6160200	Employee Group Insurance		9,000	Medical insurance benefit paid for by the District as adopted by District resolution.
6170200	Retirement		1,603	Contribution paid to PERS for Phelan Park Operations Employees
SUBTOTAL		32,048	33,961	

MAINTENANCE AND OPERATIONS

6310200	Auditing	-	-	Charge of annually required audit
6320200	Legal Services	328	350	Rate notifications to customers: County Printing
6340200	Permits & Inspections	351	375	Cost of various permits and certification required by primary agencies.
6405200	Advertising	92	100	Posting in newspaper, i.e. events
6470200	General Maintenance	869	1,500	Cost of cleaning supplies, solvents, fuel
6475200	Insurance	215	500	Structure insurance (fire, damage, liability)
6476200	Vehicle	4,850	1,800	Automobile \$200/m. x 9
6490200	Equipment Maintenance	1,736	2,000	Maint and Repairs to Equipments
6500200	Office Supplies & Expense	5,692	3,000	Cost of office supplies including copy paper, folders, envelopes, etc.
6550200	Repair & Maintenance	28,049	10,000	Maint. And Repairs to Structures (Roof, Painting, Plumbing, etc.)
6570200	Food/Admin. Senior Nutrition	6,187	2,500	Food/Admin Senior Nutrition Program
6710200	Lease - Office Equipments	12,202	200	Lease of Equipment,: Chippers, Stump removers, various other
6810200	Telephone	758	900	Cost of phones including CP
6820200	Utilities	4,995	6,000	Cost of electric, gas and water - increase 25%
6930200	Other	1,841	-	Other expenses
SUBTOTAL		68,165	29,225	

6950200	Depreciation	36,805	15,000	Depreciation
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TOTAL EXPENSES	100,213	78,186
NET SOURCES (USES)	(16,838)	893,414

Capital Budget Items:	
Real Property	
Phelan Park Land	900,000
Total Capital Budget Items	900,000

**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

PINON HILLS PARK & RECREATION

ACCOUNT NO.	ACCOUNT TITLE	ESTIMATED 2007-2008	BUDGET 2008-2009	DESCRIPTION
REVENUE GENERATED				
7070300	Property Taxes	20,555	51,000	Per County budget 2008/09
7410300	Park & Rec Program Fees	4,361	4,400	Same as 2007/08
7420300	Senior Nutrition Program	12,790	-	County will administer
	Franchise Fees			
	County Assistance	-	175,000	
7820300	Interest Income	3,013	2,500	3% avg. daily balances
	Other	8,826	-	None
TOTAL REVENUE		49,545	232,900	

SALARIES & FRINGE BENEFITS

6110300	Salaries	24,522	22,088	Pinon Hills Operations staff salaries. 1.12 FTE's
6130300	Payroll Taxes		320	Employer's share of state and federal payroll
6140300	Workers Compensation		950	Workers compensation paid in accordance to claims filed with SDRMA - First Year Premium(4.3%)
6160300	Employee Group Insurance		9,000	Medical insurance benefit paid for by the District as adopted by District resolution.
6170300	Retirement		1,603	Contribution paid to PERS for Pinon Hills Park Operations Employees
SUBTOTAL		24,522	33,961	

MAINTENANCE AND OPERATIONS

6310300	Auditing	-	-	Charge of annually required audit
6320300	Legal Services	328	350	Rate notifications to customers: County Printing
6340300	Permits & Inspections	-	375	
6405300	Advertising	92	100	Posting in newspaper, i.e. events
6470300	General Maintenance	1,478	1,500	Cost of cleaning supplies, solvents, fuel
6475300	Insurance	188	500	Structure insurance (fire, damage, liability)
6476300	Vehicle	488	1,800	Automobile \$200/m. x 9
6490300	Equipment Maintenance	505	500	Maint and Repairs to Equipments
6500300	Office Supplies & Expense	4,946	3,000	Cost of office supplies including copy paper, folders, envelopes, etc.
6550300	Repair & Maintenance	3,864	5,000	Cost of Repair and Maintenance
6570300	Food/Admin Senior Nutrition Program	4,086	2,500	Food/Admin Senior Nutrition Program
6710300	Lease - Office Equipments	1,040	200	Lease of Equipment,: Chippers, Stump removers, various other
6810300	Telephone	111	1,000	Cost of phone charges including cellular phones
6820300	Utilities	5,067	6,100	Cost of electric, gas and water - increase 25%
6930300	Other	1,294	-	Maint. And Repairs to Structures (Roof, Painting, Plumbing, etc.)
SUBTOTAL		23,487	22,925	

6950300	Depreciation		8,000	Depreciation
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TOTAL EXPENSES (USES) 48,009 64,886

NET SOURCES (USES) 1,536 168,014

Capital Budget Items:	
Real Property	
Pinon Hills Park	
Land	54,000
Improvements	175,000
Total Capital Budget Items	229,000

**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

STREET LIGHTING

ACCOUNT NO.	ACCOUNT TITLE	ESTIMATED 2007-2008	BUDGET 2008-2009	DESCRIPTION
REVENUE GENERATED:				
7070400	Property Taxes		-	
TOTAL REVENUE			-	

MAINTENANCE AND OPERATIONS

6820400	Utilities		14,688	Cost of electricity - increase to street lights
TOTAL			-	14,688

NET USES		-	(14,688)
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**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

Capital Budget Items:

Office Furniture & Equipment	100,000.00
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Vehicles

Vehicles/Trucks	328,000.00
Backhoe & Trailer	70,000.00
Dump Truck	45,000.00

Total Vehicles	443,000.00
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Real Property

Administrative Office	
Land and Preliminary Design and Permits for Building	700,000.00

Phelan Park	
Land	900,000.00

Pinon Hills Park	
Land	54,000.00
Improvements	175,000.00

Total Real Property	1,829,000.00
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Construction in Progress

Additional Water Sources	450,000.00
Cross District Transmission Line	800,000.00
Meter Replacement	2,225,000.00
SCADA Upgrade	75,000.00
Chlorination System Upgrade	125,000.00
Adjudication of Water Rights	100,000.00
Masterplan	200,000.00

Total CIP	3,975,000.00
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Total Capital Budget Items

6,347,000.00

**PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT
2008-2009 BUDGET DRAFT
(Modified Cash Basis - Includes Depreciation)**

PROJECTED CASH AVAILABLE

Beginning Cash Balance	15,829,859
Add:	
Net Sources from Operations	909,520
Depreciation	750,000
Deduct:	
Principal Portion of CIEDB Loan Payment	<u>(121,438)</u>
Cash Balance Available for Capital Projects	17,367,941
Capital Projects Budgeted for 2008/09	<u>6,347,000</u>
Cash After Capital Projects	<u><u>11,020,941</u></u>