



**FY 2019 – 2020 BUDGET  
PRESENTATION**

# CHANGES/NOTES FROM THE 06.05.19 BOARD WORKSHOP

1. Membership and subscriptions increased by \$12,000.
2. Labor and benefits sections were revised to remove any reference to wastewater employees included in the previous water budget.
3. The District is applying for the Hazard Mitigation Grant Program from California Office of Emergency Services (CalOES) to fund the Backup Diesel Generator for the Admin Building. The generator's expected useful life is between 15-20 years. Once approved by CalOES, the generator will be 75% grant funded (with a 25% local agency match).



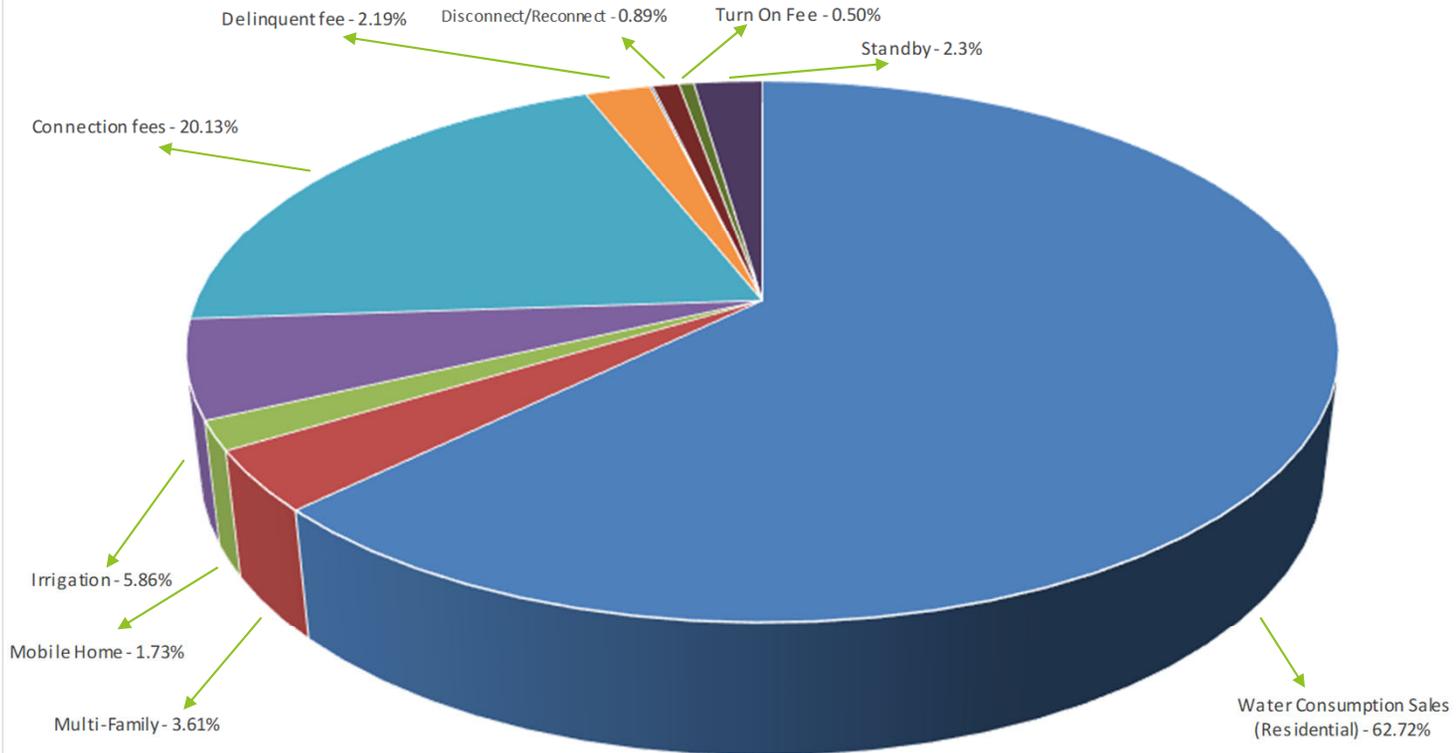
**WATER BUDGET  
FY 2019 - 2020**

# OPERATING REVENUE

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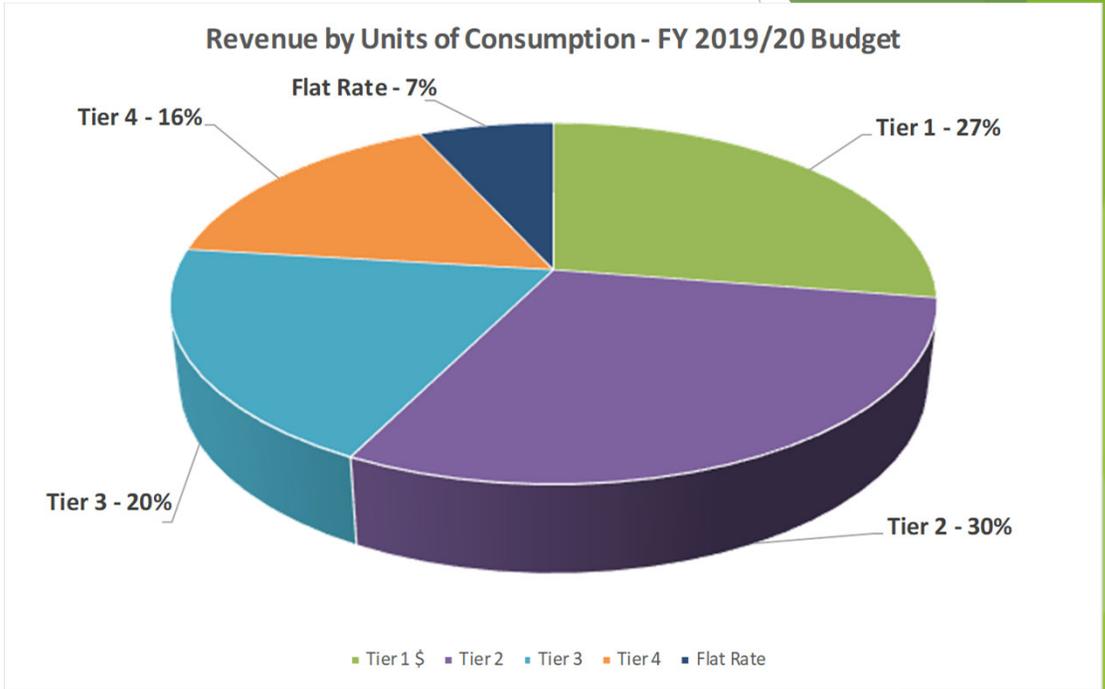
		<b>FY2016-17</b>	<b>FY2017-18</b>	<b>FY2018-19</b>	<b>FY2018-19</b>	<b>FY2019-20</b>
		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Revenues:</b>						
<b>Operating Revenues:</b>						
Water Consumption Sales	\$	4,859,953	5,026,572	4,957,970	4,950,279	4,962,655
Multi-Family		287,319	291,532	316,851	284,608	285,319
Mobile Home		125,233	134,265	149,158	136,384	136,725
Irrigation		407,686	430,570	492,046	429,034	463,357
Connection Fees		1,557,309	1,571,473	1,584,534	1,589,414	1,592,592
Delinquent Fees		166,755	180,634	200,171	171,533	173,249
Returned Checks		4,575	4,775	5,627	6,733	6,801
Disconnect/Reconnect		89,007	80,466	78,000	69,659	70,355
Turn On Fee		45,268	42,906	43,937	39,267	39,659
Standby		226,145	202,664	220,508	180,712	181,616
<b>Total operating revenues</b>	\$	<b>7,769,250</b>	<b>7,965,857</b>	<b>8,048,803</b>	<b>7,857,623</b>	<b>7,912,328</b>

### Operating Revenue FY2019-20 Budget

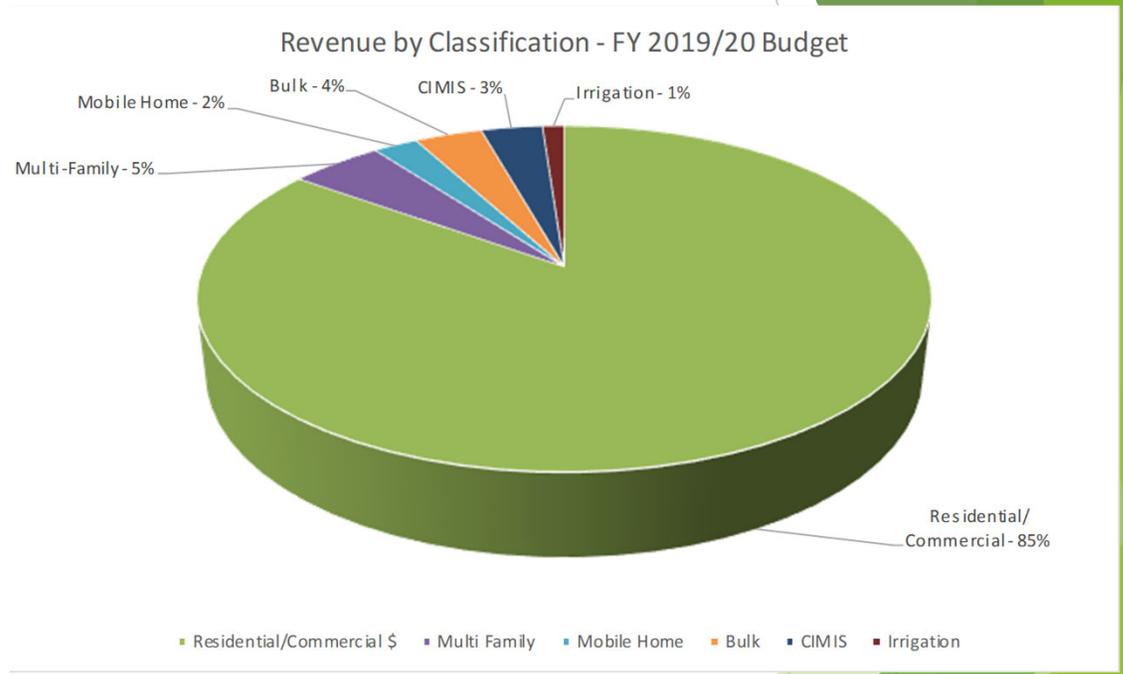


- Water Consumption Sales
- Multi-Family
- Mobile Home
- Irrigation
- Connection Fees
- Delinquent Fees
- Returned Checks
- Disconnect/Reconnect
- Turn On Fee
- Standby

Hi-Desert Water District				
Revenue by Units of Consumption				
FY 2018-19 Projected vs FY 2019-20 Budget				
			<b>FY 2018/19 Projected</b>	<b>FY 2019/20 Budget</b>
Tier 1		\$	1,603,019	1,607,311
Tier 2			1,744,589	1,749,398
Tier 3			1,137,008	1,140,802
Tier 4			948,415	953,889
Flat Rate			367,274	396,656
<b>Total</b>		<b>\$</b>	<b>5,800,305</b>	<b>5,848,056</b>



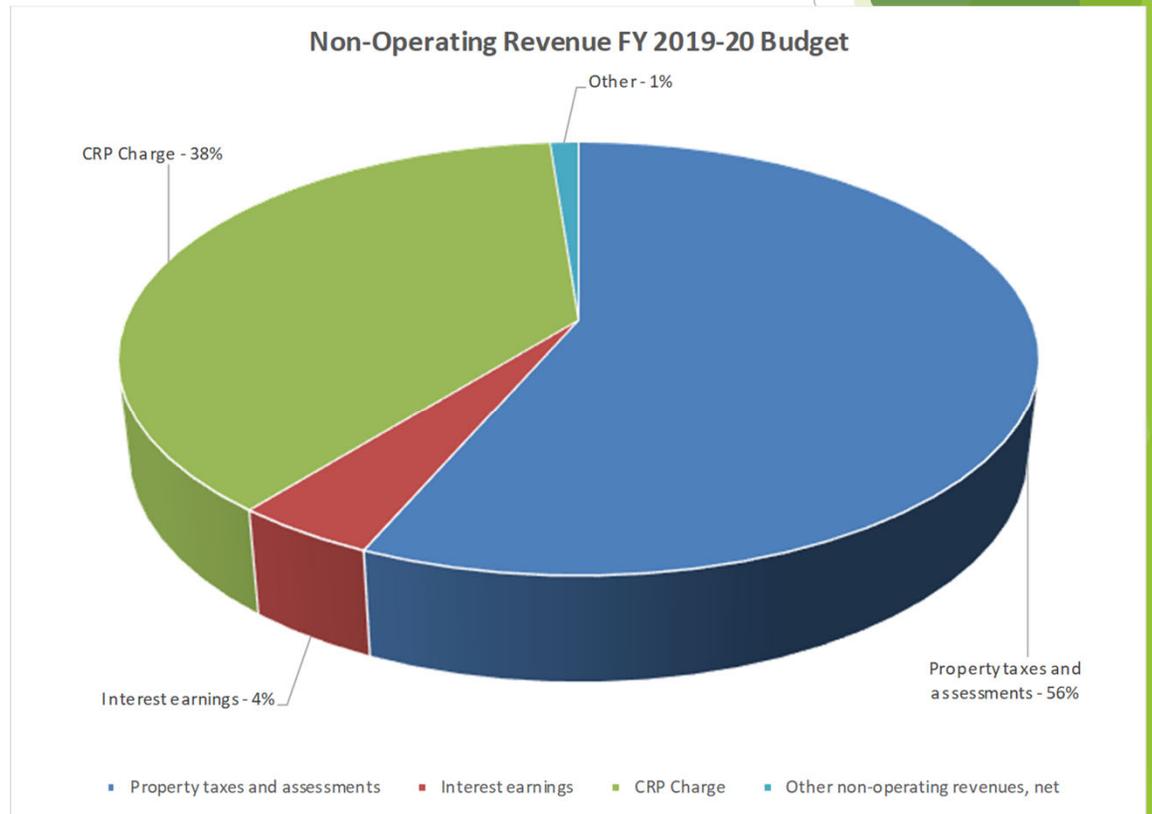
Hi-Desert Water District				
Revenue by Classification				
FY 2018-19 Projected vs FY 2019-20 Budget				
			FY 2018/19 Projected	FY 2019/20 Budget
Residential/Commercial	\$		4,950,279	4,962,655
Multi Family			284,608	285,319
Mobile Home			136,384	136,725
Bulk			192,287	207,670
CIMIS			174,987	188,986
Irrigation			61,760	66,701
	\$		<b>5,800,305</b>	<b>5,848,056</b>



# NON-OPERATING REVENUE

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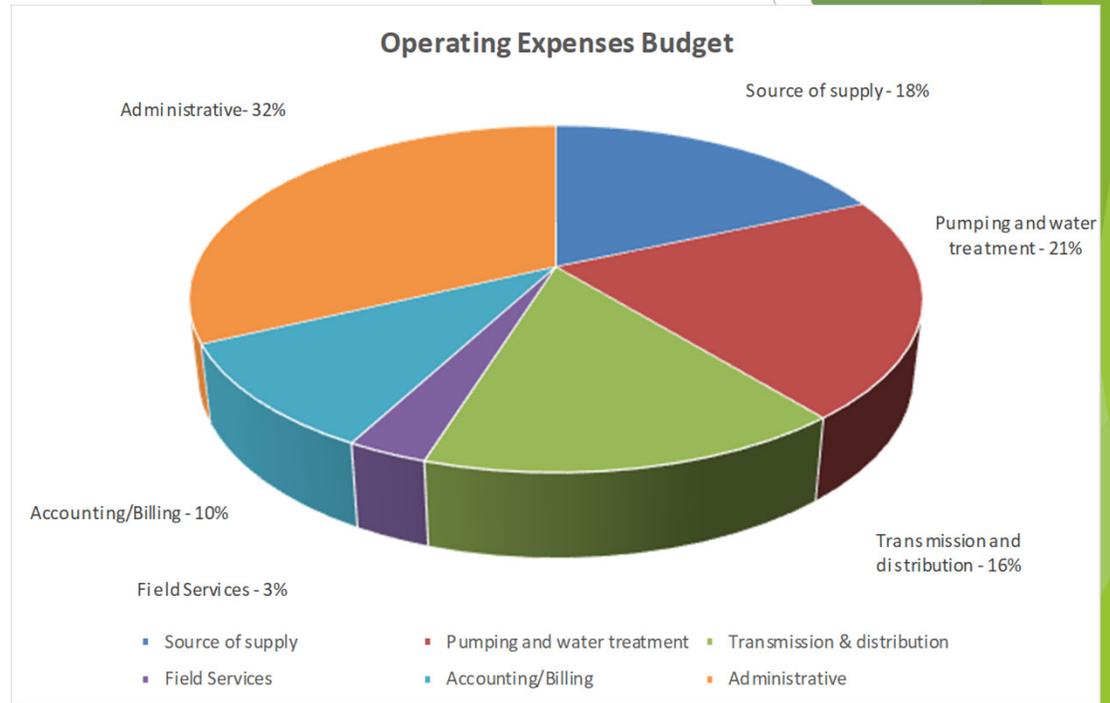
	FY2016-17 Actual	FY2017-18 Actual	FY2018-19 Budget	FY2018-19 Projected	FY2019-20 Budget
<b>Non-Operating Revenues:</b>					
Property taxes and assessments	\$ 1,483,026	1,538,716	1,595,536	1,561,731	1,592,965
Interest earnings	70,735	104,769	80,605	74,072	120,057
CRP Charge	1,043,528	1,052,307	1,060,935	1,063,602	1,074,238
Morongo Basin Pipeline Project Surcharge	545,689	550,632	555,143	556,735	-
Other non-operating revenues, net	154,841	133,629	32,343	170,559	33,547
<b>Total non-operating revenues</b>	<b>\$ 3,297,819</b>	<b>3,380,052</b>	<b>3,324,561</b>	<b>3,426,699</b>	<b>2,820,807</b>



# OPERATING EXPENDITURE

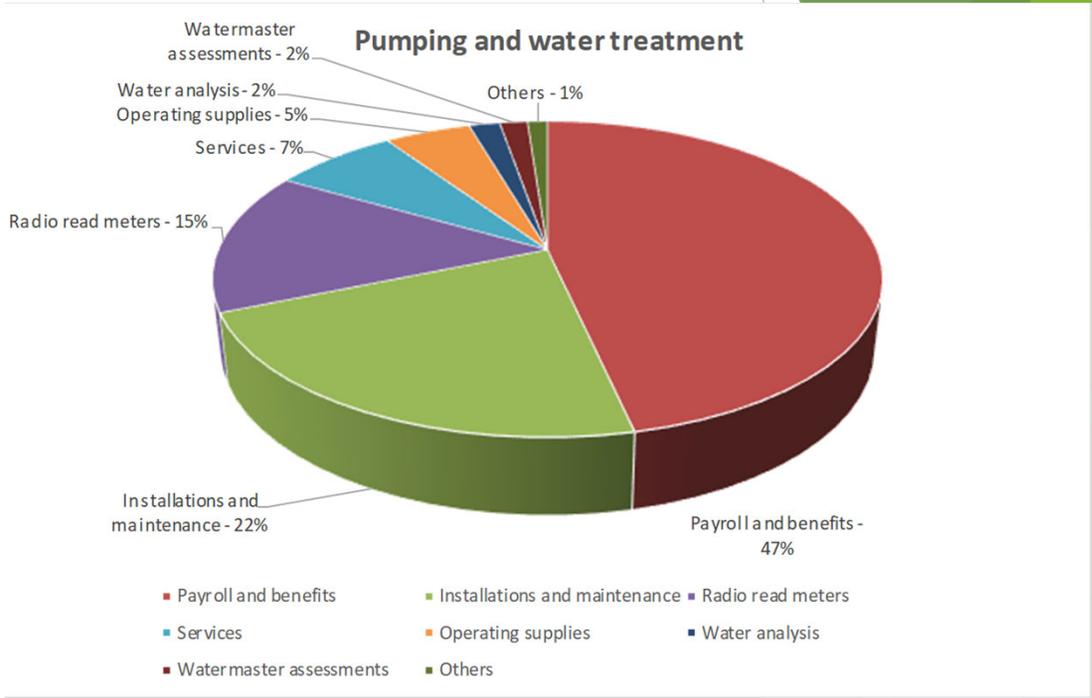
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Hi-Desert Water District		
Statements of Revenues, Expenses and Changes in Net Assets		
Fiscal Year 2019-20 Proposed Budget - Water		
	FY2018-19 Projected	FY2019-20 Budget
<b>Operating expenses:</b>		
Source of supply	1,912,780	1,921,500
Pumping and water treatment	1,824,821	2,155,459
Transmission & distribution	1,600,112	1,647,463
Field Services	266,738	313,442
Accounting/Billing	971,207	1,058,089
Administrative	2,489,521	3,340,221
<b>Total operating expenses</b>	<b>9,065,179</b>	<b>10,436,174</b>



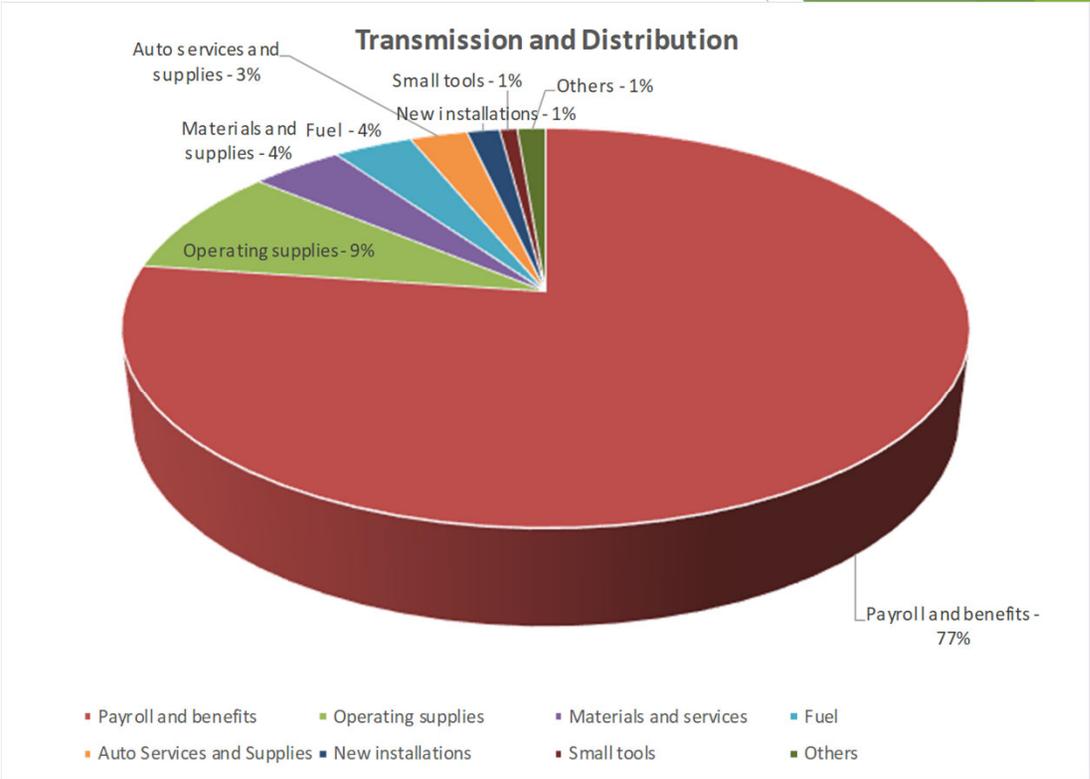
# OPERATING EXPENDITURES PER DEPARTMENT

1 Pumping and water treatment			
		FY2018-19 Projected	FY2019-20 Budget
Payroll and benefits		793,366	1,002,771
Installations and maintenance		455,682	478,466
Radio read meters		300,000	313,864
Services		101,586	155,665
Operating supplies		92,059	107,107
Water analysis		36,382	38,201
Watermaster assessments		31,432	34,542
Others		14,315	24,842
		<b>1,824,821</b>	<b>2,155,459</b>



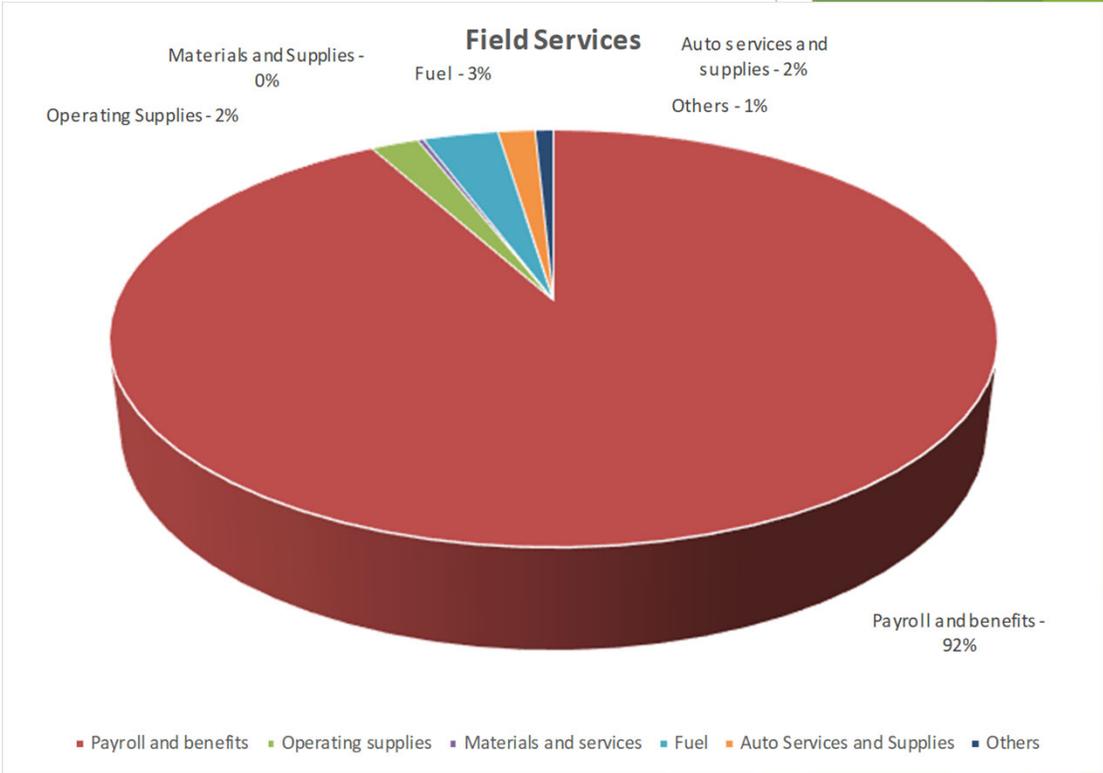
# OPERATING EXPENDITURES PER DEPARTMENT

2 Transmission and distribution			
		FY2018-19 Projected	FY2019-20 Budget
Payroll and benefits		1,799,737	1,908,379
Operating supplies		229,147	218,352
Materials and services		93,865	103,529
Fuel		96,739	89,223
Auto Services and Supplies		54,913	64,915
New installations		35,735	37,043
Small tools		30,888	19,787
Others		16,527	32,038
Subtotal		2,357,552	2,473,267
Amount capitalized		(757,440)	(825,805)
		1,600,112	1,647,463



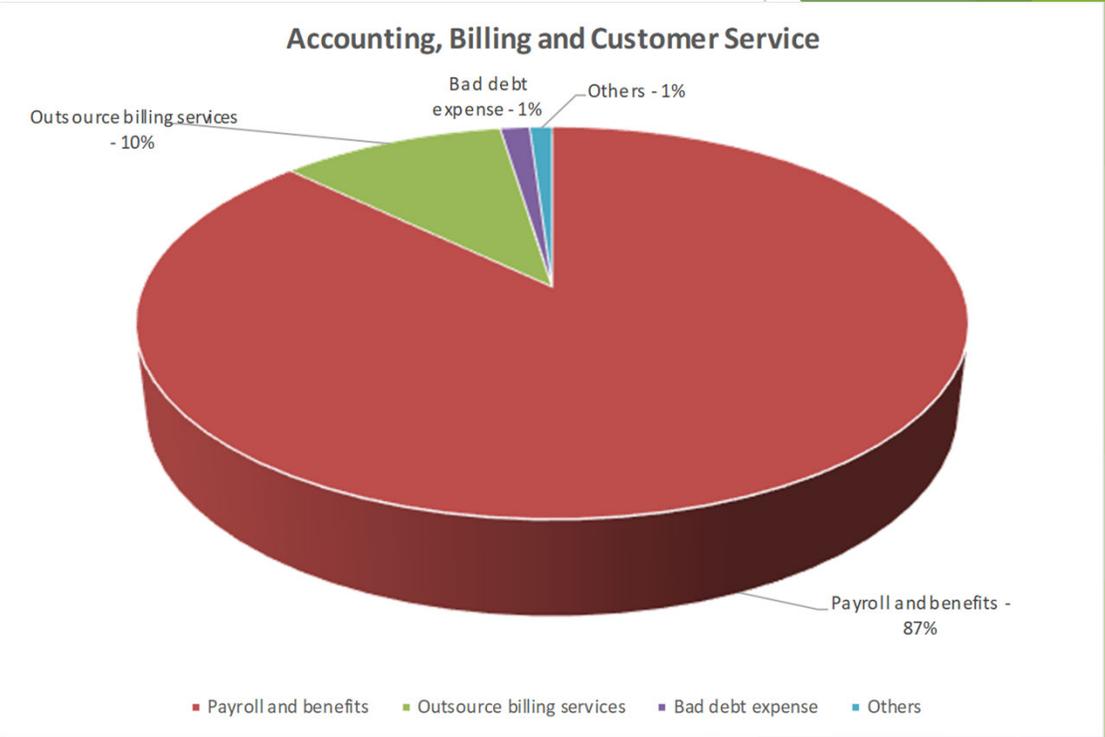
# OPERATING EXPENDITURES PER DEPARTMENT

3 Field Services		
	FY2018-19 Projected	FY2019-20 Budget
Payroll and benefits	244,213	288,232
Operating supplies	5,798	6,548
Materials and services	1,081	815
Fuel	9,916	10,269
Auto Services and Supplies	4,538	5,079
Others	1,192	2,498
	<u>266,738</u>	<u>313,442</u>



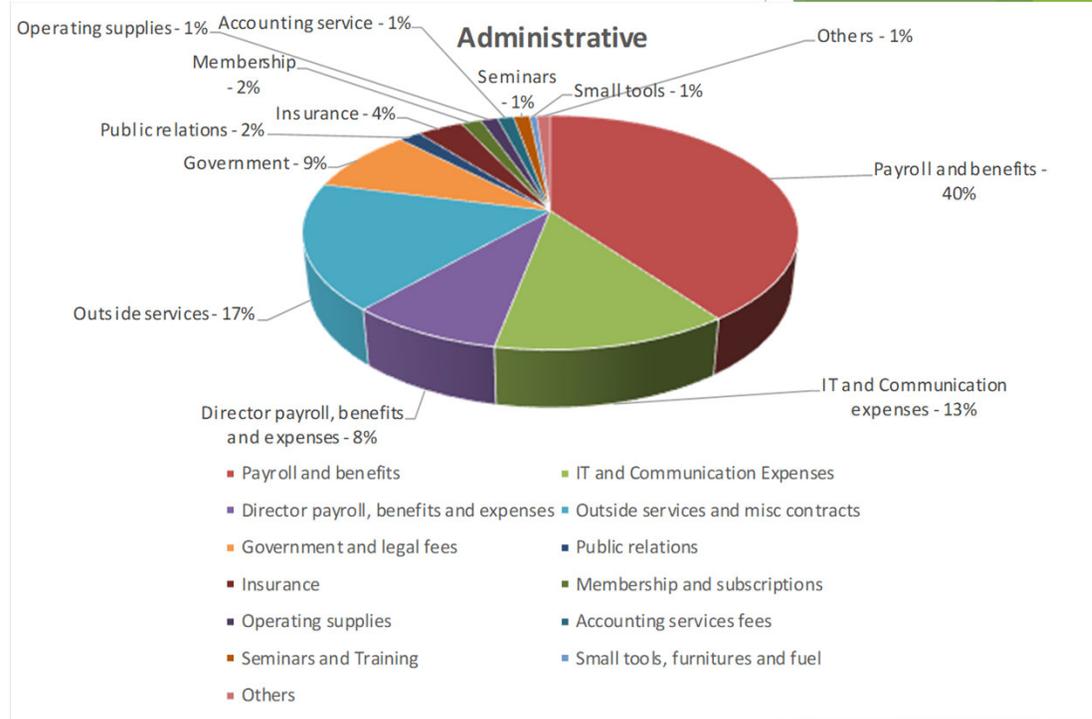
# OPERATING EXPENDITURES PER DEPARTMENT

4 Accounting/Billing/Customer Service		
	FY2018-19 Projected	FY2019-20 Budget
Payroll and benefits	832,702	921,929
Outsource billing services	107,055	110,666
Bad debt expense	19,535	14,462
Others	11,915	11,032
	<u>971,207</u>	<u>1,058,089</u>



# OPERATING EXPENDITURES PER DEPARTMENT

5 Administrative		
	FY2018-19 Projected	FY2019-20 Budget
Payroll and benefits	1,043,535	1,332,705
IT and Communication Expenses	298,107	431,473
Director payroll, benefits and expenses	276,090	281,453
Outside services and misc contracts	250,311	580,101
Government and legal fees	265,870	292,806
Public relations	45,780	56,483
Insurance	113,006	118,657
Membership and subscriptions	50,319	64,697
Operating supplies	39,040	44,137
Accounting services fees	28,500	41,848
Seminars and Training	34,634	42,158
Small tools, furnitures and fuel	19,779	18,464
Others	24,550	35,240
	<b>2,489,521</b>	<b>3,340,221</b>

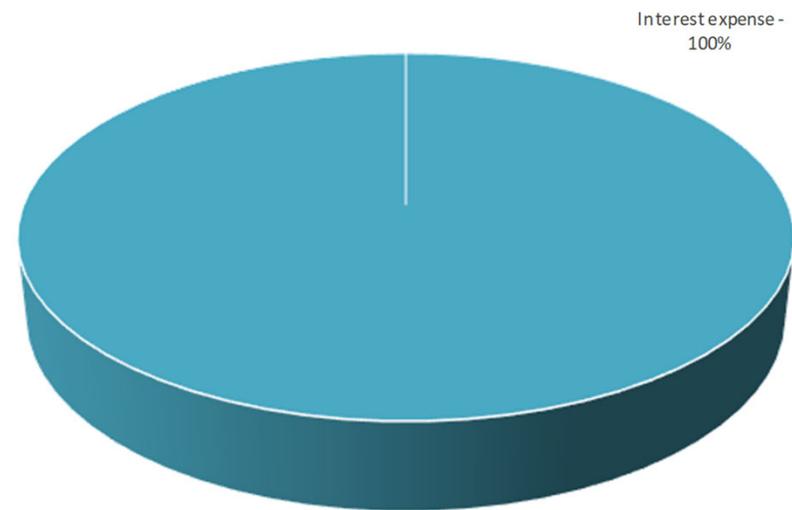


# **NON-OPERATING EXPENSES**

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	FY2018-19 Projected	FY2019-20 Budget
<b>Non-operating expense :</b>		
Lease payment - Morongo Basin	\$ 480,030	-
Interest expense	147,769	135,319
<b>Total non-operating expenses</b>	<b>\$ 627,799</b>	<b>135,319</b>

### Non-Operating Expenses



■ Interest expense

# LABOR AND BENEFITS

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<b>Change in salaries between FY 2019-2020 budget</b>			
<b>and FY 2018/2019 budget:</b>			
Total hourly rates all employees		\$	1,432.50
X # of hours per year (40 hours X 52 weeks)			2,080.00
Total annual salaries			2,979,600.00
COLA increase for FY 2019-20 @ 2.8%			1.028
Subtotal salaries			3,063,028.80
Annual increase per salary steps @ 2.5%			1.025
Total potential salaries			3,139,604.52
Annual increase per FY 2018-2019 budget			3,052,049.10
<b>Increase in salaries</b>		\$	<b>87,555.42</b>

### **Increase in salaries is due to:**

Payroll includes 2.8% COLA increase effective July 1, 2019 for all employees and provides for merit increases up to 2.5%. Health insurance premiums are projected to increase by 10%. Workers compensation is projected to increase by 5%.

Please note that there are two new positions, a new position (Admin Assistant II) for T&D/CRP, and a new position (Water Quality Tech 1) for pumping & water treatment.

# CAPITAL EXPENDITURE

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Hi-Desert Water District						
Capital Expenditure Budget						
FY 2019-20						
Description	Carryover Budget Amount	2018/19 Actual Y-T-D	Completed Variance Fav/(Ufav)	2019/20 Amounts	2019/20 Budget Total	
<b>CRP (Capital Replacement Program)</b>						
1 CRP project FY 2019-20 - Installation of 16,000 feet of 18" transmission main and 20,000 feet of 8" water main replacement this year.						
Cost \$ 1,640,000	\$ -		-	1,640,000	\$ 1,640,000	
<b>Total CRP</b>	-	-	-	1,640,000	<b>1,640,000</b>	
<b>Operations</b>						
2 CL2 Well 11W - 12' x 12' Fiberglass Building	21,600		21,600		21,600	
4 Alta Loma Rehabilitation				220,000	220,000	
5 3/4 ton van for water quality				75,000	75,000	
6 Standby Generator for Pneumatic 26				40,000	40,000	
<b>Total Operations</b>	21,600	-	21,600	335,000	<b>356,600</b>	
<b>Construction Maintenance</b>						
7 Air Compressor for Vacuum Excavator	15,000		15,000		15,000	
Construction supervisor extra cab 3/4 ton 4 x 4 pickup				60,000	60,000	
<b>Total Construction Maintenance</b>	15,000	-	15,000	60,000	<b>75,000</b>	
<b>Purchasing / Field Service</b>						
8 Meter Reading radio read laptop system				14,000	14,000	
<b>Total Purchasing &amp; Field Service</b>	-	-	-	14,000	<b>14,000</b>	
<b>Administration</b>						
9 New Truck for field service				35,000	35,000	
10 Handicap doors - lobby				20,000	20,000	
11 Backup Generator				42,000	42,000	
<b>Total Administration</b>	-	-	-	97,000	<b>97,000</b>	
<b>Total</b>	\$ <b>36,600</b>	-	<b>36,600</b>	<b>2,146,000</b>	<b>2,182,600</b>	
			<b>2018/19 Carryover Budget</b>		<b>36,600</b>	
			<b>2019/20 Additions</b>		<b>2,146,000</b>	
			<b>TOTAL 2019/20 BUDGET</b>	\$	<b>2,182,600</b>	

The following major projects that are included in **capital expenditures** (**NOTE: FY 2018-2019 budget amounted to \$4,400,671**) are as follows:

- ▶ Replacement of the 20,000 feet of 8” water mains and to install 16,000 feet of 18” transmission main for improvement; and
- ▶ Alta Loma Rehabilitation

# BUDGET SUMMARY - WATER

A Summary of the District's **water** budget for FY 2019-2020 are as follows:

## **WATER:**

Total budgeted operating revenues in the amount of \$7,912,328 is anticipated for FY 2019-2020, which is close to FY 2018-2019 projected amount of \$7,857,623. Total budgeted non-operating revenues in the amount of 2,820,807 is anticipated for FY 2019-2020, which is less compared to the FY 2018-2019 projected amount of \$3,426,699. Effective July 1, 2019, the District will stop charging the Morongo Basin Pipeline surcharge to all customers of approximately \$550,000.

The proposed budget plan for operating expenses (excluding depreciation) amounted to \$10,436,174, which is 15% higher than FY 2018-2019 projected amount of \$9,065,179. The proposed budget plan for non-operating expenses amounted to \$135,319, which is less compared to FY 2018-2019 projected amount of \$627,799. No required lease payment for Morongo Basin Pipeline from FY 2020 to FY 2021 (estimated final payment is due in April 2022) of approximately \$480,000.

The proposed budget plan for capital projects amounted to \$3,800,600, which is 14% lower than FY 2018-2019 amount of \$4,400,671.

<b>Hi-Desert Water District</b>						
<b>Statements of Revenues, Expenses and Changes in Net Assets</b>						
<b>Fiscal Year 2019-20 Proposed Budget - Water</b>						
	<b>FY2016-17</b>	<b>FY2017-18</b>	<b>FY2018-19</b>	<b>FY2018-19</b>	<b>FY2019-20</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	
<b>Revenues:</b>						
<b>Operating Revenues:</b>						
Water Consumption Sales	\$ 4,859,953	5,026,572	4,957,970	4,950,279	4,962,655	
Multi-Family	287,319	291,532	316,851	284,608	285,319	
Mobile Home	125,233	134,265	149,158	136,384	136,725	
Irrigation	407,686	430,570	492,046	429,034	463,357	
Connection Fees	1,557,309	1,571,473	1,584,534	1,589,414	1,592,592	
Delinquent Fees	166,755	180,634	200,171	171,533	173,249	
Returned Checks	4,575	4,775	5,627	6,733	6,801	
Disconnect/Reconnect	89,007	80,466	78,000	69,659	70,355	
Turn On Fee	45,268	42,906	43,937	39,267	39,659	
Standby	226,145	202,664	220,508	180,712	181,616	
<b>Total operating revenues</b>	<b>7,769,250</b>	<b>7,965,857</b>	<b>8,048,803</b>	<b>7,857,623</b>	<b>7,912,328</b>	
<b>Non-Operating Revenues:</b>						
Property taxes and assessments	1,483,026	1,538,716	1,595,536	1,561,731	1,592,965	
Interest earnings	70,735	104,769	80,605	74,072	120,057	
CRP Charge	1,043,528	1,052,307	1,060,935	1,063,602	1,074,238	
Morongo Basin Pipeline Project Surcharge	545,689	550,632	555,143	556,735	-	
Other non-operating revenues, net	154,841	133,629	32,343	170,559	33,547	
<b>Total non-operating revenues</b>	<b>3,297,819</b>	<b>3,380,052</b>	<b>3,324,561</b>	<b>3,426,699</b>	<b>2,820,807</b>	
<b>Total Revenues</b>	<b>11,067,069</b>	<b>11,345,910</b>	<b>11,373,364</b>	<b>11,284,322</b>	<b>10,733,135</b>	
<b>Operating expenses:</b>						
Source of supply	2,341,561	2,752,253	2,473,800	1,912,780	1,921,500	
Pumping and water treatment	1,630,828	2,042,616	2,048,568	1,824,821	2,155,459	
Transmission & distribution	1,392,767	1,732,109	1,675,772	1,600,112	1,647,463	
Field Services	452,071	307,602	302,119	266,738	313,442	
Accounting/Billing/Customer Service	555,825	1,052,349	1,082,304	971,207	1,058,089	
Administrative	2,024,343	2,826,773	2,350,223	2,489,521	3,340,221	
<b>Total operating expenses</b>	<b>\$ 8,397,394</b>	<b>10,713,701</b>	<b>9,932,787</b>	<b>9,065,179</b>	<b>10,436,174</b>	

<b>Hi-Desert Water District</b>						
<b>Statements of Revenues, Expenses and Changes in Net Assets, continued</b>						
<b>Fiscal Year 2019-20 Proposed Budget - Water</b>						
		<b>FY2016-17</b>	<b>FY2017-18</b>	<b>FY2018-19</b>	<b>FY2018-19</b>	<b>FY2019-20</b>
		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Income before depreciation</b>	\$	2,669,675	632,208	1,440,578	2,219,142	296,961
Depreciation expense		(1,904,459)	(1,908,822)	(2,040,646)	(2,040,646)	(2,142,678)
<b>Income / (loss)</b>		765,216	(1,276,614)	(600,068)	178,497	(1,845,717)
<b>Non-operating expense:</b>						
Lease payment - Morongo Basin		479,651	480,002	480,600	480,030	-
Interest expense		143,669	131,119	135,319	147,769	135,319
<b>Total non-operating expenses</b>		623,320	611,121	615,919	627,799	135,319
<b>Net income / (loss) before capital contributions</b>		<b>141,896</b>	<b>(1,887,735)</b>	<b>(1,215,987)</b>	<b>(449,302)</b>	<b>(1,981,036)</b>
<b>Capital contributions</b>						
Meter sales		167,958	264,479	216,844	178,600	216,720
New installations		48,140	81,305	53,875	42,829	40,000
<b>Total capital contributions</b>		<b>216,098</b>	<b>345,784</b>	<b>270,719</b>	<b>221,429</b>	<b>256,720</b>
<b>Change in net assets</b>	\$	<b>357,994</b>	<b>(1,541,951)</b>	<b>(945,268)</b>	<b>(227,873)</b>	<b>(1,724,316)</b>

<b>Analysis of reduction in net assets:</b>			
<b>Operating expenses:</b>			
<b>1 Payroll and benefits</b>			
COLA at 2.8%	\$	83,429	
Merit at 2.5%		76,576	
Vacant Positions in PY, filled this year:			
Billing Tech		44,048	
Position filled partly in PY:			
Staff Assistant II (7 mos vacant)		36,411	
CFO (2 months vacant)		22,973	
2 Water Dist Operator II (2 mos vacant)		30,761	
Equipment Operator II (7 mos vacant)		33,474	
2 Water Dist Operator I (7 mos vacant)		47,250	
Board Secretary (3 mos vacant)		13,957	
Field Service Tech (5 mos vacant)		17,059	
2 New Positions			
Water Quality Tech I		68,565	
Admin Assistant II		51,361	365,857
Increase in benefits			214,602
<b>Total payroll and benefits</b>			\$ 740,463
<b>2 Outside services</b>			
Nobel - GIS Services (admin)		25,000	
Construction Stds Water Update (admin)		55,000	
Nyhart Compensation Study (admin)		30,000	
Predictive Well Maintenance - operations		45,000	
USGS Services (admin)		220,000	
<b>Total Outside Services</b>			375,000
<b>3 IT services</b>			
Nobel - CMMS Services		70,000	
Nextiva - transferred from communications		27,000	
Granicus - board reporting tool		23,000	
Microsoft Licenses		13,366	
<b>3 IT and Communication Expenses</b>			133,366
<b>4 Other pumping water and treatment</b>			71,304
<b>5 Government and legal fees</b>			26,935
<b>6 Other expenses (includes auto services)</b>			47,342
<b>7 Change in depreciation</b>			102,032
<b>Reduction in net assets</b>	\$		<b>1,496,443</b>



**WASTEWATER BUDGET  
FY 2019 - 2020**

# WASTEWATER REVENUES

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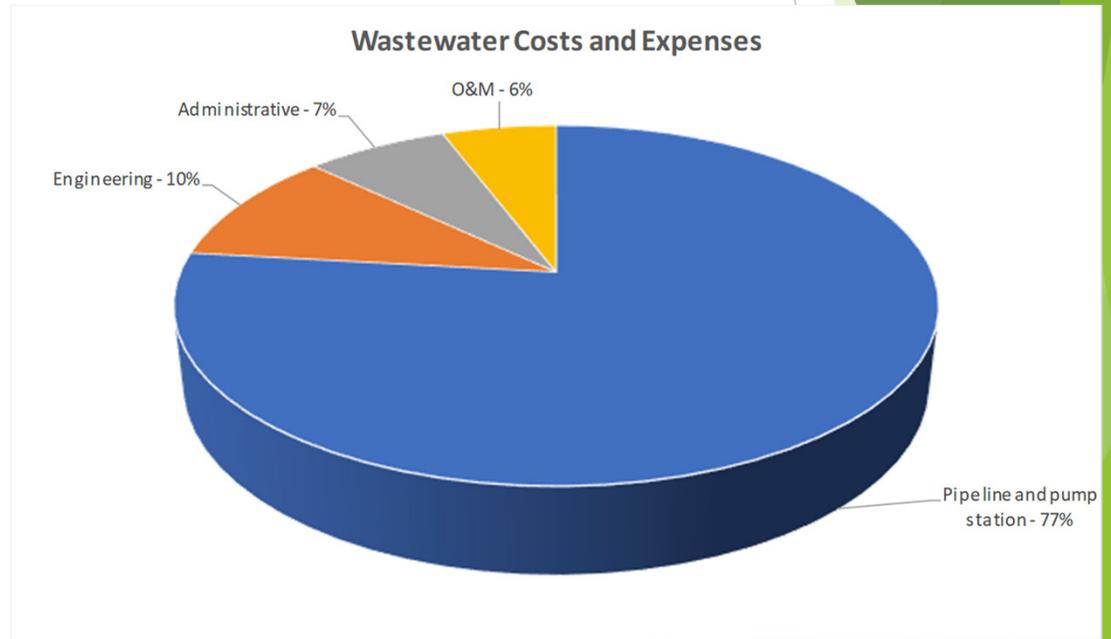
	<b>FY2018-19</b>	<b>FY2019-20</b>
	<b>Projected</b>	<b>Budget</b>
<b>Wastewater Revenues</b>		
State Revolving Fund	59,535,265	27,664,034
Grant Revenue	10,282,691	5,000,004
Total Wastewater Revenues	69,817,956	32,664,038
<b>Operations and Maintenance</b>		
O&M Revenue	-	387,434
	<b>69,817,956</b>	<b>33,051,472</b>



# WASTEWATER COSTS AND EXPENSES

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the slide, with some extending towards the center. The overall aesthetic is clean and modern.

	<b>FY2018-19 Projected</b>	<b>FY2019-20 Budget</b>
<b>Wastewater Costs and Expenses:</b>		
Pipeline and Pump Station	60,557,104	25,418,023
Engineering, Design, and Environmental	3,228,983	3,390,432
Administrative Expenses	1,820,888	2,381,202
<b>Total Wastewater Costs and Expenses</b>	<b>65,606,975</b>	<b>31,189,657</b>
<b>Operations and Maintenance</b>		
Operations and Maintenance	-	1,911,551
	<b>65,606,975</b>	<b>33,101,208</b>



<b>Hi-Desert Water District</b>					
<b>Statements of Revenues and Expenses</b>					
<b>Fiscal Year 2019-20 Proposed Budget - Wastewater</b>					
	<b>FY2016-17</b>	<b>FY2017-18</b>	<b>FY2018-19</b>	<b>FY2018-19</b>	<b>FY2019-20</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Wastewater Revenues:</b>					
State Revolving Fund	\$ 15,712,166	34,437,845	-	59,535,265	27,664,034
Grant Revenue	527,275	2,256,103	-	10,282,691	5,000,004
<b>Total Wastewater Revenues</b>	<b>16,239,441</b>	<b>36,693,948</b>	<b>-</b>	<b>69,817,956</b>	<b>32,664,038</b>
<b>Operations and Maintenance Revenues:</b>					
O&M Revenue	-	-	-	-	387,434
<b>Total Revenue:</b>	<b>16,239,441</b>	<b>36,693,948</b>	<b>-</b>	<b>69,817,956</b>	<b>33,051,472</b>
<b>Wastewater Costs and Expenses:</b>					
<b>Pipeline and Pump Station</b>					
Phase 1-Pipeline Bid Pkg A	10,330,878	17,818,723	-	-	-
Phase 1-Pipeline Bid Pkg B	48,899	-	2,000,000	-	-
Phase 1-Pipeline Bid Pkg C	-	6,801,976	22,048,766	23,920,472	-
Phase 1-Pipeline Bid Pkg D	-	21,050	12,863,616	14,673,984	17,872,467
WW Reclamation Facility	1,334,168	8,395,200	21,608,309	21,496,082	306,573
Pkg B1 Paxton Pump Station	-	-	-	266,566	2,082,459
Pkg B2 Barron Pump Station	-	-	-	200,000	2,437,500
Pkg B3 Kickapoo Pump Station	-	-	-	-	2,719,025
<b>Total Pipeline and Pump Station</b>	<b>11,713,945</b>	<b>33,036,950</b>	<b>58,520,690</b>	<b>60,557,104</b>	<b>25,418,023</b>
<b>Engineering, Design and Environmental</b>					
Collection System Desgin	336,056	202,018	289,329	395,967	415,766
Constr. Manager (Collections)	1,950,992	2,628,427	3,741,032	2,154,186	2,261,895
Engineering Services	84,212	338,363	679,182	368,853	387,295
Other Engineering Services	-	5,000	267,800	168,933	177,380
Design Services-Phase II & III	-	646,174	-	141,043	148,096
Wastewater Environmental	517,503	27,423	210,000	-	-
<b>Total Engineering, Design &amp; Environmental</b>	<b>2,888,763</b>	<b>3,847,406</b>	<b>5,187,342</b>	<b>3,228,983</b>	<b>3,390,432</b>

**Hi-Desert Water District**  
**Statements of Revenues and Expenses, continued**  
**Fiscal Year 2019-20 Proposed Budget - Wastewater**

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
		Actual	Actual	Budget	Projected	Budget
<b>Administrative Expenses</b>						
	Administrative Expense	\$ 519,995	786,585	1,293,525	1,293,525	1,542,599
	Government Fees	48,000	35,599	-	110,283	115,797
	Legal Service Fees	210,789	81,909	200,000	51,758	54,346
	Grant Administration Services	7,940	18,895	-	39,014	40,965
	Easements	106,774	29,388	-	80,245	84,257
	WRF-Constr. Yard Utilities	4,305	5,400	-	-	-
	Materials/Services	525,283	411,877	803,323	174,990	288,739
	Assessment District	4,416	-	150,000	-	157,500
	P/R Printing/Mailings	469	418	-	9,155	18,000
	P/R Outreach	11,609	11,901	350,000	680	35,000
	P/R Media	5,455	4,950	-	4,844	12,000
	P/R Miscellaneous	1,334	-	-	-	2,000
	Wastewater Awareness	1,264	-	-	9,106	5,000
	Miscellaneous Expense	37,837	28,200	-	47,288	25,000
	<b>Total Administrative Expenses</b>	<b>1,485,469</b>	<b>1,415,123</b>	<b>2,796,848</b>	<b>1,820,888</b>	<b>2,381,202</b>
	<b>Total Wastewater Costs and Expenses</b>	<b>16,088,176</b>	<b>38,299,478</b>	<b>66,504,880</b>	<b>65,606,975</b>	<b>31,189,657</b>
<b>Operations and Maintenance</b>						
	O&M - Operations	-	-	-	-	525,841
	O&M - Maintenance	-	-	-	-	128,000
	O&M - Administration	-	-	-	-	373,500
	O&M - Personal Costs	-	-	-	-	884,210
	<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,911,551</b>
	<b>Total Expenses:</b>	<b>16,088,176</b>	<b>38,299,478</b>	<b>66,504,880</b>	<b>65,606,975</b>	<b>33,101,208</b>
	<b>Net Surplus/ (Deficit)</b>	<b>\$ 151,264</b>	<b>(1,605,530)</b>	<b>(66,504,880)</b>	<b>4,210,981</b>	<b>(49,736)</b>

## BUDGET SUMMARY

Wastewater expenditures decreased by 53% or \$35M primarily due to the expected completion date of the Wastewater Phase I Project on April 15, 2020. Thus, less expenditures is anticipated for FY 2019-2020.

Operations and Maintenance (O&M) expenditures of \$1.9M are budgeted for FY 2019-2020 due to the expected starting operation of the District's Wastewater Treatment Facility Plant by Fall of 2019.