

Resolution No. 12-12

**Board of Directors of the Hi-Desert Water District,
San Bernardino County, California
Approving and Adopting Budget for Fiscal Year 2012-13**

Now, **Therefore**, the Board of Directors of the Hi-Desert Water District does hereby **Resolve, Determine and Order** as follows:

Section 1. That the budget for the fiscal year commencing July 1, 2012 and ending June 30, 2013 is hereby approved and adopted

Section 2. That a true and correct copy of said budget is attached hereto and made a part hereof as

Exhibit A Water Enterprise Budget

Section 3. That the Secretary is hereby authorized and directed to file a certified copy of this resolution with the Office of the Auditor-Controller for the County of San Bernardino, pursuant to Sections 53900 et seq. of the Government Code.

Adopted this June 20, 2012, by the following vote:

Ayes: Hough, Graham, Munsey, Stadum

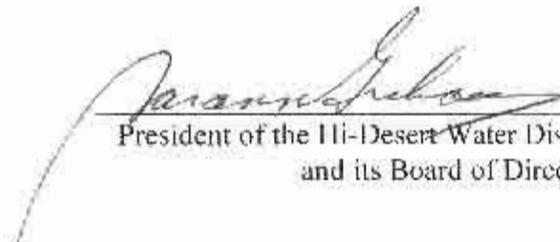
Noes: None

Absent: Mayes

Abstain: None

ATTEST:


Secretary of the Hi-Desert Water District
and its Board of Directors


President of the Hi-Desert Water District
and its Board of Directors

(SEAL)

Hi- Desert Water District
Statement of Revenues and Expenses
Fiscal Year 2012-13
Budget

	Budget	Forecast	Budget
	<u>2011-12</u>	<u>2011-12</u>	<u>2012-13</u>
Operating revenues:			
Water consumption sales	5,662,770	5,459,148	\$5,494,117
Connection fees	1,485,197	1,489,171	1,497,212
Readiness to serve fees (standby)	182,965	178,793	180,879
Other revenue	<u>295,389</u>	<u>333,265</u>	<u>314,327</u>
Total operating revenues	7,626,322	7,460,377	7,486,535
Operating expenses:			
Source of supply	815,850	540,077	1,480,500
Pumping and water treatment	1,868,932	1,563,014	1,614,975
Transmission and distribution	755,203	729,854	884,637
Customer service/Billing	827,536	852,130	887,653
General and administrative	2,082,942	1,960,224	2,099,149
(G&A Wage Allocation for Wastewater)	<u>(165,017)</u>	<u>(165,017)</u>	<u>(165,017)</u>
Total operating expenses	6,185,446	5,480,282	6,801,897
Operating income before depreciation	1,440,875	1,980,095	684,639
Less depreciation and amortization	<u>(1,412,556)</u>	<u>(1,412,556)</u>	<u>(1,412,556)</u>
Operating income / (loss)	28,319	567,539	(727,917)
Non-operating revenue (expense)			
Property taxes and assessments	1,225,269	1,296,578	1,283,612
Interest income	21,265	17,505	18,284
CRP Surcharge	879,120	893,334	976,320
Morongo Basin Project surcharge (note)	519,488	519,314	520,704
Lease payment – Morongo Basin Project	(480,036)	(480,076)	(480,076)
Interest expense – long-term debt	(304,525)	(304,525)	(150,690)
Other revenue / (expense)	<u>22,463</u>	<u>34,333</u>	<u>20,652</u>
Total non-operating revenues, net	<u>1,883,045</u>	<u>1,976,463</u>	<u>2,188,806</u>
Net income before capital contributions	1,911,364	2,544,003	1,460,889
Capital contributions			
Grant Revenue	81,000	81,000	24,039
Meter sales	16,254	78,431	97,524
New installations	<u>12,866</u>	<u>12,302</u>	<u>12,584</u>
Total capital contributions	<u>110,120</u>	<u>171,733</u>	<u>134,147</u>
Change in net assets	2,021,484	2,715,736	1,595,036

***Wastewater Expenses excluded

100- Source of Supply - Dept 100	Acct #	Actual FY2010-11	Budget FY2011-12	Projected 6/30/2012	Budget FY2012-13	Fiscal 12 vs 11 Variance
Purch water	6090	2,011,908	815,850	540,077	1,480,500	(940,423)
Election Fees	9250				0	
					1,480,500	

101- Operations - Dept 101						
Supervision	4110					
Oper wages	4200	468,597	484,972	373,533	398,640	(25,107)
Overtime	4330	86,241	64,104	60,541	81,322	(790)
PTO	4670	66,546	13,115	52,353	48,154	3,199
Health	4700	164,705	141,883	118,988	129,480	(10,491)
EE Medical Reimbursement	4701	-3,430	-8,824	-1,959	-6,688	4,729
Insurance Opt Out		6,408	0	3,508	0	3,508
Dental	4710	15,995	13,364	13,343	10,438	2,905
Vision	4720	1,952	1,987	1,946	1,763	183
Life ins	4730	3,864	2,192	3,292	1,860	1,432
LTD	4740	0	1,035	0	1,107	(1,107)
EAP	4750	510	425	444	388	56
PERS	4800	136,984	118,541	116,103	107,199	8,905
Cell Phone Allowance	4861	5,200	4,440	4,202	4,223	(21)
Holiday	4620	26,265	32,051	23,007	23,421	(415)
FICA	4810	49,964	42,004	41,028	38,571	2,457
Subtotal Payroll		1,009,804	913,464	810,329	820,877	-10,548

Oper supplies	5010	64,054	90,938	63,670	72,887	(8,217)
Workers' comp	4820	16,298	35,567	28,810	28,810	0
Uniforms	4830	9,531	11,037	6,917	9,162	(2,245)
Standby Pay	4240	0	0	4,038	4,038	0
OPEB	4250	39,285	0	0	0	0
Severance	4210	15,667	0	3,176	0	3,176
Bereavement Lva	4660	1,437	639	2,393	1,490	904
Jury duty	4650	1,480	833	4,174	2,162	2,012
Retro pay	4410	0	0	0	0	0
Printed forms	5011	0	0	0	0	0
computer supplies	5015	0	0	0	0	0
Small tools	5020	4,132	4,635	4,168	4,312	(144)
Furniture & fix	5030	0	0	0	0	0
Postage	5040	101	68	0	0	0
Fuel	5050	34,037	44,743	34,701	37,827	(3,126)
Chemicals	5060	6,863	10,467	9,485	8,938	546
Training & education	5085	0	0	0	0	0
Misc supplies	5090	0	0	0	0	0
1001 Plant F8	5501	0	0	0	0	0
TANK 26 PT #2 84 CHOLLA	5502	1,252	1,324	1,375	1,457	(82)
Telemetry PT#18 58328 S.	5503	299	332	437	463	(26)
Telemetry 8908 Sage	5504	288	296	252	267	(15)
1303 Plant L5 TANK 18	5505	1,339	1,553	1,293	1,370	(78)
56876 COBALT	5506	267	296	264	280	(18)
53732 UPPRE RIDGE TANK	5507	308	341	309	328	(19)
6955 OWS RD TP705-010283	5508	5,225	6,440	5,149	5,458	(309)
6955 OWS RDn SHOP 885-030	5509	4,152	5,095	4,971	5,269	(298)
Electric General	5510	0	0	0	0	0
Sunland/Piontwn Well #2	5512	10,429	12,064	7,321	7,760	(438)
Well #3 504 Plant F8	5513	0	0	0	0	0
5 GLF CRS Well #5	5514	0	0	0	0	0
505 Plant C6 Well #6	5515	8,690	6,446	10,013	10,614	(601)
55479 Yucca Tri Well #6	5516	19,415	22,948	12,252	12,987	(735)
Well #9 55885 Sunland	5517	41,046	46,807	32,989	34,968	(1,979)
55527 Sunland Dr Well #1	5518	1,452	1,928	553	586	(33)

100- Source of Supply - Dept 100	Acct #	Actual FY2010-11	Budget FY2011-12	Projected 6/30/2012	Budget FY2012-13	Fiscal 12 vs 11 Variance
Well #11 56650 Cassiaa Dr	5519	59,668	69,153	51,496	54,586	(3,080)
7961 Fox Trl Lower Fox	5520	10,616	11,937	9,657	10,236	(579)
54484 Pinon Fairway Boos	5523	0	0	0	0	0
57350 Encelia Drive/Blend Fac	5524	57,737	67,176	54,017	57,258	(3,241)
56125 Luna Vista Tie In	5525	0	0	0	0	0
55189 29 Palms Hwy Booste	5526	18,085	21,471	12,011	12,732	(721)
54075 Homestead Wy Boost	5527	4,902	5,545	4,443	4,709	(267)
501 Plant N3 Well #5	5528	277	307	277	293	(17)
503 Plant J5 W7 Well #7	5529	277	309	279	298	(17)
516 PLANT J5	5530	0	0	0	0	0
1801 Plant F5 Well #10	5531	0	0	0	0	0
514 Plant well #12	5532	32,197	36,103	27,383	29,026	(1,643)
7020 Sage Ave Well 16 & 1	5533	22,421	25,643	17,392	18,436	(1,044)
1114 Plant I 6 Booster #5	5534	8,175	9,178	6,839	7,249	(410)
604 Plant M5 Booster #11	5535	29,949	35,801	27,737	29,401	(1,664)
1304 Plant 18 Booster #12	5536	45,180	53,393	41,442	43,929	(2,487)
1103 Plant K6 Booster #13	5537	22,951	26,196	20,112	21,319	(1,207)
1309 Plant Tank 14	5538	6,544	7,304	6,303	6,681	(378)
53871 Ridge Booster	5539	1,982	2,448	1,828	1,725	(98)
Gas Costs	5540	18	25	0	0	0
Electric Wells Time Use	5541	0	0	0	0	0
57626 Crestview well #18	5542	1,539	1,717	3,811	3,828	(217)
404 Warren Vista Well 24E	5543	37,757	51,212	37,010	39,230	(2,221)
55694 Desert Gold	5544	8,823	9,620	8,889	7,303	(413)
57377 Crestview	5545	297	335	271	287	(16)
57107 Sunnyslope Dr	5546	30,782	32,557	28,676	30,396	(1,721)
55439 29 Palms Hwy	5547	0	0	0	0	0
55441 29 Palms Hwy	5548	0	0	0	0	0
55439 & 41 29 Palms Hwy	5549	17,282	19,320	16,870	17,882	(1,012)
Electricity Rebate	5551	0	0	-12,617	-12,617	0
Communications Telephone	5550	2,367	3,119	1,993	2,493	(500)
Water analysis	6010	36,664	38,894	44,318	45,000	(682)
Engr serv fee	6040	0	0	0	0	0
Oper ser fee	6050	0	0	0	0	0
Government fee	6060	14,778	14,491	15,000	14,756	244
Watermaster	6080	39,481	33,543	38,606	37,210	1,396
Watermaster	6081	0	0	0	0	0
Pipline fee	6091	0	0	0	0	0
Misc contracts	6200	76	450	0	175	(175)
Seminars/Training	6510	3,957	9,055	3,484	5,499	(2,014)
Lodging		153	0	618	257	361
Meals Out of Town	6560	9	0	178	0	178
Mileage Reimb	6570	88	135	0	0	0
Material serv	7010	12,034	25,282	18,265	18,527	(262)
Tank inspection, cleaning & repr	7016	0	0	0	0	0
Nitrate maint	7018	0	0	0	0	0
Services	7030	20,023	17,318	14,249	17,196	(2,947)
Auto Services	7040	5,321	12,030	5,254	7,535	(2,281)
Auto Supplies	7050	6,278	5,076	5,523	5,626	(103)
Equip contracts	7060	3,445	4,533	4,837	4,205	432
Misc maintenance	7070	0	0	0	0	0
Subscriptions	8030	0	0	0	0	0
Leases & rents	8040	0	0	0	0	0
Misc exp	8090	165	0	125	0	125
Subtotal		847,220	955,468	752,685	794,098	(41,413)
GRAND TOTAL		1,857,024	1,868,932	1,563,014	1,614,975	(51,961)

Trans. & Distr 121- Construction		Department				
	Acct #	Actual FY2010-11	Budget FY2011-12	Projected 6/30/2012	Budget FY2012-13	Fiscal 12 vs 11 Variance
Exec salaries	4100	0	0	0	0	0
Supervision	4110	0	0	0	0	0
Oper wages	4200	300,227	276,917	249,933	318,765	(68,832)
Severance	4210	0	0	6,272		6,272
Clerical	4320	0	0	0	0	0
Overtime	4330	44,862	31,650	28,447	38,848	(10,401)
PTO	4670	44,086	7,555	25,367	38,952	(13,586)
Admin	4640	0	0	0	976	(976)
Health	4700	88,609	66,868	80,484	102,434	(21,950)
EE Medical Reimburse	4701	-1,412	-2,765	-1,530	-6,055	4,525
Insurance Opt Out		8,597	7,053	517	0	517
Dental	4710	11,161	8,305	10,252	9,472	781
Vision	4720	1,272	1,082	1,161	1,273	(112)
Life ins	4730	2,428	1,296	2,089	1,486	603
LTD	4740	0	609	0	885	(885)
EAP	4750	340	234	236	280	(44)
PERS	4800	91,557	67,889	65,910	85,643	(19,733)
FICA	4810	33,131	23,605	28,077	30,039	(1,962)
Cell Phone Allowance	4861	1,898	2,370	2,165	2,723	(559)
Holiday	4620	17,750	18,649	17,024	18,712	(1,688)
Unemploy ins	4815	0	0	0		0
Subtotal		644,507	511,317	516,403	644,433	(128,030)
Oper supplies	5010	87,229	70,280	62,319	73,276	(10,957)
Bereavment	4660	2,637	1,680	617	1,645	(1,028)
Retro pay	4410	36	0	506	181	325
Workers' comp	4820	9,278	14,832	14,621	14,621	0
OPEB	4240	47,182		0	0	0
Uniforms	4830	4,683	4,929	5,481	5,031	450
Jury duty	4650	37	974	1,242	751	491
Standby pay	4240	33,099	28,439	32,949	32,949	0
Printed forms	5011	519	267	531	439	92
computer supplies	5015	0	0	0	0	0
Small tools	5020	3,608	2,905	799	2,437	(1,838)
Furniture & fixtures	5030	0	256	0	85	(85)
Postage	5040	0	0	0	0	0
Fuel	5050	34,937	44,048	33,240	36,231	(2,992)
Misc supplies	5060	0	150	0	50	(50)
Training & education	5085	0	0	0	0	0
Electric	5508	0	0	0	0	0
Electric	5509	0	0	0	0	0
Telephone	5550	947	2,258	769	1,325	(556)
Govern fees	6060	5,625	190	0	1,938	(1,938)
Misc contracts	6200	0	0	0	0	0
Seminars & training	6510	1,409	1,028	1,483	1,307	176
Ground transportation	6530	0	0	0	0	0
Meals in Town	6550	0	0	0	0	0

Trans. & Distr.	Department					
121-						
Construction		Actual	Budget	Projected	Budget	Fiscal 12 vs 11
	Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Meals out of town	6560	0	0	29	10	19
Material / service	7010	19,561	30,000	23,626	24,396	(769)
Services	7030	6,507	5,798	5,110	5,805	(695)
Auto services	7040	16,154	16,465	11,225	14,815	(3,390)
Auto supplies	7050	13,509	9,630	9,373	10,837	(1,464)
Misc maint	7070	0	0	0	0	0
New Install/Serv	7075	17,289	9,196	7,515	11,333	(2,818)
Memb Dues	8020	0	65	0	22	(22)
Leases	8040	0	0	0	0	0
Misc exp	8090	250	494	2,016	920	1,096
Subtotal		304,496	243,885	213,451	240,203	(26,752)
GRAND TOTAL		949,003	755,202	729,854	884,637	(154,783)

CRP	Department	Actual	Budget	Projected	Budget	Fiscal 12 vs 11
141-	Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Exec salaries	4100	0	0	0	0	0
Supervision	4110	0	0	0	0	0
Oper wages	4200	214,931	276,917	256,413	242,897	13,516
Standby pay	4240	0	0	0	0	0
OPEB	4250	47,182		0	0	0
Clerical	4320	0	0	0	0	0
Overtime	4330	40,974	31,650	26,615	35,930	(9,315)
Retro pay	4410	0	0	0	0	0
PTO	4670	29,334	7,555	35,895	27,904	7,992
Admin	4640	0	0	2,214	976	1,237
Health	4700	50,690	66,868	55,359	66,527	(11,168)
EE Medical Reimburse	4701	-737	-2,765	-337	-1,899	1,561
Insurance Opt Out		5,164	7,053	10,288	0	10,288
Dental	4710	5,578	8,305	8,934	7,296	1,639
Vision	4720	774	1,082	1,227	1,077	150
Life ins	4730	1,726	1,296	2,508	1,126	1,382
LTD	4740	0	609	0	570	(670)
EAP	4750	212	234	293	237	55
PERS	4800	56,354	67,889	72,778	57,943	14,835
FICA	4810	23,366	23,605	27,979	23,251	4,727
Physical	4815	0	0	0	0	0
Holiday	4620	11,508	12,219	17,692	14,174	3,518
Cell Phone Allowance	4861	2,117	2,370	2,399	2,417	(19)
Less: Amt Capitalized	8041	-468,952	-489,621	-520,255	-480,526	(39,729)
Subtotal		221	15,265	0	0	0

Oper supplies	5010	22,782	24,066	20,955	22,601	(1,546)
Uniforms	4830	3,472	5,000	2,883	3,785	(902)
Workers' comp	4820	7,426	19,385	14,149	14,149	0
Jury duty	4650	0	0	127	0	127
Bereavment	4660	0	0	0	0	0
computer supplies	5015	0	0	0	0	0
Small tools	5020	1,579	1,682	1,009	1,423	(414)
Furniture & fix	5030	0	0	0	0	0
Postage	5040	0	0	0	0	0
Fuel	5050	34,923	44,634	32,534	37,363	(4,829)
Training & education	5085	0	0	0	0	0
Misc Supplies	5090	0	0	0	0	0
Telephone	5550	16	0	0	0	0
Government fees	6060	1,850	822	0	891	(891)
Misc contracts	6200	0	0	0	0	0
Seminars & training	6510	3,488	1,606	1,051	2,048	(897)
Travel	6550	0	0	0	0	0
Meals out of Town	6560	90	0	18	0	18
Lodging	6540	153	68	0	0	0
Material / service	7010	0	3,197	794	1,331	(536)
Services	7030	3,563	4,035	1,521	3,040	(1,519)
Auto Services	7040	3,874	8,562	5,675	6,037	(362)

141-		Actual	Budget	Projected	Budget	Fiscal 12 vs 11
	Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Auto supplies	7050	12,816	14,287	14,494	13,866	629
Equipment Contracts	7060	0	0	0	0	0
Leases and Rent	8040	0	0	0	0	0
Less: Amt Capitalized	8041	-103,581	-148,309	-100,832	-112,154	11,322
Misc	8090	7,329	5,702	5,621	5,621	0
Subtotal		-221	-15,265	0	0	(0)
GRAND TOTAL		0	0	0	1	(0)

IT

181-

	Department	Actual	Budget	Projected	Budget	Fiscal 12 vs 11
	Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Oper supplies	5010	624	990	413	676	(263)
Workers' comp	4820	0	0	0	0	0
Jury duty	4650	0	0	0	0	0
Bereavement leave	4660	0	0	0	0	0
Holiday	4620	0	0	0	0	0
Printed forms	5011	270	202	0	157	(157)
Computer paper	5012	0	0	0	0	0
computer supplies	5015	2,116	4,799	225	2,380	(2,155)
Computer Hardware	5016	3,784	6,371	15,472	8,542	6,930
Computer Software	5017	27,083	27,500	28,980	28,980	0
IT Equipment & Supplie	5018	0	0	0	0	0
Furniture & fixtures	5030	0	0	0	0	0
Postage	5040	0	0	0	0	0
Training & education	5085	0	0	0	0	0
Misc supplies	5090	0	0	0	0	0
DataProc services	6030	34,383	40,000	34,383	36,256	(1,872)
Misc. contracts	6200	63,695	55,360	73,979	84,345	9,634
Seminars & train	6500	0	0	0	0	0
Seminars & train	6510	75	0	0	0	0
Airline Tickets	6520	0	0	0	0	0
Lodging	6540	0	0	0	0	0
Meals in town	6550	0	0	0	0	0
Meals out of town	6560	0	0	0	0	0
Mileage Reimb	6570	0	0	0	0	0
Material/Serv	7010	0	0	0	0	0
Services	7030	170	238	0	136	(136)
Misc maintenance	7070	0	365	0	122	(122)
Bad debt exp	8060	0	0	0	0	0
Misc Expenses	8090	0	3,281	0	1,094	(1,094)
Subtotal		132,201	139,104	153,453	142,687	10,766
GRAND TOTAL		132,201	139,104	153,453	142,687	10,766

Acctg / Billing/Cust. Service	Actual	Budget	Projected	Budget	Fiscal 12 vs 11
Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Exec salaries	4100	0	0		
Oper wages	4200	243,952	309,906	288,117	322,990 (34,873)
OPEB	4250	58,071		0	0
Overtime	4330	2,402	1,188	529	705 (178)
Retro pay	4410	0	0	0	0
PTO	4670	41,280	9,540	42,660	44,433 (1,773)
Admin	4640	254	0	0	0
Health	4700	57,274	70,394	54,038	62,874 (8,836)
EE Medical Reimbuser	4701	-1,288	-2,347	171	-1,899 2,070
Insurance Opt Out	4702	18,033	14,106	22,090	21,918 172
Dental	4710	12,428	12,220	15,242	12,779 2,463
Vision	4720	1,174	1,377	1,720	1,587 153
Life ins	4730	2,065	1,450	2,753	1,525 1,229
LTD	4740	0	582	0	907 (907)
EAP	4750	297	297	378	345 33
PERS	4800	78,064	78,422	86,976	87,859 (883)
FICA	4810	24,044	23,799	28,051	27,822 229
Holiday	4620	15,507	18,399	19,906	19,196 710
Uniforms	4830	0	0	0	0
Subtotal		551,555	539,431	562,631	603,021 (40,390)
Oper supplies	5010	518	908	0	478 (478)
Bereavement leave	4860	841	708	0	450 (450)
Workers' comp	4820	1,173	3,453	2,469	2,469 0
Jury duty	4850	0	242	0	0
Printed forms	5011	551	660	244	485 (241)
Computer paper	5012	0	0	0	0
computer supplies	5015	0	0	0	0
Small tools	5020	0	0	0	0
Furniture & fix	5030	0	0	0	0
Postage	5040	8,596	4,849	4,899	8,114 (1,216)
Training & education	5085	0	0	0	0
Misc supplies	5090	0	0	0	0
Outsource billing	6010	72,046	71,238	65,101	69,482 (4,360)
Acct Service Fees	6020	0	0	0	0
Acct Services	6070	0	0	0	0
Misc Contracts	6200	0	0	0	0
Seminars & training	6510	233	0	2,440	891 1,548
Airline Tickets	6520	0	0	891	297 594
Mileage reimb.	6570	64	0	61	0 61
Material service	7010	0	0	0	0
Services	7030	0	0	0	0
Misc maintenance	7070	0	0	0	0
Over/Shorts	7080	5,904	0	-669	0 (669)
NSF Checks	7090	507	0	659	389 270
Bad debt exp	8060	28,527	40,000	35,891	35,891 0
Credit card chrg	8092	24,462	26,943	24,260	25,222 (962)
Misc Expenses	8090	0	0	0	0
Subtotal		143,221	149,001	136,047	141,945 -5,899
GRAND TOTAL		694,777	688,432	698,677	744,966 (46,289)

Department						
201- Administration	Acct #	Actual FY2010-11	Budget FY2011-12	Projected 6/30/2012	Budget FY2012-13	Fiscal 12 vs 11 Variance
Exec salaries	4100	0	0			
Oper wages	4200	445,826	629,879	551,226	582,620	(31,394)
OPEB	4250	36,295				0
Wage Rebate/Training	4320	0	0	0	0	0
Overtime	4330	13,017	9,223	8,061	9,248	(1,187)
Holiday	4620	23,571	27,374	33,337	34,434	(1,098)
PTO	4670	56,564	18,413	73,852	76,115	(2,263)
Admin	4840	7,897	9,971	15,419	10,232	5,187
Health	4700	64,407	85,956	73,193	78,961	(5,768)
EE Medical Reimburseme	4701	-2,009	-3,183	-2,185	-2,532	347
Opt Out		0	0	4,888	0	4,888
Dental	4710	7,119	8,974	10,288	8,142	2,147
Vision	4720	891	1,180	1,290	1,175	115
Life ins	4730	2,839	2,948	4,322	2,735	1,587
LTD	4740	0	1,386	0	1,628	(1,628)
EAP	4750	205	255	283	259	24
PERS	4800	131,016	159,391	164,467	157,804	6,663
FICA	4810	39,367	40,998	35,800	42,310	(6,510)
Def comp	4850	0	0	0	0	0
Wastewater environ	8046	0	-233,376	-233,376	-165,017	(68,359)
Director fees	8010	35,126	35,000	34,167	35,000	(833)
Dir P/R tax exp	8011	0	0	0	0	0
Dir Medical Bene	8012	68,568	64,207	71,281	65,995	5,286
Dir Dental	8012	0	5,090	0	4,630	(4,630)
Dir Vision	8012	0	983	0	979	(979)
Dir Life	8012	0	164	0	147	(147)
Dir LTD	8012	0	77	0	88	(88)
Dir EAP	8012	0	212	0	216	(216)
Dir FICA	4810	0	2,678	0	2,678	(2,678)
Cell Phone Allowance	4861	3,405	4,200	4,200	4,284	(84)
Auto allow	4860	10,464	10,800	11,100	10,800	300
Subtotal		954,389	882,799	861,612	962,729	-101,118
Oper supplies	5010	20,241	22,241	16,719	19,734	(3,014)
Uniforms	4830	373	547	188	236	(46)
Severance		0		0	0	
Unemploy ins	4815	36,125	10,350	31,947	57,440	(26,495)
Workers' comp	4820	4,724	6,733	8,782	6,782	0
Jury duty	4650	0	689	0	230	(230)
Bereavement leave	4660	0	986	599	528	70
Retro pay	4410	0	20,534	0	0	0
Printed forms	5011	649	1,042	754	815	(81)
Computer paper	5012	0	0	0	0	0
computer supplies	5015	0	0	39	0	39
Computer hardware	5016	0	0	3,993	1,331	2,662
Computer software	5017	38	0	0	0	0
Furniture & fix	5030	1,678	2,224	0	1,300	(1,800)
Postage	5040	102	399	249	250	(1)
Fuel	5050	396	0	2,609	1,002	1,608
Training & education	5085	0	1,518	67	5,528	(5,461)
Misc supplies	5090	0	0	0	0	0
Janitorial services	5100	18,642	21,615	15,453	16,570	(3,117)
Landscape services	5110	0	0	0	0	0
Building maintenance	5120	0	0	0	0	0
Waste management	5130	4,699	4,777	4,532	4,789	63
Gas costs	5540	2,176	2,753	2,441	2,457	(16)
Gas costs	5541	0	0	0	0	0
55439 29 Palms	5547	0	0	0	0	0
55441 29 Palms	5548	0	0	0	0	0
55439 & 41	5549	0	0	0	0	0
Comm telephone	5550	23,821	28,709	24,310	25,546	(1,236)
Comm fax & modem	5560	0	0	0	0	0

Department						
201-		Actual	Budget	Projected	Budget	Fiscal 12 vs 11
Administration	Acct #	FY2010-11	FY2011-12	6/30/2012	FY2012-13	Variance
Accounting serv	8020	42,534	33,481	34,881	34,881	0
DP service fees	8030	0	0	0	0	0
Engr serv fees	8040	0	0	0	0	0
Century Homes exp	8045	0	0	0	0	0
Century Homes reimb	8047	0	0	0	0	0
Oper serv fees	8050	0	0	0	0	0
Government fees	8060	1,560	2,256	5,771	3,186	2,575
Legal fees	8070	87,392	75,000	104,843	89,012	15,631
Lobbyist	8080	92,260	92,500	95,974	120,000	(24,026)
Misc contracts	8200	13,755	10,000	4,833	9,530	(4,898)
Conventions	8500	1,000	1,178	253	810	(568)
Seminars & train	8510	3,315	4,758	5,794	4,821	1,173
Airline tickets	8520	1,299	945	4,570	2,271	2,299
Ground transp	8530	187	167	281	211	69
Lodging	8540	1,337	2,953	1,616	1,869	(253)
Meals in town	8550	2,172	2,583	2,595	2,450	145
Meals out of town	8560	260	241	879	460	419
Mileage reimb	8570	219	914	729	821	108
Tolls parking	8580	91	99	136	109	27
Material serv	7010	2,791	2,573	1,138	2,187	(1,020)
Services	7030	25,999	18,637	25,258	26,758	(1,500)
Auto Services	7040	227	0	90	106	(16)
Auto Supplies	7050	0	0	0	0	0
Equip contracts	7060	0	0	0	0	0
Misc maint	7070	0	0	0	0	0
P/R newsletter	7500	11,896	15,800	10,825	15,000	(4,375)
P/R mailings	7510	1,438	6,000	3,876	8,000	(4,124)
PI Consulting	7515	4,990	5,000	500	1,000	(500)
P/R Media	7520	8,224	8,060	8,006	10,000	(1,994)
P/R radio	7530	0	0	0	0	0
P/R Bottled Water	7535	0	0	0	0	0
Water Conservation	7540	0	2,117	2,100	12,000	(9,900)
P/R misc	7550	0	500	0	500	(500)
Water Awareness	7600	988	2,300	993	3,500	(2,507)
Dir Travel & Ent	8013	17,488	16,403	18,938	17,947	1,992
Retiree's Benefits	8014	153,482	167,966	166,107	172,593	(6,488)
Retirees Health Reimb	8015	-39,666	-37,158	-34,368	-37,158	2,790
OPEB		130,659				0
Membership dues	8020	24,413	31,873	33,361	29,916	3,445
Subscriptions	8030	178	17,234	52	5,821	(8,758)
Leases & rents	8040	8,444	9,103	7,868	8,472	(604)
Deposit int exp	8051	1,038	2,098	818	1,318	(500)
Low inc cred prog	8070	-271	0	-136	0	(136)
Ins exp - auto	8080	61,542	68,000	67,824	65,789	2,036
Ins exp - liability	8081	22,134	24,500	26,134	24,266	1,878
Paychex Exp	8085	10,158	10,708	10,750	12,750	(2,000)
Standby exp	8086	1,544	2,354	4,602	2,833	1,769
Misc exp	8090	124	358	2,369	950	1,419
Bank charges	8091	8,915	8,500	2,197	6,537	(4,341)
Collection fee	8094	282	408	3,240	1,313	1,927
Property tax exp	8095	3,670	2,272	2,203	2,715	(512)
Annexation fee	8096	0	0	0	0	0
Employee Relations		147	0	300	149	151
Subtotal		821,572	736,887	739,782	811,788	(72,006)
GRAND TOTAL		1,775,961	1,619,686	1,601,394	1,774,517	(173,124)

SAVINGS

\$6,620,000*

HI-DESERT WATER DISTRICT

Water Revenue Refunding Bonds, Series 2012

Refunded: 1986 CA Water Resources Loan, 1982 Lease Rev, 1998 Rev Refunding, 1978 FHA Note

Scale: AGM Insured

Savings Solution: Level Debt Service, Savings Capitalized

Preliminary Numbers: As of May 3, 2012

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 09/01/2012 @ 2.8534356%
09/01/2013	787,996.94	650,690.00	137,306.94	145,139.25
09/01/2014	771,515.36	651,440.00	120,075.36	124,441.12
09/01/2015	770,096.61	650,885.00	119,211.61	120,295.33
09/01/2016	767,644.01	654,000.00	113,644.01	112,095.71
09/01/2017	769,144.56	650,680.00	118,464.56	113,336.32
09/01/2018	765,412.85	650,967.50	114,445.35	106,895.60
09/01/2019	662,172.86	654,465.00	7,707.86	14,926.85
09/01/2020	671,016.00	650,990.00	20,026.00	24,618.70
09/01/2021	664,016.23	650,590.00	13,426.23	18,906.07
09/01/2022	412,797.86	653,915.00	(241,117.14)	(176,397.83)
09/01/2023	305,172.85	655,470.00	(350,297.15)	(252,443.07)
09/01/2024	154,743.80	650,790.00	(496,046.20)	(350,281.06)
	7,501,729.93	7,824,882.50	(323,152.57)	1,533.00

Savings Summary

PV of savings from cash flow	1,533.00
Plus: Refunding funds on hand	339,736.04
Net PV Savings	341,269.04

Note: * Preliminary, subject to change.

**Hi-Desert Water District
Capital Program FY 2012-13**

Description	Total	Funded
	12/13 Budget	12/13 Budget
Operations		
1 Production well - 20W	1,088,068	1,088,068
2 Reservoir Tank (Zone 3589)	1,000,000	
3 Reservoir repair and rehabilitation Contract - 4 years (Year 2)	360,275	360,275
4 Vehicle Replacement 4 vehicles @ \$25K per	100,000	100,000
5 Vehicle Replacement 4 vehicles @ \$25K per	100,000	
6 Hubbel (Generator plugs)	25,000	25,000
7 Pneumatic Station 26 Rehab & Design	150,000	150,000
8 Well 11 Rehab & Design	50,000	50,000
9 Equipment Replacement - Dump Truck and Backhoe	250,000	
10 Energy Management Incentives (Edison) (Wells & boosters)	400,000	
11 Nitrate Removal Rehab	250,000	
12 Solar for Wells and Pumps	3,468,320	
13 SCADA Replacement	250,000	
CRP (Capital Replacement Program)		
14 CRP project FY 2012-13 - 35,000 linear feet	1,320,526	1,320,526
15 CRP Completion	27,000,000	
Planning Documents		
16 SCADA Master Plan	100,000	
17 Facilities Master Plan	200,000	
18 Water Master Plan	250,000	250,000
19 Water Standards	25,000	25,000
20 Emergency Response Plan	10,000	10,000
21 Sphere of Influence	40,000	
22 Cost of Service Report	40,000	
23 IT Master Plan	25,000	
Public Relations		
24 Education Program - Demo Garden	19,595	
25 Conservation (Toilets mobile home parks)	20,000	
Building Improvements		
26 Home Office Upgrades (bathroom, breakroom, and lobby)	10,000	10,000
27 HVAC for OWS and shop	14,200	14,200
Information Technology		
28 Work Order software	40,000	40,000
29 Springbrook Upgrade to version 7.0 Web based	47,750	47,750
30 Computer/Printers/Scanners Replacements	33,642	33,642
31 Smart Meters (Radio read meters)	2,532,038	
Total Capital Programs	39,217,414	3,524,461

Hi-Desert Water District
Wastewater Budget
For Fiscal Year 12/13

CAROLLO

Task	Description	Proposed	Adjusted	Adj. Bud	County	Prop 84	CAA	USBR	Water Loan	Total
Task 1	Project Management - PO 6252	13,540		13,540			10,832	2,708		13,540
Task 5	Expanded Use - No PO issued	12,000		12,000			9,600	2,400		12,000
Task 8	Collection System RFQ/RFP - PO 6347	18,214		18,214			14,571	3,643		18,214
Task 9	Treatment Plant RFQ/RFP - No PO issued	36,000		36,000			28,800	7,200		36,000
Task 10	As needed Services - PO 6507	50,000	-	50,000			40,000	10,000		50,000

Total		129,754	-	129,754						
--------------	--	----------------	----------	----------------	--	--	--	--	--	--

PERSONELL

	Staff Time (Ed, Frank, Jennifer, and Tanya)	165,323		165,323				33,065	132,258	165,323
--	---	----------------	--	----------------	--	--	--	--------	---------	---------

ENGINEERING

	Geotechnical	150,000		150,000			120,000	30,000		150,000
	Conditional Use Permit (Town of Yucca Valley)	25,000		25,000			20,000	5,000		25,000
	Road Analysis	78,386		78,386			62,709	15,677		78,386
	Rate Study	10,000		10,000	10,000		-	-		10,000
	Right of Way Acquisition	45,134		45,134			36,107	9,027		45,134
	Collection System Design	4,500,000		4,500,000		3,000,000	600,000	900,000		4,500,000
	Plant Design	-		-			-	-		-

Total		4,808,520	-	4,808,520						
--------------	--	------------------	----------	------------------	--	--	--	--	--	--

ADMINISTRATIVE

	Outreach - Assessment	67,000		67,000			53,600	13,400		67,000
	Outreach - Sales Tax	35,000		35,000			28,000	7,000		35,000
	Legal	35,000		35,000			28,000	7,000		35,000
	Assessment District	73,425		73,425			58,740	14,685		73,425
	Media	13,000		13,000			10,400	2,600		13,000
	Printing	14,000		14,000			11,200	2,800		14,000

Total		237,425	-	237,425						
--------------	--	----------------	----------	----------------	--	--	--	--	--	--

Grant Total:		5,341,022	-	5,341,022	10,000	3,000,000	1,132,559	1,066,204	132,258	5,341,021
---------------------	--	------------------	----------	------------------	---------------	------------------	------------------	------------------	----------------	------------------

**Fiscal Year 2012-13 Budget
Simplified Cash Flow**

	New Budget 2012-13
Change in net Assets	1,595,036
Sources: Depreciation expense	1,412,556
Capital Reserve	1,219,068
Uses: Capital programs	(3,524,461)
Wastewater Loan	(132,258)
Principal payments	<u>(500,000)</u>
Impact to reserves	69,941

**Fiscal Year 2011-12 Budget
Simplified Cash Flow**

	Budget 2011-12
Change in net Assets	2,715,736
Sources: Depreciation expense	1,412,556
Carryover from 10/11	343,740
Debt Reserves	422,544
Uses: Capital programs	(1,892,380)
Wastewater Loan	(226,034)
Principal payments	<u>(462,251)</u>
Impact to reserves	2,313,911

Capital Reserve	1,219,068
Supplemental Water Reserve	275,773
General Reserves	396,526
Debt Reserves	422,544

**Hi-Desert Water District
2012-13 Revenue Analysis**

	Budget FY 2011-12	Forecast FY 2011-12	Budget FY2013	Budget 12/13 vs. Forecast 11/12	Budget 12/13 vs. Budget 11/12
Operating revenue					
Consumption revenue (1)	4,942,482	4,743,509	4,792,117	48,608	-150,365
Multi-Family (1)	319,323	303,037	308,721	5,683	-10,602
Mobile home (1)	139,860	134,633	136,454	1,821	-3,406
Irrigation (1)	<u>261,105</u>	<u>277,969</u>	<u>256,826</u>	<u>-21,143</u>	<u>-4,279</u>
Subtotal consumption revenue	5,662,770	5,459,148	5,494,117	34,969	-168,653
Connection fees (2)	1,485,197	1,489,171	1,497,212	8,041	12,015
Delinquent fees	169,958	182,311	176,135	-6,176	6,176
CRP Charge	879,120	893,334	976,320	82,986	97,200
Returned checks	3,601	3,900	3,750	-150	150
Disconnect/reconnect	72,898	85,363	79,131	-6,232	6,232
Turn on fee	48,932	61,691	55,312	-6,380	6,380
Standby (4)	182,965	178,793	180,879	2,086	-2,086
Meter sales (5)	16,254	78,431	97,524	19,093	81,270
New installations	<u>12,866</u>	<u>12,302</u>	<u>12,584</u>	<u>282</u>	<u>-282</u>
Total operating revenue	8,534,562	8,444,444	8,572,964	128,519	38,402
Non-operating revenue					
Property tax (6)	1,225,269	1,296,578	1,283,612	-12,966	58,343
Pipeline (8)	519,488	519,314	520,704	1,390	1,216
Credit Check	3,580	7,480	5,530	-1,950	1,950
Unpaid balances	10,765	15,233	12,999	-2,234	2,234
Interest income	1,465	4	734	731	-731
Interest income - LAIF (9)	19,800	17,501	17,550	49	-2,250
LAIF - FMV adjustment account	0		0	0	0
Other	<u>31,239</u>	<u>31,927</u>	<u>31,583</u>	<u>-344</u>	<u>344</u>
Total non-operating revenue	1,811,607	1,888,037	1,872,713	-15,324	61,106
Total revenue	10,346,169	10,332,481	10,445,677	113,195	99,508

(1) Water Consumption

1,040,797 units of water, or

2,393 acre feet,

	<u>Units</u> <u>4/1/2011</u> <u>3/31/2012</u>	<u>Rate</u>	<u>Total</u> <u>Revenue</u>	<u>0.00%</u> <u>Consumption</u> <u>Increase</u>	<u>0.00%</u> <u>Rate</u> <u>Increase</u>	<u>Total</u> <u>Revenue</u>
CIMIS	19,474	5.42	105,550	19,474	5.42	105,550
Bulk	1,967	9.08	17,861	1,967	9.08	17,861
Tier 1	2,251	3.56	8,014	2,251	3.56	8,014
Tier 2	2,250	5.69	12,803	2,250	5.69	12,803
Tier 3	3,770	6.89	25,975	3,770	6.89	25,975
Tier 4	6,311	9.08	57,304	6,311	9.08	57,304
Town Irrigation	11,364	2.58	29,319	11,364	2.58	29,319
	47,387		256,826	47,387		256,826
<u>Water</u>						
Tier 1	374,093	3.56	1,331,771	374,093	3.56	1,331,771
Tier 2	284,928	5.69	1,621,240	284,928	5.69	1,621,240
Tier 3	160,191	6.89	1,103,716	160,191	6.89	1,103,716
Tier 4	80,990	9.08	735,389	80,990	9.08	735,389
	900,202		4,792,117	900,202		4,792,117
<u>WTR MF</u>						
Tier 1	29,257	3.56	104,155	29,257	3.56	104,155
Tier 2	25,401	5.69	144,532	25,401	5.69	144,532
Tier 3	7,427	6.89	51,172	7,427	6.89	51,172
Tier 4	976	9.08	8,862	976	9.08	8,862
	63,061		308,721	63,061		308,721
<u>WTR MH</u>						
Tier 1	16,751	3.56	59,634	16,751	3.56	59,634
Tier 2	12,898	5.69	73,390	12,898	5.69	73,390
Tier 3	498	6.89	3,431	498	6.89	3,431
Tier 4		9.08	0	0	9.08	0
	30,147		136,454	30,147		136,454
Total	1,040,797		5,494,117	1,040,797		5,494,117

GRANT TOTALS

Tier 1	433,716	42%
Tier 2	325,477	31%
Tier 3	191,360	18%
Tier 4	90,244	9%
Total	1,040,797	100%

Current Active Meters as of March 31, 2012

AcctType/Meter Size	<u>5/8 inch</u>	<u>1 inch</u>	<u>1 1/2 inches</u>	<u>2 inches</u>	<u>3 inches</u>	<u>4 inches</u>	<u>6 inches</u>
Single Family	8,911	212	3	1	0		
Commercial	250	87	29	36	0		
Public Entities	27	12	9	11	2		
Irrigation (Do not get charged S/C)	35	21	5	10	0		
Multi family	135	108	12	13	1		
Mobile Home Parks	3	4	0	3	2		
Total	9,361	444	58	74	5	0	0

(2) Water service charge (connection fees):

Meter size	<u>5/8 in.</u>	<u>1 in.</u>	<u>1 1/2 in.</u>	<u>2 in.</u>	<u>3 in.</u>	<u>Total</u>
Monthly charge	11.80	23.80	43.80	67.80	131.90	
Monthly revenue	<u>110,047</u>	<u>10,067</u>	<u>2,321</u>	<u>4,339</u>	<u>660</u>	<u>127,434</u>
Annual revenue	1,320,562	120,809	27,857	52,070	7,914	1,529,212
						<u>-32,000</u>
						1,497,212

(3) CRP surcharge:

Meter size	<u>5/8 in.</u>	<u>1 in.</u>	<u>1 1/2 in.</u>	<u>2 in.</u>	<u>3 in.</u>	<u>Total</u>
Monthly charge	7.50	15.00	22.50	37.50	82.50	
Monthly revenue	<u>70,208</u>	<u>6,660</u>	<u>1,305</u>	<u>2,775</u>	<u>413</u>	<u>81,360</u>
Annual revenue	842,490	79,920	15,660	33,300	4,950	976,320
						976,320

(4) Standby fees are projected to be 180,879 next year.**(5) Meter sales are projected at 18 5,418 97,524****(6) Property tax revenues are projected to be \$1,338,759****(7) N/A**

HI-DESERT WATER DISTRICT

Fiscal Year 2012-13 Proposed Budget



Proposed Budget 12/13

	FY 11/12	FY 12/13
	millions	millions
Rates and Fees	7.5	7.5
Property Tax	1.3	1.3
Capital and Lease Fees	1.4	1.5
Carryover Revenue	0.8	1.3
Total Resources	11.0	11.6
Operating Expenses	4.9	5.3
Capital Improvements	1.9	3.5
Source of Supply of Water	0.5	1.5
Wastewater Loan	0.2	0.2
Debt Service Payments	1.2	1.1
Total Uses	8.7	11.6
Surplus	2.3	0.1

Proposed Budget 12/13

	FY 11/12	FY 12/13
Surplus	2,313,911	69,941

Breakdown:

Capital Reserve	1,219,068
Supplemental Water Reserve	275,773
General Reserves	396,526
Debt Reserves	422,544

New Cash **742,240**

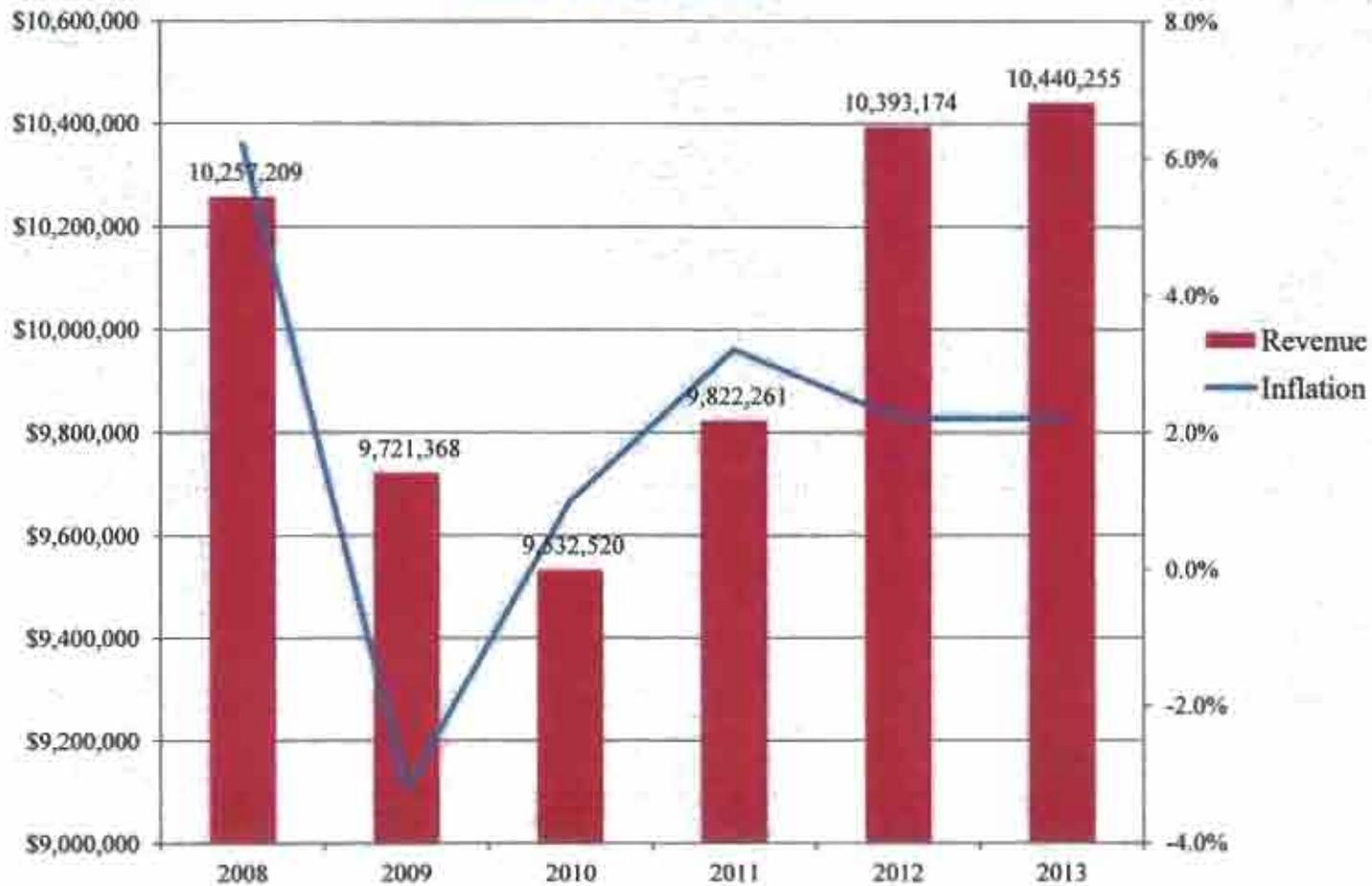
Estimated Cash Balance **4.7M**

Proposed Budget 12/13

• REVENUE

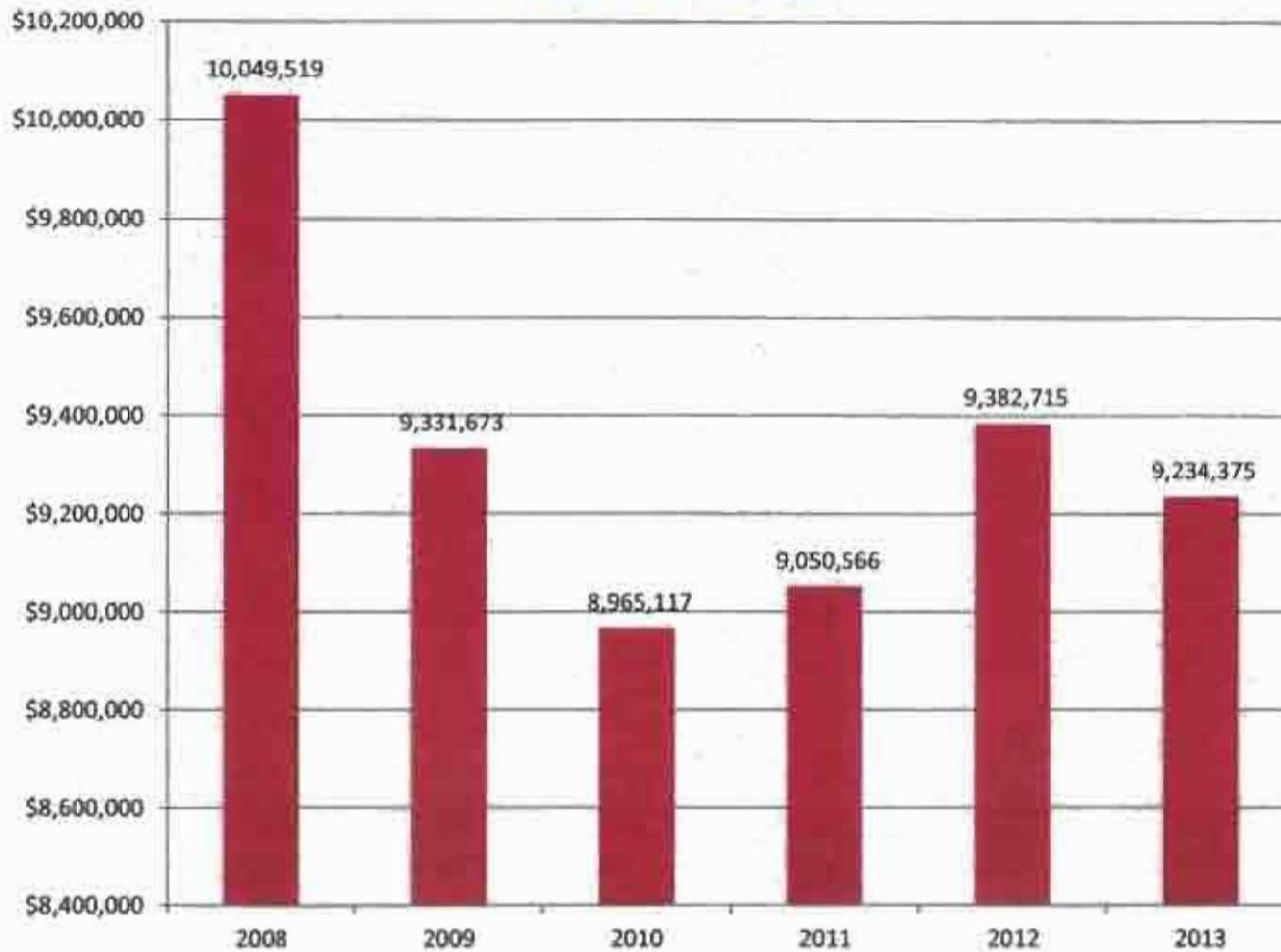
- No proposed rate increase
- Consumption is estimated at 1,041M units or 2,393 acre feet of water – no growth or decline
- Meter sales are estimated to match Town of Yucca Valley's permit budget – 18
- Property Tax is estimated by San Bernardino County Assessor to decline 1% - \$13K
- Full complete year (12 months) of CRP charge at \$7.50 for 5/8 inch meter which generates \$976K
- Includes the proposed Town of Yucca Valley's water pre-purchase

REVENUE



Revenue has gone up 1.78% since 2008 or \$183K
Consumer Price Index (CPI) has gone up 12.4%

REVENUE



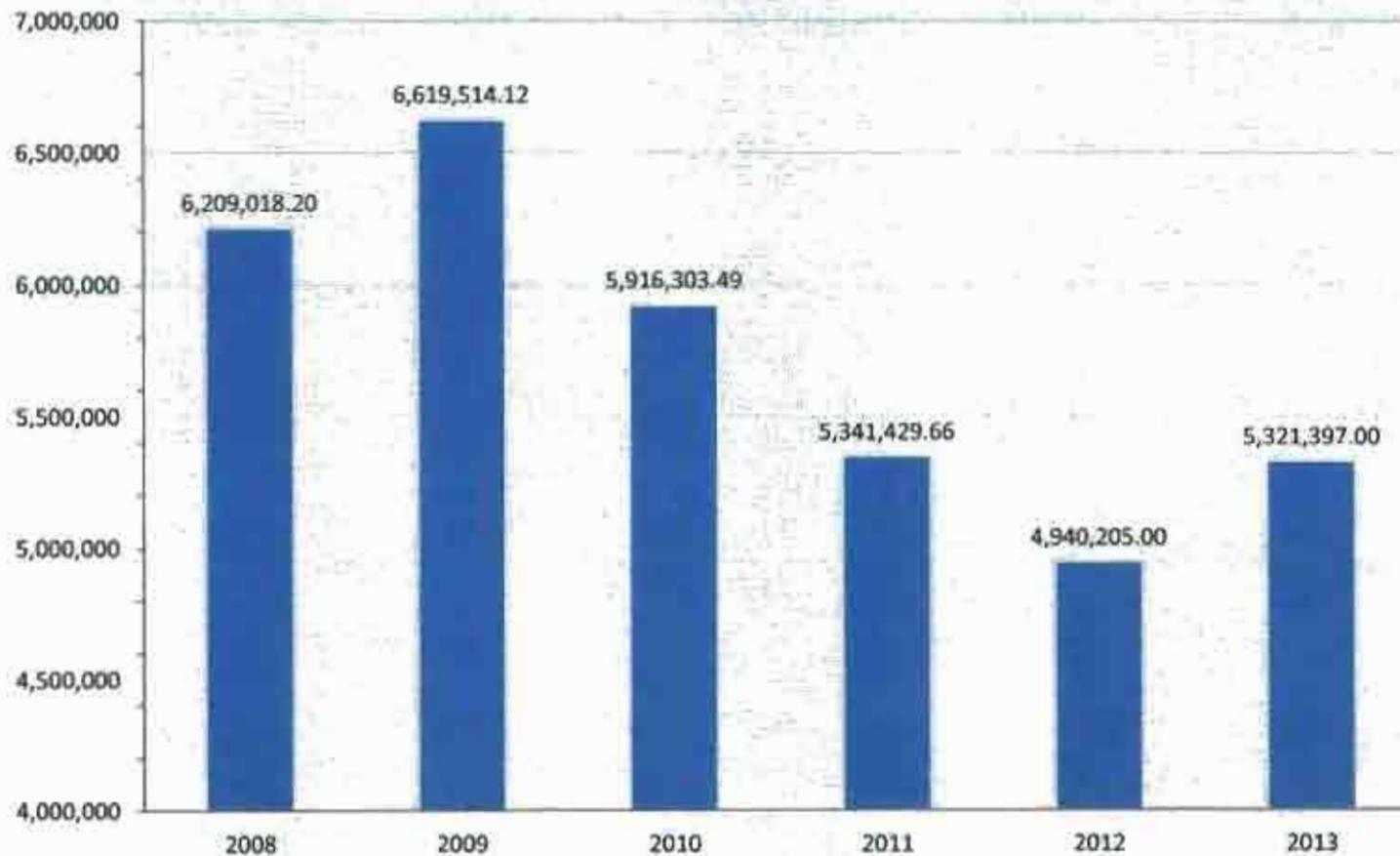
Revenue using 2008 Net Present Value (NPV) calculations

Proposed Budget 12/13

• OPERATING EXPENSES

- The District has met the inflationary increases with negligible revenue increases during the timeframe of 2008-2013 by:
 - Reducing operating expenses by 14% or \$888K
 - Reducing head count by 22% - 10 people
 - Health care premium caps for employees
 - Pension plan changes from 2.5%/55 to 2.0%/60
 - Employee picking up 50% of the employee portion of PERS (Public Employee Retirement)
 - Pumping water at off-peak timeframes - \$71K
 - Reducing non-employee related expenditures

Operating Expenditures



Expenditures are down from 2008 by \$888K

Proposed Budget 12/13

• **RESERVES**

- Fiscal '08 utilized \$1M in reserves due to meter sales budgeted at \$1M verse actual \$86K



- With the small increase in revenue \$183K and large decrease in expenditures \$888K, we have a structural balance

Proposed Budget 12/13

• WAGES AND BENEFITS

- Proposed a 2.0% COLA (Cost of Living Adjustment)
- Proposed a 2.5% merit adjustment
- The sum of the above cost \$77K
- Proposed an additional 2.0% employee PERS pickup by the employees which in essence negates the 2.0% COLA; employees now at 4.0% of the 8.0% PERS employee contribution
- Added COLA to the employee medical cap previously at \$1,263 now at \$1,288 - \$21K
- PERS cost decreased by \$10K from prior year

Proposed Budget 12/13

• NON-OPERATING

- Proposed a refunding and refinancing of the current District debt of \$6M which saves an estimated \$137K in the budgeted fiscal year and \$341K in net present value (NPV) savings over the life of the loan
- The proposed refunding creates \$340K of immediate cash
- District election cost is \$14K

Proposed Budget 12/13

• CAPITAL

- Investing \$3.5M into District infrastructure
 - Production well 20W - carried over from prior year - \$1.1M
 - Pneumatic station 26 – carried over from prior year - \$150K
 - CRP (Capital Replacement Program – main and service line replacements) - \$1.3M or 35,000 linear feet of pipe
 - Year 2 of tank repair and rehabilitation - \$360K (by the end of fiscal 12/13 all 15 tanks will be rehabilitated)

Proposed Budget 12/13

• WASTEWATER

- \$5.3M in development activity with \$5.2M funded from grants - \$132K loan from water fund
- Collection system final design will be major task during this fiscal year
- Expecting preliminary loan commitment from the Clean Water State Revolving Fund (CWSRF)
- Proposed assessment vote within fiscal 2012/13
- Continue grant request to minimize cost to property owners
- Retiring the Wastewater debt from the Town

Proposed Budget 12/13

• **POTENTIAL ISSUES**

- Other Post Retirement Benefit (OPEB) – These are retiree medical benefits – The liability to the district is \$3.2M which is phased in over 5 years
- District potentially may move over to PERS health which could produce additional savings
- State of California budget deficit - \$16B – How may this effect HDWD?
- Finance committee is going to review the potential of incurring debt to accelerate the CRP program
- Review rates beginning January 2013