



PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

BUDGET

JULY 1, 2011

TO

JUNE 30, 2012

FINAL BUDGET

Adopted June 15, 2011

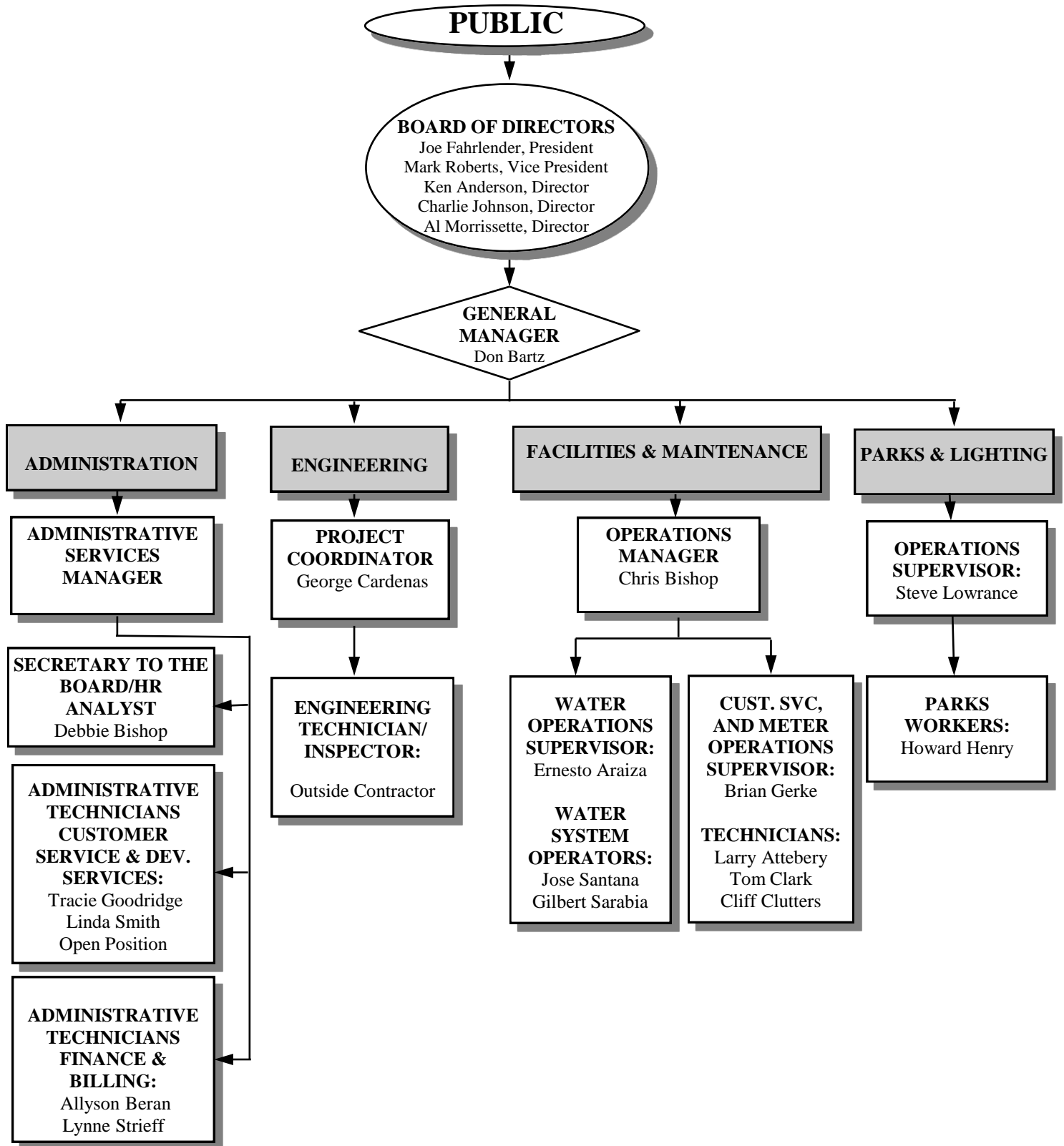
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ORGANIZATIONAL CHART

Phelan Piñon Hills Community Services District

Organizational Chart



BUDGET OVERVIEW

Phelan Piñon Hills Community Services District

Budget 2011/2012

Budget Outline

After review of several options, the Board requested the 2011/2012 Budget be prepared with the following assumptions for increases compared to estimated yearend figures: Potential Rate Increase of 1%, potential merit increase of 1%, and anticipated increase in expenditures of 1.5% (approximate Consumer Price Index change in 2010), except where certain increases/decreases are known and noted below. The below are notes identified in the Detailed Budget line items.

Note 1: Water Revenue for the District is less than what was budgeted in the prior fiscal year due to excessive rainfall in the area and cooler temperatures. Another considerable factor is the loss of revenue for water consumption at the schools (line 7). Revenues budgetd assume a possible 1% increase in water related rates and fees.

Note 2: Water Purchases are down compared to the prior budget (over 29% - Line 48) due to three factors: Reduction in production, more efficient use of Well #14, and the lease of water rights at a reduced rate for the current and upcoming year.

Note 3: Salaries are less than budgeted in the prior year due to staff being out on leave for a significant portion of the year. This position was filled with a temporary staff member. Temporary staff expenses are not included in "salaries and benefits" but rather are included in "Outside Services" (Line 74). The reason line 74 is not over budget as a result is because the District had a contract position that was not filled (engineering) due to lack of space. That position was designated as a "contract" position and was budgeted under line 74.

Note 4: Directors fees are set at a maximum per state law and the District's policy. The Budget assumes that all Directors will be paid for the maximum.

Note 5: Outside Service is increased due to continued use of temporary staff the office and anticipated use of contractual staff (Salaries and Benefits reflects this assumption too) in Engineering.

Note 6: Fuel costs are up 27% over last year's average. Staff is estimating that this will drop slightly but that we will still have a 25% increase in fuel over 2010/2011 costs. Management is looking at ways to reduce fuel costs to help keep this down.

Note7: Parks requested an additional \$15,000 budget for parks programs. Parks currently has one children's program set up (Tumbling) and is anticipating two more in the coming year. There are also Adult programs in progress and planned (Yoga and Dance). We will also continue to hold one day events (Workshops: Winterizing your home, Water Efficient Plants, Composting, Desert reptiles and other creatures, etc.

Note 8: Rent is being eliminated as result of the completion of the modular building.

Note 9: Utilities are down over last year's budget, in spite of a rate increase by Edison last year. This is due to efficiencies implemented by the District and reduced water production due to weather, etc. identified in Note 1.

Note 10: Depreciation and amortization will increase due to the addition of assets such as the modular, computer software and equipment, etc.

Note 11: Staff is anticipating another reduction in property tax revenue as a result of the foreclosures sold this past year, reducing the property values.

Note 12: Total Other Income is down significantly (\$812,000) as we don't anticipate any revenue from the county this year (we received \$716,000 from the County in 10/11 that was a one-time revenue) and due to proper tax reductions.

BUDGET COMPARISON AND SUMMARY

**Phelan Piñon Hills Community Services District
Budget 2011/2012**

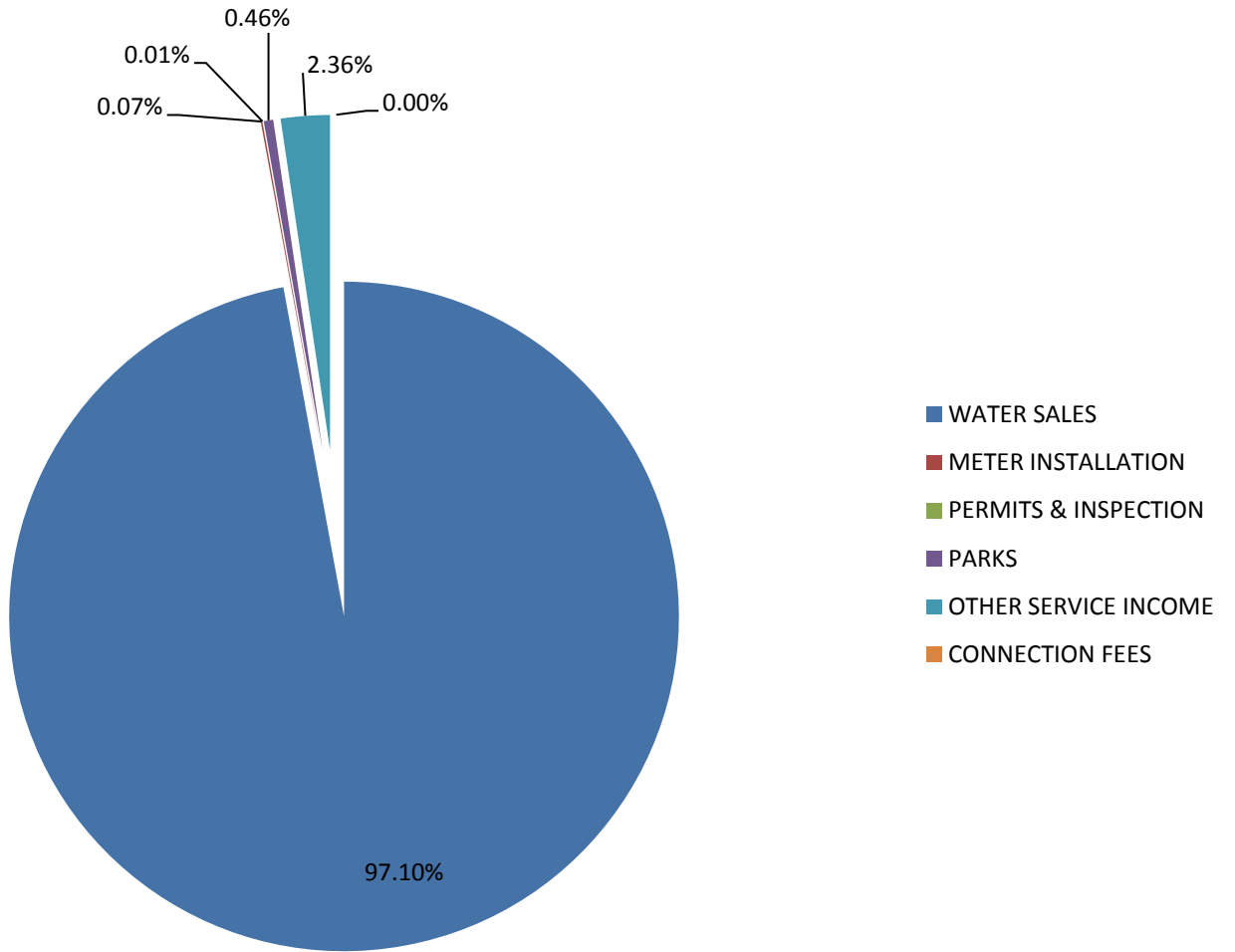
Budget Comparison

	PPHCSD 2008/09 Audited Actual	PPHCSD 2009/2010 Audited Actual	PPHCSD 2010/11 Etimated Year End	PPHCSD 2011/2012 Proposed Budget Final
1 Operating Revenue				
2 Water Sales	\$ 4,348,927	\$ 3,872,217	\$ 3,812,864	\$ 3,850,992
3 Other Services	100,820	127,612	96,013	96,941
4 Total Operating Revenues	<u>\$ 4,449,747</u>	<u>\$ 3,999,829</u>	<u>\$ 3,908,877</u>	<u>\$ 3,947,933</u>
5				
6 Operating Expenses				
7 Water Purchases	\$ 312,250	498,777	240,740	244,500
8 Professional Services	399,018	273,861	307,171	351,779
9 Salaries and Benefits - Enterprise	1,027,983	1,652,250	1,557,768	1,542,985
10 Services and Supplies - Enterprise	1,844,247	838,279	693,920	720,503
11 Rents and Leases	46,664	46,072	43,834	-
12 Utilities	1,079,743	956,158	902,139	915,671
13 Depreciation	886,786	727,000	1,245,600	1,364,284
14 Other	151,950	258	261	964
15 Board Compensation	32,469	42,497	63,836	64,253
16 Total Operating Expenses	<u>\$ 5,781,109</u>	<u>\$ 5,035,151</u>	<u>\$ 5,055,269</u>	<u>\$ 5,204,939</u>
17				
18 Net Operational Income (Water & Admin)	\$ (1,331,362)	\$ (1,035,322)	\$ (1,146,392)	\$ (1,257,006)
19				
20 Non-Operating Revenues (Expenses)				
21 Investment Earnings	\$ 449,025	161,050	91,801	92,719
22 Investment Expense	(140,689)	(118,451)	(102,923)	(123,524)
23 Property Taxes	1,323,361	1,011,758	956,203	860,849
24 Special Assessments	283,142	328,243	359,496	359,496
25 Other Taxes	-	-	-	-
26 State/County Assist (Incl County Equipment)	98,397	1,016,854	716,854	-
27 Penalties	49,933	131,240	83,266	84,098
28 Other Income	37,218	(22,434)	5,174	5,226
29 Connection Fees	80,698	55,444	-	-
30 Ordinary Income Government Funds	79,693	13,780	17,944	18,123
31 Ordinary Expense Government Funds	(183,279)	(258,135)	(265,207)	(308,242)
32 Other Income/Expenses Government Funds*	328,233	(4,144)	(2,778)	(2,819)
33 Net Non-Operating Revenues (Expenses)	<u>\$ 2,405,733</u>	<u>\$ 2,315,205</u>	<u>\$ 1,859,830</u>	<u>\$ 985,926</u>
34				
35 Net Income	<u>\$ 1,074,370</u>	<u>\$ 1,279,883</u>	<u>\$ 617,857</u>	<u>\$ (271,080)</u>
36				
37 Depreciation	\$ 936,786	\$ 777,000	\$ 1,301,600	\$ 1,420,284
38 Loan Principal Payments	(97,000)	(100,000)	(104,000)	(108,000)
39 Net Cash Avail for Projects/Reserves	<u>\$ 1,914,156</u>	<u>\$ 1,776,883</u>	<u>\$ 1,180,287</u>	<u>\$ 1,041,204</u>
40				
41 Beginning Cash in Bank (in Forcast Years = Cash Balance from Prior Year + Reserves Prior Year)				\$ 11,369,600.00
42 RESERVES				-6,733,905.00
43 CIP PROJECTS				-1,398,000.00
44 CAPITAL PURCHASES				-22,000.00
45 CASH BALANCE = AVAILABLE CASH FOR NEXT YEAR'S PROJECTS				<u>\$ 4,256,899.08</u>

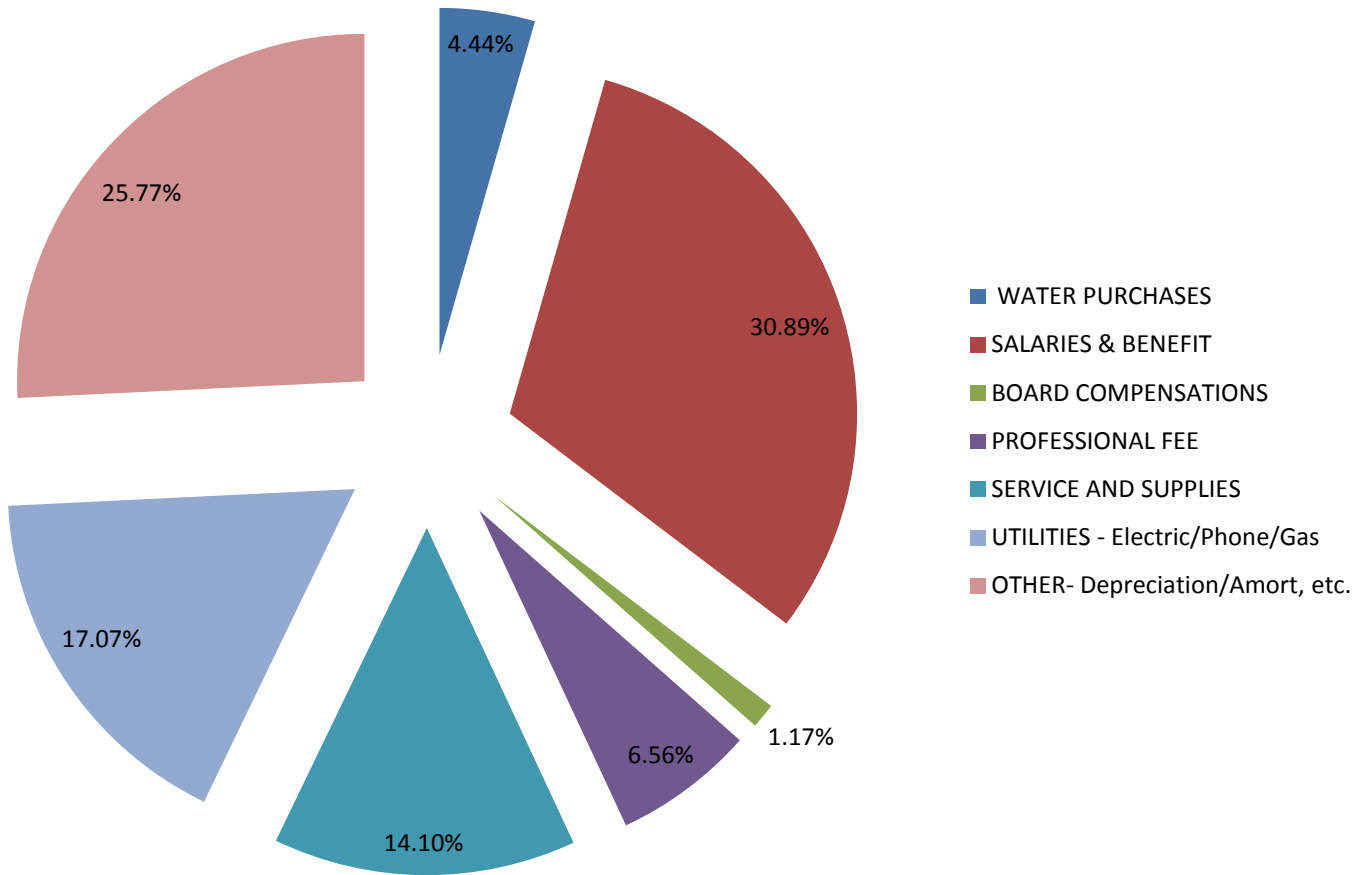
**Phelan Piñon Hills Community Services District
Budget 2011/2012
Summary of All Funds**

Assumptions:		A				B				D				C				E	F	G	I
Rates/Income	1.0%	TOTAL ENTERPRISE FUNDS				TOTAL GOVERNMENT FUNDS				TOTAL ALL FUNDS											
Expense	1.5%	2010/2011 Annual Budget	Actual Jul '10 - Feb 11	Est YE 10/11	2011/2012 BUDGET	2010/2011 Annual Budget	Actual Jul '10 - Feb 11	Est YE 10/11	2011/2012 BUDGET	2010/2011 Annual Budget	Actual Jul '10 - Feb 11	Est YE 10/11	2011/2012 BUDGET	Column E compared to column D	Column E compared to column C	11/12 Budget vs. Est YE Column E compared to C					
Salary	1.0%																				
Ordinary Income/Expense					1.0%				1.0%												
Income																					
25 WATER SALES		4,122,717.00	2,443,622.56	3,812,863.74	3,850,992.37	0.00	0.00	0.00	0.00	4,122,717.00	2,443,622.56	3,812,863.74	3,850,992.37	-6.59%	1.00%	38,128.64					
28 METER INSTALLATION		8,100.00	1,961.31	2,941.97	2,941.97	0.00	0.00	0.00	0.00	8,100.00	1,961.31	2,941.97	2,941.97	-63.68%	0.00%	0.00					
31 PERMITS & INSPECTION		1,362.00	180.00	270.00	270.00	0.00	0.00	0.00	0.00	1,362.00	180.00	270.00	270.00	-80.18%	0.00%	0.00					
34 PARKS		0.00	0.00	0.00	0.00	13,780.00	11,962.50	17,943.75	18,123.19	13,780.00	11,962.50	17,943.75	18,123.19	31.52%	1.00%	179.44					
38 OTHER SERVICE INCOME		118,151.00	61,867.27	92,800.91	93,728.91	0.00	0.00	0.00	0.00	118,151.00	61,867.27	92,800.91	93,728.91	-20.67%	1.00%	928.01					
41 CONNECTION FEES		55,445.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55,445.00	0.00	0.00	0.00	-100.00%	0.00%	0.00					
42 Total Income from Operations		4,305,775.00	2,507,631.14	3,908,876.61	3,947,933.26	13,780.00	11,962.50	17,943.75	18,123.20	4,319,555.00	2,519,593.64	3,926,820.36	3,966,056.44	-8.18%	1.00%						
44 Expense					1.5%				1.5%												
50 WATER PURCHASES		354,927.00	47,493.51	240,740.27	244,500.00	0.00	0.00	0.00	0.00	354,927.00	47,493.51	240,740.27	244,500.00	-31.11%	1.56%	3,759.73					
62 SALARIES & BENEFIT		1,652,255.00	1,038,511.68	1,557,767.52	1,542,985.35	158,990.00	89,651.85	134,477.78	160,052.01	1,811,245.00	1,128,163.53	1,692,245.30	1,703,037.34	-5.97%	0.64%	10,792.04					
68 BOARD COMPENSATIONS		36,748.00	40,790.38	63,835.57	64,253.10	6,600.00	0.00	0.00	0.00	43,348.00	40,790.38	63,835.57	64,253.10	48.23%	0.65%	417.53					
77 PROFESSIONAL FEE		321,482.00	182,780.94	307,171.41	351,778.98	26,766.00	6,636.09	9,954.14	10,103.45	348,248.00	189,417.03	317,125.55	361,882.43	3.92%	14.11%	44,756.88					
106 SERVICE AND SUPPLIES		745,857.00	392,946.63	693,919.95	720,502.69	39,885.00	22,969.09	40,453.64	56,559.59	785,742.00	415,915.72	734,373.58	777,062.28	-1.10%	5.81%	42,688.70					
110 RENT		46,994.00	35,067.45	43,834.31	0.00	0.00	0.00	0.00	0.00	46,994.00	35,067.45	43,834.31	0.00	-100.00%	-100.00%	(43,834.31)					
117 UTILITIES - Electric/Phone/Gas		1,028,025.00	598,092.50	902,138.75	915,670.83	27,882.00	15,747.84	25,121.76	25,498.59	1,055,907.00	613,840.34	927,260.51	941,169.42	-10.87%	1.50%	13,908.91					
122 OTHER- Depreciation/Amort, etc.		792,693.96	830,574.08	1,245,861.12	1,364,549.04	25,274.04	36,800.00	55,200.00	56,028.00	817,968.00	867,374.08	1,301,061.12	1,420,577.04	73.67%	9.19%	119,515.92					
123 Total Expense		4,978,981.96	3,166,257.17	5,055,268.89	5,204,240.01	285,397.04	171,804.87	265,207.31	308,241.65	5,264,379.00	3,338,062.04	5,320,476.20	5,512,481.61	4.71%	3.61%	192,005.41					
124 Net Income from Operations		(673,206.96)	(658,626.03)	(1,146,392.29)	(1,256,306.74)	(271,617.04)	(159,842.37)	(247,263.56)	(290,118.45)	(944,824.00)	(818,468.40)	(1,393,655.84)	(1,546,425.17)	63.67%	10.96%	(152,769.32)					
125 Other Income/Expense																					
126 Other Income									-10%												
139 PROPERTY TAXES		0.00	1,774.34	2,661.51	2,661.51	991,526.00	529,027.53	953,541.30	858,187.17	991,526.00	530,801.87	956,202.81	860,848.68	-13.18%	-9.97%	(95,354.13)					
142 SPECIAL ASSESSMENT		328,244.00	239,664.25	359,496.38	359,496.38	0.00	0.00	0.00	0.00	328,244.00	239,664.25	359,496.38	359,496.38	9.52%	0.00%						
146 STATE / COUNTY ASSISTANCE		0.00	0.00	0.00	0.00	116,854.00	716,854.00	716,854.00	0.00	116,854.00	716,854.00	716,854.00	0.00	-100.00%	-100.00%	(716,854.00)					
150 PENALTIES & OTHER FEE		95,710.00	55,510.37	83,265.56	84,098.21	35,531.00	0.00	0.00	0.00	131,241.00	55,510.37	83,265.56	84,098.21	-35.92%	1.00%						
153 INVESTMENT INCOME		144,886.00	61,245.35	91,868.03	92,786.71	16,165.00	(44.46)	(66.69)	(67.69)	161,051.00	61,200.89	91,801.34	92,719.01	-42.43%	1.00%						
157 OTHER INCOME		5,258.00	3,449.21	5,173.82	5,225.55	61.00	0.00	0.00	0.00	5,319.00	3,449.21	5,173.82	5,225.55	-1.76%	1.00%						
158 Total Other Income		574,098.00	361,643.52	542,465.28	544,268.35	1,160,137.00	1,245,837.07	1,670,328.61	858,119.38	1,734,235.00	1,607,480.59	2,212,793.89	1,402,387.83	-19.14%	-36.62%	(810,406.06)					
159 Other Expense																					
165 Other Expense		146,204.00	69,074.34	103,611.51	124,223.30	4,145.00	1,851.72	2,777.58	2,819.24	150,349.00	70,926.06	106,389.09	127,042.54	-15.50%	19.41%						
166 Total Other Expense		146,204.00	69,074.34	103,611.51	124,223.30	4,145.00	1,851.72	2,777.58	2,819.24	150,349.00	70,926.06	106,389.09	127,042.54	-15.50%	19.41%						
167 Net Other Income		427,894.00	292,569.18	438,853.77	420,045.06	1,155,992.00	1,243,985.35	1,667,551.03	855,300.13	1,583,886.00	1,536,554.53	2,106,404.80	1,275,345.29	-19.48%	-39.45%	(831,059.51)					
Net Income		(245,312.96)	(366,056.85)	(707,538.52)	(836,261.69)	884,374.96	1,084,142.98	1,420,287.47	565,181.68	639,062.00	718,086.13	712,748.95	(271,079.88)	-142.42%	-138.03%	(983,828.83)					

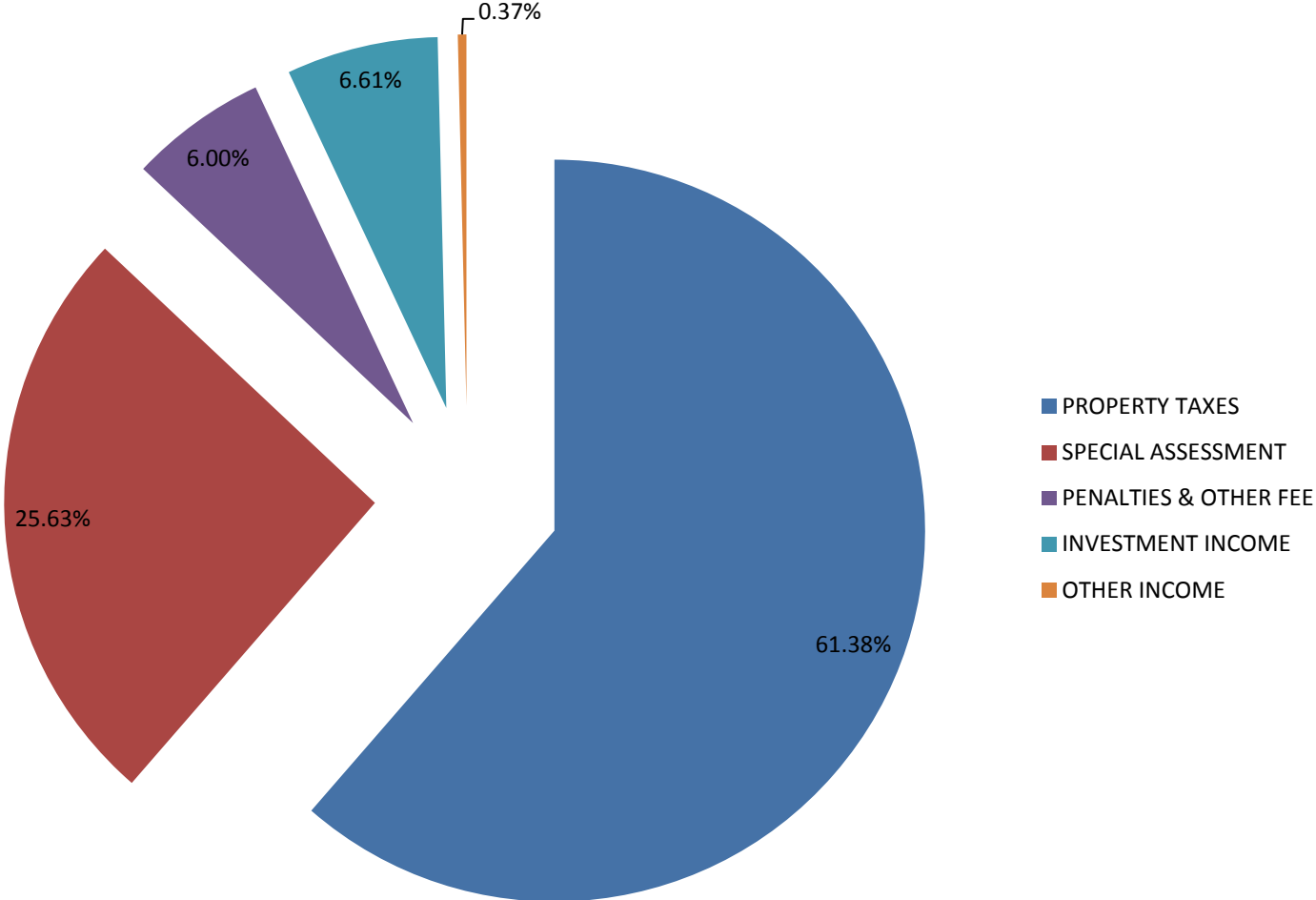
Income from Operations



Expenses from Operations

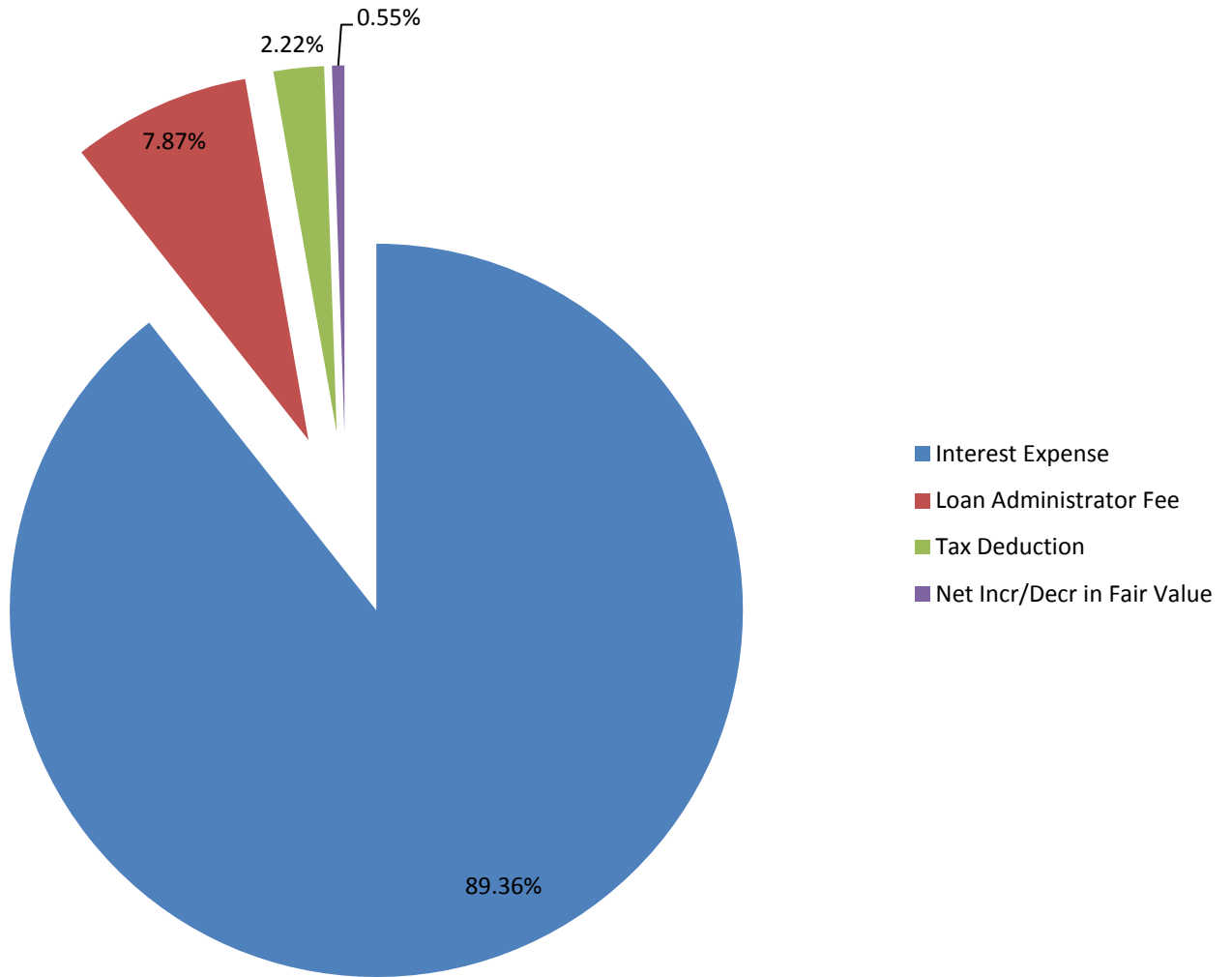


Non-Operational Income



Non-Operational Expenses

Other Expenses



BUDGET DETAIL ALL FUNDS

**Phelan Piñon Hills Community Services District
Final Approved Budget 2011/2012 - Detail**

	TOTAL ENTERPRISE FUNDS		TOTAL GOVERNMENT FUNDS		TOTAL ALL FUNDS	
	2011/2012	BUDGET	2011/2012	BUDGET	2011/2012	BUDGET
Ordinary Income/Expense						
Income						
1 40 - WATER SALES						
2 40A - WATER CONSUMPTION						
3 40010 Water Sales - Residential - C	2,272,451.71		0.00		2,272,451.71	
4 40020 Water Sales - Commercial - C	13,062.00		0.00		13,062.00	
5 40030 Water Sales - Fire Protection-C	199.77		0.00		199.77	
6 40060 Water Sales - Multiple Res - C	2,681.77		0.00		2,681.77	
7 40070 Water Sales - School - C	94,071.85		0.00		94,071.85	
8 40090 Water Sales - Construction - C	14,036.99		0.00		14,036.99	
9 40110 Water Sales - Adjustment - Wtr	(1,359.67)		0.00		(1,359.67)	
10 Total 40A - WATER CONSUMPTION	2,395,144.43		0.00		2,395,144.43	
11 40B - WATER METER CHARGE						
12 41010 Water Sales - Residential - M	1,398,381.03		0.00		1,398,381.03	
13 41020 Water Sales - Commercial - M	6,578.30		0.00		6,578.30	
14 41030 Water Sales - Fire Protection-M	1,017.47		0.00		1,017.47	
15 41060 Water Sales - Multiple Res - M	1,468.34		0.00		1,468.34	
16 41070 Water Sales - School - M	15,787.27		0.00		15,787.27	
17 41090 Water Sales - Construction - M	826.30		0.00		826.30	
18 Total 40B - WATER METER CHARGE	1,424,058.70		0.00		1,424,058.70	
19 40C - WATER SALES - MISC						
20 42010 Water Sales - Residential -Misc	30,754.50		0.00		30,754.50	
21 42020 Water Sales - Commercial-Misc	53.03		0.00		53.03	
22 42030 Water Sales - Fire Protection-F	327.24		0.00		327.24	
23 42040 Water Sales - School - F	654.48		0.00		654.48	
24 Total 40C - WATER SALES - MISC	31,789.25		0.00		31,789.25	
25 Total - WATER SALES	3,850,992.37		0.00		3,850,992.37	
26 42 - METER INSTALLATION						
27 45300 Meter Installation	2,941.97		0.00		2,941.97	
28 Total - METER INSTALLATION	2,941.97		0.00		2,941.97	
29 44 - PERMITS & INSPECTION						
30 45400 Permits & Inspections	270.00		0.00		270.00	
31 Total - PERMITS & INSPECTION	270.00		0.00		270.00	
32 46 - PARKS						
33 47600 Park & Recreation Fee	0.00		18,123.19		18,123.19	
34 Total - PARKS	0.00		18,123.19		18,123.19	
35 49 - OTHER SERVICE INCOME						
36 48200 Other Services Incomes	78,003.21		0.00		78,003.21	
37 48700 Administrative Fees	15,725.70		0.00		15,725.70	
38 Total - OTHER SERVICE INCOME	93,728.91		0.00		93,728.91	
39 76 - CONNECTION FEES						
40 45500 Connection Fee	0.00		0.00		0.00	

		TOTAL ENTERPRISE FUNDS		TOTAL GOVERNMENT FUNDS		TOTAL ALL FUNDS	
		2011/2012	BUDGET	2011/2012	BUDGET	2011/2012	BUDGET
41	Total - CONNECTION FEES		0.00		0.00		0.00
42	Total Income		3,947,933.26		18,123.20		3,966,056.44
43	Gross Profit		3,947,933.26		18,123.20		3,966,056.44
44	Expense						
45	50 - WATER PURCHASES						
46	50010 MWA WM Admin. & Bio Fee		15,000.00		0.00		15,000.00
47	50020 MWA WM Make Up Water		4,500.00		0.00		4,500.00
48	50030 MWA WM Replacement Water		215,000.00		0.00		215,000.00
49	50040 Water Purchases - Other		10,000.00		0.00		10,000.00
50	Total - WATER PURCHASES		244,500.00		0.00		244,500.00
51	51 - SALARIES & BENEFIT						
52	51110 Salaries & Wages		884,159.49		103,147.38		987,306.87
53	51120 Vacations		44,699.92		2,368.46		47,068.38
54	51130 Holiday		41,522.68		2,605.31		44,127.99
55	51140 Sick Pay		45,297.47		2,842.16		48,139.62
56	51150 Misc Earn		22,000.00		400.00		22,400.00
57	51170 Overtime		90,000.00		2,500.00		92,500.00
58	51210 Payroll Taxes		29,058.99		2,301.69		31,360.67
59	51220 Worker's Compensation		46,168.22		7,962.56		54,130.77
60	51230 Employee Group Insurance		177,472.92		16,965.96		194,438.88
61	51240 Retirement		162,605.66		18,958.49		181,564.15
62	Total - SALARIES & BENEFIT		1,542,985.35		160,052.01		1,703,037.34
63	52 - BOARD COMPENSATIONS						
64	52110 Board Director's Fee		36,000.00		0.00		36,000.00
65	52210 Board Exp - Auto Expense		4,945.75		0.00		4,945.75
66	52220 Board Exp - Meals & Lodging		19,867.01		0.00		19,867.01
67	52230 Board Exp - Education/Training		3,440.34		0.00		3,440.34
68	Total - BOARD COMPENSATIONS		64,253.10		0.00		64,253.10
69	53 - PROFESSIONAL FEE						
70	53110 Auditing & Accounting Fees		38,901.64		0.00		38,901.64
71	53120 Legal Services		43,952.67		1,741.36		45,694.03
72	53130 Engineering		19,170.81		0.00		19,170.81
73	53140 Laboratory Analysis		9,921.37		0.00		9,921.37
74	53150 Outside Service		168,634.63		7,276.55		175,911.18
75	53160 Permits & Fees		11,934.82		1,085.54		13,020.36
76	53170 Software Support		59,263.03		0.00		59,263.03
77	Total - PROFESSIONAL FEE		351,778.98		10,103.45		361,882.43
78	54 - SERVICE AND SUPPLIES						
79	54110 Advertising		782.50		2,035.73		2,818.24
80	54140 Auto Expense		2,654.98		0.00		2,654.98
81	54170 Auto Allowance		8,411.81		0.00		8,411.81
82	54200 Credit Card Fee & Bank Charges		11,121.54		0.00		11,121.54
83	54230 Dues & Subscriptions		31,085.64		479.59		31,565.23
84	54260 Education & Training		22,779.14		0.00		22,779.14
85	54290 Employment Expense		1,032.76		0.00		1,032.76

			TOTAL ENTERPRISE FUNDS		TOTAL GOVERNMENT FUNDS		TOTAL ALL FUNDS	
			2011/2012	BUDGET	2011/2012	BUDGET	2011/2012	BUDGET
86	54320	General Maintenance		1,629.47	0.00			1,629.47
87	54350	Insurance		84,615.58	2,595.07			87,210.65
88	54380	Insurance - Vehicle		26,424.33	1,543.21			27,967.53
89	54410	Fuel Costs		86,031.63	2,655.06			88,686.69
90	54440	Meeting, Seminar & Supplies		4,735.68	460.04			5,195.71
91	54470	Travel Expense		9,355.34	0.00			9,355.34
92	54500	Operating Supplies		52,538.40	3,696.23			56,234.63
93	54530	Office Supplies		24,322.04	112.57			24,434.62
94	54620	Repair & Maintenance		154,283.89	14,642.38			168,926.28
95	54650	Small Tools		13,197.46	611.91			13,809.37
96	54680	Uniforms		17,586.21	1,195.35			18,781.56
97	54710	Vehicle Maintenance		36,123.84	55.05			36,178.90
98	54740	Easement Lease		627.19	0.00			627.19
99	54770	Computer & Equip Maintenance		7,658.96	0.00			7,658.96
100	54800	Programs (Wtr Conservation,etc)		29,613.23	25,184.89			54,798.11
101	54830	State & County Fees & Services		23,934.73	152.25			24,086.98
102	54860	Postage & Mailing		22,063.07	55.66			22,118.73
103	54890	Printing		5,883.15	0.00			5,883.15
104	54920	Public Relation		20,228.46	0.00			20,228.46
105	57110	Equipment Rental/ Lease		21,781.65	1,084.60			22,866.25
106	Total - SERVICE AND SUPPLIES			720,502.69	56,559.59			777,062.28
107	57 - RENT							
108	57210	Rent		0.00	0.00			0.00
109	57310	Storage Rent		0.00	0.00			0.00
110	Total - RENT			0.00	0.00			0.00
111	58 - UTILITIES - Electric/Phone/Gas							
112	58010	Telephone		19,959.52	421.88			20,381.41
113	58110	Utilities - Operations		0.00	0.00			0.00
114	58111	Utilities - Street Lights		0.00	15,716.25			15,716.25
115	58110	Utilities - Operations - Other		895,711.31	9,360.45			905,071.76
116	Total 58100 - Utilities			895,711.31	25,076.70			920,788.01
117	Total - UTILITIES - Electric/Phone/Gas			915,670.83	25,498.59			941,169.42
118	59 - OTHER- Depreciation/Amort, etc.							
119	59310	Other Operating Expenses		23.57	0.00			23.57
120	59110	Property Taxes		241.47	0.00			241.47
121	59120	Depreciation & Amortization		1,364,284.00	56,028.00			1,420,312.00
122	Total - OTHER- Depreciation/Amort, etc.			1,364,549.04	56,028.00			1,420,577.04
123	Total Expense			5,204,240.01	308,241.65			5,512,481.61
124	Net Ordinary Income			(1,256,306.74)	(290,118.45)			(1,546,425.17)
125	Other Income/Expense							
126	Other Income							
127	70 - PROPERTY TAXES							
128	71110	Property Taxes - Curr Sec		0.00	704,316.61			704,316.61
129	71120	Property Taxes - Curr Unsec		0.00	57,090.28			57,090.28
130	71130	Property Taxes - Curr Supplimen		127.08	(4,486.73)			(4,359.65)

			TOTAL ENTERPRISE FUNDS		TOTAL GOVERNMENT FUNDS		TOTAL ALL FUNDS	
			2011/2012	BUDGET	2011/2012	BUDGET	2011/2012	BUDGET
131	71140	Property Taxes - Curr Unitary		0.00		18,637.22		18,637.22
132	71150	Property Taxes - Curr Other		0.00		8,544.00		8,544.00
133	72110	Property Taxes - Prior Sec		0.00		37,699.22		37,699.22
134	72120	Property Taxes - Prior Unsec		0.00		1,022.03		1,022.03
135	72130	Property Taxes - Prior Supplimn		1,077.14		6,241.14		7,318.28
136	72150	Property Taxes - Prior Other		0.00		894.43		894.43
137	73160	Property Taxes - Homeowner		1,015.82		8,276.45		9,292.26
138	73170	Tax Penalties & Others		441.48		19,952.50		20,393.98
139	Total - PROPERTY TAXES			2,661.51		858,187.17		860,848.68
140	71 - SPECIAL ASSESSMENT							
141	74110	Special Assessments		359,496.38		0.00		359,496.38
142	Total - SPECIAL ASSESSMENT			359,496.38		0.00		359,496.38
143	72 - STATE / COUNTY ASSISTANCE							
144	84110	County Assistance - Park		0.00		0.00		0.00
145	84130	Share of County's Pooled Equip.		0.00		0.00		0.00
146	Total - STATE / COUNTY ASSISTANCE			0.00		0.00		0.00
147	75 - PENALTIES & OTHER FEE							
148	86110	Penalties & Other Fees - Adm		0.00		0.00		0.00
149	86120	Penalties & Other Fees		84,098.21		0.00		84,098.21
150	Total - PENALTIES & OTHER FEE			84,098.21		0.00		84,098.21
151	78 - INVESTMENT INCOME							
152	87110	Interest Income		92,786.71		(67.69)		92,719.01
153	Total - INVESTMENT INCOME			92,786.71		(67.69)		92,719.01
154	791 - OTHER INCOME							
155	88120	Other Income - Water Other		5,225.55		0.00		5,225.55
156	88150	Other Income - County		0.00		0.00		0.00
157	Total - OTHER INCOME			5,225.55		0.00		5,225.55
158	Total Other Income			184,771.98		1,217,615.75		1,402,387.83
159	Other Expense							
160	796 - Other Expense							
161	91010	Interest Expense		113,524.06		0.00		113,524.06
162	92010	Loan Administrator Fee		10,000.00		0.00		10,000.00
163	93010	Tax Deduction		2.86		2,819.24		2,822.11
164	95010	Net Incr/Decr in Fair Value		696.38		0.00		696.38
165	Total - Other Expense			124,223.30		2,819.24		127,042.54
166	Total Other Expense			124,223.30		2,819.24		127,042.54
167	Net Other Income			60,548.68		1,214,796.51		1,275,345.29
	Net Income			(1,195,758.06)		924,678.05		(271,079.88)

CIP PROJECTS

**Phelan Piñon Hills Community Services District
Budget 2011/2012**

**PROJECT LIST
2011/2012 CIP Projects**

			ESTIMATE 2010/2011
	PROJECT	DESCRIPTION/LOCATION	
1	Master Plan Boosters	3C Booster A & B Upsize	8,000.00
2	* Emergency Power Plugs	Install emergency power plugs at 4 sites	75,000.00
3	Tank Rehabs	10-Year Contract	215,000.00
4	Level Control & Pump Valves	Possible rebuilds of equipment	40,000.00
5	Well Rehabs	Rehabilitation of wells	120,000.00
6	Booster Rehabilitation	Rehabilitation of booster pumps	50,000.00
7	Tank Exterior	Blast and Paint	95,000.00
8	SCADA	Upgrade of 6 of the remaining sites	15,000.00
9	Site 2B Upgrade	New Buildings, boosters, cans, plumbing & elect.	10,000.00
10	PRV Stations	Inspect and possible rebuild of 30 stations	40,000.00
11	* Solar Power Project	To supplement District power costs	250,000.00
12	* Adjudication of Water Rights		250,000.00
13	** Electronic Sign	Warbler/Sheep Creek	30,000.00
14	** GIS/Mapping	Convert GIS and mapping to new system	25,000.00
			<u>\$ 1,223,000.00</u>
15	*/** Pinon Hills Park	Improvements	175,000.00
			<u>175,000.00</u>
TOTAL PROJECTS			1,398,000.00

*Carry over from prior year budget

**Not on Matrix.

CAPITAL PURCHASES

**Phelan Piñon Hills Community Services District
Budget 2011/2012**

2011/2012 CAPITAL PURCHASES

DESCRIPTION		
1	WATER OPERATIONS	
2		
3		
4		
5		
6		
7		
8		
9	TOTAL WATER OPERATIONS	0.00
10	METER MAINTENANCE/CONSERVATION	
11		
12		
13		
14		
15		
16		
17		
18	TOTAL METER MAINTENANCE/CONSERVATION	0.00
19	VEHICLES:	
20		
21		
22		
23		
24		
25		
26		
27		
28	TOTAL VEHICLE & EQUIPMENT	0.00
29	ENGINEERING	
30	Software Updates - H2o Net, ESRI, Trimble GPS	7,000.00
31	Nobel - GIS Support Software - new software for GIS conversion/interface	15,000.00
32		
33		
34		
35		
36		
37		
38	TOTAL ENGINEERING	22,000.00
39	OFFICE	
40	COMPUTER EQUIPMENT:	
41		
42		
43		
44		
45		
46		
47		
48	TOTAL OFFICE	0.00
49	TOTAL CAPITAL PURCHASES	\$ 22,000.00

CASH FLOW

**Phelan Pinon Hills Community Services District
Budget 2011/2012**

CASH FLOW PROJECTIONS					
	OPERATIONAL ACTIVITIES				
		Net Profit (Loss) 2011/2012	\$ (271,079.88)		
		Depreciation	1,420,312.00		
		Cash available from operations 2010/2011	\$ 1,149,232.12		
	INVESTMENT ACTIVITIES				
		Projects 2011/2012	\$ (1,398,000.00)		
		Capital Purchases 2011/2012	(22,000.00)		
		Total Investment Activity 2011/2012	\$ (1,420,000.00)		
	FINANCE ACTIVITIES				
		CIEDB Loan (Principal)	\$ (108,000.00)		
		Total Finance Activity 2011/2012	\$ (108,000.00)		
	NET CASH FROM 2011/2012 ACTIVITIES			\$ (378,767.88)	
	CASH IN BANK				
		Cash in Bank Beginning Balance	\$ 11,369,600.00		
		Board Approved Reserves *	(6,733,905.00)		
		Cash Available for 2011/2012 Activities		\$ 4,635,695.00	
		Net Cash		\$ 4,256,927.12	
	*Reserves average of Directors suggestions per workshop				

Budget Forecast

**Phelan Pinon Hills Community Services District
Budget 2011/2012**

Forecast Model

PPHCSD Forecast				
Assumptions	2012/13	2013/14	2014/15	2015/16
Rate Increase	3.0%	3.5%	4.0%	5.0%
Merit	1.5%	2.0%	2.0%	2.0%
Expenses	2.0%	2.5%	3.0%	3.0%

	2011/2012	2012/13	2013/14	2014/15	2015/16
1 Operating Revenue					
2 Water Sales	\$ 3,850,992	\$ 3,966,522	\$ 4,105,350	\$ 4,269,564	\$ 4,483,043
3 Other Services	96,941	96,941	96,941	96,941	96,941
4 Total Operating Revenues	<u>\$ 3,947,933</u>	<u>\$ 4,063,463</u>	<u>\$ 4,202,291</u>	<u>\$ 4,366,505</u>	<u>\$ 4,579,984</u>
5					
6 Operating Expenses					
7 Water Purchases	244,500	249,390	255,625	263,293	271,192
8 Professional Services	351,779	358,815	367,785	378,818	390,183
9 Salaries and Benefits - Enterprise	1,542,985	1,566,130	1,597,453	1,629,402	1,661,990
10 Services and Supplies - Enterprise	720,503	734,913	753,286	775,884	799,161
11 Rents and Leases	-	-	-	-	-
12 Utilities	915,671	466,992	239,333	246,513	253,909
13 Depreciation	1,364,284	1,391,570	1,558,403	1,622,070	1,707,236
14 Other	964	984	1,008	1,038	1,070
15 Board Compensation	64,253	65,538	67,177	69,192	71,268
16 Total Operating Expenses	<u>\$ 5,204,939</u>	<u>\$ 4,834,331</u>	<u>\$ 4,840,069</u>	<u>\$ 4,986,211</u>	<u>\$ 5,156,008</u>
17					
18 Net Operational Income (Water & Admin)	\$ (1,257,006)	\$ (770,868)	\$ (637,778)	\$ (619,706)	\$ (576,025)
19					
20 Non-Operating Revenues (Expenses)					
21 Investment Earnings	92,719	92,719	92,719	92,719	92,719
22 Investment Expense	(123,524)	(123,524)	(123,524)	(123,524)	(123,524)
23 Property Taxes	860,849	860,849	860,849	860,849	860,849
24 Special Assessments	359,496	359,496	359,496	359,496	359,496
25 Other Taxes	-	-	-	-	-
26 State/County Assist (Incl County Equipment)	-	-	-	-	-
27 Penalties	84,098	84,098	84,098	84,098	84,098
28 Other Income	5,226	5,226	5,226	5,226	5,226
29 Connection Fees	-	-	-	-	-
30 Ordinary Income Government Funds	18,123	18,123	18,123	18,123	18,123
31 Ordinary Expense Government Funds	(308,242)	(314,406)	(322,267)	(331,935)	(341,893)
32 Other Income/Expenses Government Funds*	(2,819)	(2,819)	(2,819)	(2,819)	(2,819)
33 Net Non-Operating Revenues (Expenses)	\$ 985,926	\$ 979,761	\$ 971,901	\$ 962,233	\$ 952,275
34					
35 Net Income	\$ (271,080)	\$ 208,893	\$ 334,123	\$ 342,527	\$ 376,250
36					
37 Depreciation	\$ 1,420,284	\$ 1,447,570	\$ 1,614,403	\$ 1,678,070	\$ 1,763,236
38 Loan Principal Payments	(108,000)	(110,000)	(115,000)	(119,000)	(123,000)
39 Net Cash Avail for Projects/Reserves	\$ 1,041,204	\$ 1,546,463	\$ 1,833,526	\$ 1,901,597	\$ 2,016,487
40					
41 Beginning Cash in Bank (in Forcast Years = Cash B	\$ 11,369,600.00	\$ 10,990,804.08	\$ 7,510,267.05	\$ 7,411,793.22	\$ 6,736,389.94
42 RESERVES	-6,733,905.00	-6,845,745.00	-7,246,145.00	-7,398,945.00	-7,603,345.00
43 CIP PROJECTS	-1,398,000.00	-5,005,000.00	-1,910,000.00	-2,555,000.00	-2,160,000.00
44 CAPITAL PURCHASES	-22,000.00	-22,000.00	-22,000.00	-22,000.00	-22,000.00
45 CASH BALANCE = AVAILABLE CASH FOR NEXT	\$ 4,256,899.08	\$ 664,522.05	\$ 165,648.22	\$ (662,555.06)	\$ (1,032,468.39)

Note A: Assumes that the Solar Project will save 1/2 of the utility costs in the first year and 3/4 thereafter.

Note B: Depreciation changes based on the additional assets (CIP Projects) added in the prior year.

Note C: Based on average of reserve levels recommended by Directors + Assumes additional assets each year x .08 = additional reserves

JOB CLASSIFICATIONS

**Phelan Piñon Hills Community Services District
JOB CLASSIFICATIONS**

JOB TITLE	Level	Salary Range	
		Step Ranges	
		MINIMUM	MAXIMUM
ADMINISTRATIVE TECH I	50	16.38	20.46
ADMINISTRATIVE TECH II	60	18.06	22.56
ADMINISTRATIVE TECH III	80	21.96	27.42
PARKS MAINTENANCE I	40	14.86	18.56
PARKS MAINTENANCE II	60	18.06	22.56
PARKS OPERATIONS SUPVSR	85	23.05	28.79
CUST. SERVICE/METER TECH I	60	18.06	22.56
CUST. SERVICE/METER TECH II	75	20.91	26.11
CUST. SERVICE/MTR SUPVSR	90	24.21	30.23
WATER SYSTEM OPERATOR I	60	18.06	22.56
WATER SYSTEM OPERATOR II	75	20.91	26.11
WATER OPERATIONS SUPVSR	95	25.42	31.74
BOARD SECTY/HR/RISK MGMT	95	25.42	31.74
ENGINEERING TECH/INSPECTOR	95	25.42	31.74
OPERATIONS MANAGER	110	33.63	41.99
PROJECT COORDINATOR	105	32.03	40.00
ADMIN. SVCS MGR/TREASURER	125	44.49	55.56
GENERAL MANAGER	CONTRACT		

SALARY RANGES

Phelan Piñon Hills Community Services District

2011/2012 SALARY RANGES - 2.5% between steps Includes 1.3% COLA

Step:	1	2	3	4	5	6	7	8	9	10
5	8.00	8.20	8.41	8.62	8.83	9.05	9.28	9.51	9.75	9.99
	1,386.67	1,421.33	1,456.87	1,493.29	1,530.62	1,568.89	1,608.11	1,648.31	1,689.52	1,731.76
10	8.40	8.61	8.83	9.05	9.27	9.50	9.74	9.98	10.23	10.49
	1,456.00	1,492.40	1,529.71	1,567.95	1,607.15	1,647.33	1,688.51	1,730.73	1,773.99	1,818.34
15	8.82	9.04	9.27	9.50	9.74	9.98	10.23	10.48	10.75	11.01
	1,528.80	1,567.02	1,606.20	1,646.35	1,687.51	1,729.70	1,772.94	1,817.26	1,862.69	1,909.26
20	9.26	9.49	9.73	9.97	10.22	10.48	10.74	11.01	11.28	11.57
	1,605.24	1,645.37	1,686.51	1,728.67	1,771.88	1,816.18	1,861.59	1,908.13	1,955.83	2,004.72
25	9.72	9.97	10.22	10.47	10.73	11.00	11.28	11.56	11.85	12.14
	1,685.50	1,727.64	1,770.83	1,815.10	1,860.48	1,906.99	1,954.67	2,003.53	2,053.62	2,104.96
30	10.21	10.47	10.73	11.00	11.27	11.55	11.84	12.14	12.44	12.75
	1,769.78	1,814.02	1,859.37	1,905.86	1,953.50	2,002.34	2,052.40	2,103.71	2,156.30	2,210.21
35	10.72	10.99	11.26	11.55	11.83	12.13	12.43	12.74	13.06	13.39
	1,858.27	1,904.72	1,952.34	2,001.15	2,051.18	2,102.46	2,155.02	2,208.89	2,264.12	2,320.72
40	14.86	15.23	15.61	16.00	16.40	16.81	17.23	17.66	18.11	18.56
	2,575.86	2,640.25	2,706.26	2,773.92	2,843.26	2,914.35	2,987.20	3,061.88	3,138.43	3,216.89
45	15.60	15.99	16.39	16.80	17.22	17.65	18.10	18.55	19.01	19.49
	2,704.65	2,772.27	2,841.57	2,912.61	2,985.43	3,060.06	3,136.56	3,214.98	3,295.35	3,377.74
50	16.38	16.79	17.21	17.64	18.08	18.54	19.00	19.48	19.96	20.46
	2,839.88	2,910.88	2,983.65	3,058.24	3,134.70	3,213.07	3,293.39	3,375.73	3,460.12	3,546.62
55	17.20	17.63	18.07	18.53	18.99	19.46	19.95	20.45	20.96	21.48
	2,981.88	3,056.42	3,132.83	3,211.15	3,291.43	3,373.72	3,458.06	3,544.51	3,633.13	3,723.95
60	18.06	18.51	18.98	19.45	19.94	20.44	20.95	21.47	22.01	22.56
	3,130.97	3,209.24	3,289.47	3,371.71	3,456.00	3,542.40	3,630.96	3,721.74	3,814.78	3,910.15
65	18.97	19.44	19.93	20.42	20.94	21.46	22.00	22.55	23.11	23.69
	3,287.52	3,369.71	3,453.95	3,540.30	3,628.80	3,719.52	3,812.51	3,907.83	4,005.52	4,105.66
70	19.91	20.41	20.92	21.45	21.98	22.53	23.10	23.67	24.26	24.87
	3,451.89	3,538.19	3,626.65	3,717.31	3,810.25	3,905.50	4,003.14	4,103.22	4,205.80	4,310.94
75	20.91	21.43	21.97	22.52	23.08	23.66	24.25	24.86	25.48	26.11
	3,624.49	3,715.10	3,807.98	3,903.18	4,000.76	4,100.78	4,203.30	4,308.38	4,416.09	4,526.49
80	21.96	22.50	23.07	23.64	24.24	24.84	25.46	26.10	26.75	27.42
	3,805.71	3,900.86	3,998.38	4,098.34	4,200.80	4,305.82	4,413.46	4,523.80	4,636.89	4,752.81
85	23.05	23.63	24.22	24.83	25.45	26.08	26.74	27.40	28.09	28.79
	3,996.00	4,095.90	4,198.30	4,303.25	4,410.83	4,521.11	4,634.13	4,749.99	4,868.74	4,990.45
90	24.21	24.81	25.43	26.07	26.72	27.39	28.07	28.77	29.49	30.23
	4,195.80	4,300.69	4,408.21	4,518.42	4,631.38	4,747.16	4,865.84	4,987.49	5,112.17	5,239.98
95	25.42	26.05	26.70	27.37	28.06	28.76	29.48	30.21	30.97	31.74
	4,405.59	4,515.73	4,628.62	4,744.34	4,862.95	4,984.52	5,109.13	5,236.86	5,367.78	5,501.98
100	30.50	31.26	32.04	32.85	33.67	34.51	35.37	36.26	37.16	38.09
	5,286.71	5,418.87	5,554.35	5,693.20	5,835.53	5,981.42	6,130.96	6,284.23	6,441.34	6,602.37
105	32.03	32.83	33.65	34.49	35.35	36.23	37.14	38.07	39.02	40.00
	5,551.04	5,689.82	5,832.06	5,977.86	6,127.31	6,280.49	6,437.51	6,598.44	6,763.41	6,932.49
110	33.63	34.47	35.33	36.21	37.12	38.05	39.00	39.97	40.97	41.99
	5,828.59	5,974.31	6,123.67	6,276.76	6,433.68	6,594.52	6,759.38	6,928.37	7,101.58	7,279.11
115	35.31	36.19	37.10	38.02	38.97	39.95	40.95	41.97	43.02	44.09
	6,120.02	6,273.02	6,429.85	6,590.60	6,755.36	6,924.24	7,097.35	7,274.78	7,456.65	7,643.07
120	42.37	43.43	44.51	45.63	46.77	47.94	49.14	50.36	51.62	52.91
	7,344.03	7,527.63	7,715.82	7,908.71	8,106.43	8,309.09	8,516.82	8,729.74	8,947.99	9,171.68
125	44.49	45.60	46.74	47.91	49.11	50.33	51.59	52.88	54.20	55.56
	7,711.23	7,904.01	8,101.61	8,304.15	8,511.75	8,724.55	8,942.66	9,166.23	9,395.38	9,630.27
130	46.71	47.88	49.08	50.30	51.56	52.85	54.17	55.53	56.91	58.34
	8,096.79	8,299.21	8,506.69	8,719.36	8,937.34	9,160.78	9,389.80	9,624.54	9,865.15	10,111.78
135	49.05	50.27	51.53	52.82	54.14	55.49	56.88	58.30	59.76	61.25
	8,501.63	8,714.17	8,932.03	9,155.33	9,384.21	9,618.81	9,859.28	10,105.77	10,358.41	10,617.37
140	51.50	52.79	54.11	55.46	56.85	58.27	59.72	61.22	62.75	64.32
	8,926.71	9,149.88	9,378.63	9,613.09	9,853.42	10,099.76	10,352.25	10,611.06	10,876.33	11,148.24
145	54.08	55.43	56.81	58.23	59.69	61.18	62.71	64.28	65.89	67.53
	9,373.05	9,607.37	9,847.56	10,093.75	10,346.09	10,604.74	10,869.86	11,141.61	11,420.15	11,705.65
150	56.78	58.20	59.65	61.14	62.67	64.24	65.85	67.49	69.18	70.91
	9,841.70	10,087.74	10,339.94	10,598.43	10,863.40	11,134.98	11,413.35	11,698.69	11,991.16	12,290.93