



# Phelan Piñon Hills Community Services District

4176 Warbler Road • P. O. Box 294049 • Phelan, CA 92329-4049 • (760) 868-1212 Fax (760) 868-2323

## SPECIAL BOARD MEETING AGENDA October 23, 2013 Phelan Community Center 4128 Warbler Road, Phelan, CA 92371

### SPECIAL BOARD MEETING WORKSHOP – 6:00 P.M.

**Call to Order** – Pledge of Allegiance

#### Roll Call

#### 1. Approval of Agenda

2. **Public Comment** – Under this item, any member of the public wishing to directly address the Board on any item of interest that is within the subject matter jurisdiction of the Board, but not listed on the agenda, may do so at this time. However, the Board is prohibited by law from taking any action on any item not appearing on the agenda unless the action is otherwise authorized by the Brown Act. Any member of the public wishing to directly address the Board on any item listed on the agenda may do so when the item is being considered by the Board. If you wish to address the Board, please complete a Comment Card and present it to the Board Secretary. Speakers are requested to be brief in their remarks. The Chair may limit each speaker to a comment period of five (5) minutes.

#### 3. Water Rate Study Workshop – Raftelis Financial Consultants, Inc.

#### Adjourn

*Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-agendized public meeting should be directed to the District's General Manager at (760) 868-1212 at least 24 hours prior to said meeting.*

#### **Mission Statement**

The Mission of the Phelan Piñon Hills Community Services District is to provide all authorized services reliably and economically for the promotion of community development and to utilize all available resources for maximum beneficial use.

#### **Vision Statement**

To develop a Community Services District that enhances the living experience for all people within the District.

# PHELAN PINON HILLS CSD

## WATER RATE STUDY UPDATE



OCTOBER 23, 2013



# OBJECTIVES

2

- Adopted Financial Plan for Prop. 218 Noticing
- Current Financial Position
- Recent Usage
- Recommendation
- Model Review

# ADOPTED FINANCIAL PLAN



	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
	Lock	Lock	Lock	Lock	Lock	Lock	Lock
Proposed Revenue Increase	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	4.0%
Days of Operating Reserves	186	202	153	153	153	153	150
Debt Service Coverage (110%)	297.1%	212.8%	216.1%	220.3%	225.7%	232.4%	232.1%
Annual Net Income	\$ 819,896	\$ 690,229	\$ 708,811	\$ 733,669	\$ 765,244	\$ 804,160	\$ 801,025
Net Income with 60% Depreciation	\$ 402,805	\$ 690,229	\$ 287,172	\$ 57,030	\$ 333,605	\$ 127,521	\$ 181,386
PPE (Minimum Balance \$4,115,000)	\$ 5,618,776	\$ 3,318,703	\$ 3,492,222	\$ 3,943,737	\$ 4,120,000	\$ 4,120,000	\$ 4,166,389
Disaster Response (Minimum \$3,726,797)	\$ 3,726,797	\$ 2,101,797	\$ 2,101,797	\$ 2,101,797	\$ 2,161,673	\$ 2,739,562	\$ 3,726,797

# 2013/2014 UPDATE



	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
	Lock	Lock	Lock	Lock	Lock	Lock	Lock
Proposed Revenue Increase	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	4.0%
Days of Operating Reserves	186	156	151	150	148	151	149
Debt Service Coverage (110%)	297.1%	204.9%	208.6%	213.4%	219.3%	226.4%	226.7%
Annual Net Income	\$ 819,896	\$ 634,615	\$ 663,346	\$ 691,230	\$ 725,963	\$ 768,174	\$ 768,477
Net Income with 60% Depreciation	\$ 207,805	\$ 315,728	\$ 663,346	\$ 14,591	\$ 294,324	\$ 91,535	\$ 148,838
PPE (Minimum Balance \$4,115,000)	\$ 6,436,776	\$ 4,120,000	\$ 3,246,326	\$ 3,697,965	\$ 3,883,785	\$ 4,120,000	\$ 4,120,000
Disaster Response (Minimum \$3,726,797)	\$ 3,726,797	\$ 2,734,851	\$ 2,734,851	\$ 2,734,851	\$ 2,734,851	\$ 2,996,475	\$ 3,697,133

- District is financially healthy in any one given year
- Holistically, original goal was to met reserve targets by FY 2018-19
- Reserves targets will be met after FYE 2019
- 1 year delay
  - Additional water right appropriations (\$800,000)
  - Updated budget and cash balances

# WATER USAGE

5

- Most recent consumption data
  - August 2012 – August 2013
- Total Usage = 1,126,056 HCF
- FYE 2013 usage utilized in Analysis = 1,090,420 HCF
- Slight Difference = 3%
  - Minimal Change

# CHANGES FROM 2013

6

- Recommendations
  - Implement 6% revenue adjustment on January 1, 2014
  - Any reduction in revenue adjustments would delay meeting reserve targets by FY 2018-19