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MEMORANDUM

DATE: February 3, 2021

REVISED MEMO 2/3/2021

TO: Board of Directors

FROM: Don Bartz, General Manager
By: Lori Lowrance

SUBJECT: Discussion & Possible Adoption the Reserves Schedule for 2020/2021

STAFF RECOMMENDATION

Staff recommends for the Board to approve the 2020/2021 Reserves Schedule in compliance with Resolution No. 2020-02; Reserves Policy.

BACKGROUND

Each year, the Board is to consider and approve the reserve schedule for that year, after the final audit is approved for the prior year, generally in January of each year. The reserves policy was established by the Board after a series of workshops in 2012. Modifications were made to the policy in 2016 and IN 2020. the current Resolution was adopted by the Board on February 5, 2020.

The reserves schedule for 2020/2021 is attached for consideration.

FISCAL IMPACT

\$11,724,245

ATTACHMENT(S)

2020/2021 Proposed Schedule for Resolution 2020-02
Historical Reserves Schedule
Resolution No. 2020-02; Establishing a Reserves Policy

IMPACTS TO EXPENSES/REVENUES AND CASH

COVID EXPENSES

Description	Amount
County Reimbursement	-5,000.00
COVID Signs	244.58
COVID Cleaning Supplies/Sanitizer	1,446.07
COVID PPE	1,697.16
Zoom Account	1,714.70
Meals	1,729.20
Air circulation equipment	1,949.75
Temp EE wages & benefits	2,132.82
Laptops/Electronics	4,541.76
COVID Test kits	5,056.00
COVID Sick wages & benefits	33,133.26
Grand Total	\$ 48,645.30

REVENUES IMPACTED BY COVID FY 2020/2021

Credit Card Fees	07/01/2020-06/30/2021	55,200.00
Late Fees	07/01/2020-12/31/2020	78,604.70
		\$ 133,804.70

Additionally, water sales loss of \$209,637 was budgeted (rate increase deferred through 01/31/2021) and determined that we would fund with operational reserves. We have not yet determined how we will repay the reserves.

OTHER UPCOMING IMPACT TO CASH

Antelope Valley Watermaster \$ 1,352,335.46
 This item is going to be brought to the Board for determination of how it will be funded (reserves, etc.)

Year	Acre Ft	Rate	Amount Due
2016	770.63	888.00	684,319.44
2017	385.18	896.00	345,121.28
2018	176.83	914.00	161,622.62
2019	3.16	932.00	2,945.12
2020	166.66	950.00	158,327.00
			\$ 1,352,335.46

Note: 2016-2019 was expensed in 2019 and recorded as a liability, pending outcome of legal efforts. 2020 will impact current year expenses and was not budgeted. The total will impact cash.