



PALMDALE WATER DISTRICT

OPERATING BUDGET – Calendar Year 2016

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Since 1918



PALMDALE WATER DISTRICT

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On behalf of the Palmdale Water District Board of Directors, I am pleased to present the budget for Calendar Year (CY) 2016 approved January 19, 2016.

Palmdale Water District expects operating revenues of \$21.7 million with \$22.7 million of operating expenses. Planned capital expenditures are \$2.4 million, and financial obligations for payment of principal and interest on debt are \$3.9 million. Budgeted salary and benefits expense is slightly less compared to CY 2015.

The CY 2016 Budget addresses the Board of Director's updated Strategic Plan, the continuing drought in California, and the implementation of the Antelope Valley Adjudication Judgement. Palmdale Water District continues its focus on essential services and improvements that will provide efficiency and productivity gains, high quality customer service, and lays the foundation for a more diversified and drought-resistant water supply portfolio.

This year's presentation of the Budget departs from prior years. The Introduction, Budget Summary, Basis of Budget, Departments, and Appendix assist readers to easily find information. More detailed information is always available at www.palmdalewater.org or from Palmdale Water District staff. Please feel free to contact myself or the Financial Department staff if you have any questions.

Very truly yours,

DENNIS D. LaMOREAUX,
General Manager

DDL/ddl



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INTRODUCTION

Thank you for your interest in Palmdale Water District and the approved 2016 Budget. The following provides an overview of the 2016 Budget and how it relates to the 2016 Strategic Plan Update.



Palmdale Water District was formed in 1918 by a vote of its customers as a public Irrigation District under Division 11 of the California Water Code. It previously served the community of Palmdale as various forms of a private company for over 30 years. As a public agency, it formed a partnership with the neighboring Littlerock Creek Irrigation District to finance and build Littlerock Dam. This was and remains a key water source for both districts and their customers. Other significant milestones include becoming a contractor to the State Water Project and reconstructing Palmdale Dam in the 1960's. These demonstrate how the District's foresight and planning has created a strong

foundation for the community of Palmdale.

Palmdale Water District is now in its 97th year as a public agency and will begin its 98th year in July. The District retains a focus on providing a critical service to the community through this approved Budget. The focus is identified in the District's 2016 Strategic Plan, including the following Mission and Vision Statements.



MISSION

Providing high quality water to our current and future customers at a reasonable cost.

VISION

To strive for excellence in providing high quality, reasonably priced water in a growing Antelope Valley by participating in local and regional water issues as a strong advocate for our customers, public education, asset management, water conservation, planning and securing additional water supplies, continuing our commitment to operate efficiently with the help of emerging technologies, challenging, motivating and rewarding our employees and offering premium customer service in all we do.

STRATEGIC PLAN

The District’s Strategic Plan is initiative based so they remain dynamic and match the ever-changing environmental conditions. Below are the initiative categories that were established in 2014 and updated in 2016. The 2016 Update added an initiative focused on finances. This is a true reflection and recognition of the fact that providing essential services for our customers requires a solid financial footing.

CY 2014

Initiative No. 1 - Outstanding Water Management	Initiative No. 2 - Increased Efficiency	Initiative No. 3 - Infrastructure	Initiative No. 4 - Regional Leadership	Initiative No. 5 - Exceptional Customer Service
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CY 2016 Update

Initiative No. 1 - Water Resource Reliability	Initiative No. 2 – Organizational Excellence	Initiative No. 3 – Systems Efficiency	Initiative No. 4 - Financial Health and Stability	Initiative No. 5 – Regional Leadership	Initiative No. 6 – Customer Care and Advocacy
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2016 STRATEGIC PLAN

The following is a list of the Strategic Initiatives that includes the more specific areas of focus through policy development and projects. The Strategic Initiatives were established through involvement with the Board of Directors and Management Staff. The six (6) Strategic Initiatives serve as the driving force behind the CY 2016 Budget.

Initiative No. 1 - Water Resource Reliability

- 2015 Urban Water Management Plan, drought response
- Palmdale Regional Groundwater Recharge & Recovery Project
- Littlerock Reservoir Sediment Removal Project
- Recycled water allocation and use
- Granular Activated Carbon (GAC) use and research

Initiative No. 2 – Organizational Excellence

- Optimize outsourcing opportunities
- Maintain formal management/supervisor training and development program
- Maintain competitive compensation and benefits package
- Employee wellness program
- Succession planning
- Board/staff events to develop innovative ideas and awards

Initiative No. 3 – Systems Efficiency

- Water system Master Plan update and related EIR
- Reinvestment in aging infrastructure
- Investment, implementation, and training plan for new technology
- Computerized maintenance management software (CMMS)
- Explore energy independence

Initiative No. 4 - Financial Health and Stability

- Pursue Federal and State funding opportunities
- Sustainable and balanced rate structure
- Maintain adequate reserve levels
- Maintain high level bond rating

Initiative No. 5 – Regional Leadership

- Create a regional best practices Antelope Valley partnership
- Enhance community partnerships and expand school programs in water education
- Continue to educate and engage elected officials in water related issues
- Emphasize the importance and long history of the District as a community asset
- Enhance community opportunities for the youth of the Antelope Valley
- Continue to evaluate District internship needs

Initiative No. 6 – Customer Care and Advocacy

- Customer Care accessibility through automation
- Evaluate, develop, and market additional payment options
- Improve customer account management tools
- Enhance customer experience through assessment of infrastructure, processes, and policies to maximize the Customer Care experience

OPERATING BUDGET

The Palmdale Water District 2015 Budget projected near normal water sales because the State was only under a voluntary water conservation order by the Governor. This changed in April 2015 when Governor Brown issued an Executive Order requiring 25% statewide mandatory conservation. The implementation of the Order by the State Water Resources Control Board required the District to reach a mandated reduction of 32% through February 2016. The District's 2016 budget reflects accordingly the reduced water sales continuing into calendar year 2016. (District Management was informed on November 13, 2015 that Governor Brown has signed an extension of his original executive order extending mandatory water cutbacks till October 2016 if drought conditions persist.)

The District's CY 2016 Operating Revenues are budgeted at \$21.6 million compared to \$23.3 in the CY 2015 Budget, an overall 7.0% decrease. Operating Revenues by category are summarized below:

	CY 2015 BUDGET	CY 2016 BUDGET	% Change
OPERATING REVENUES:			
Water consumption sales	\$ 8,775,500	\$ 7,402,000	(15.7%)
Monthly meter service charge	11,506,000	12,079,000	5.0%
Water quality fees	1,146,500	934,500	(18.5%)
Elevation Fees	525,000	400,000	(23.8%)
Other water service charges	1,350,000	860,000	(36.3%)
TOTAL OPERATING REVENUES:	\$ 23,303,000	\$ 21,675,500	(7.0%)

The District's CY 2016 Operating Expenses are budgeted at \$22.6 million compared to \$23.3 in the CY 2015 budget, an overall 2.8% decrease. Operating Expenses by category are summarized below:

OPERATING EXPENSES:			
Source of supply - purchased water	\$ 3,696,500	\$ 2,659,500	(28.1%)
Administration	4,007,450	4,897,100	22.2%
Finance and Customer Care	3,390,225	3,152,500	(7.0%)
Engineering	1,440,255	1,485,650	3.2%
Facilities	7,310,525	7,324,750	0.2%
Operations and Production	2,959,000	2,759,250	(6.8%)
Water Conservation	543,500	418,000	(23.1%)
TOTAL OPERATING EXPENSES:	\$ 23,347,455	\$ 22,696,750	(2.8%)

The CY 2016 capital portion of the Budget includes expenditures of \$2.4 million representing a 35% decrease from the CY 2015 budget of \$3.7 million. The major contributing factor for this decrease is the reduction in operating revenue due to continued mandatory drought restrictions, less than planned rate change, updating the water quality and elevation fee calculations, and changes in the District's collection process and charges.

REVENUES

Due to California's mandated drought-emergency conservation, the District has only projected 16,500 acre feet of potable water sales for CY 2016, compared to 18,800 acre feet of potable water sales for CY 2015. The corresponding reduction in CY 2016 budgeted revenue is a decrease of \$1.3 million or 15.3% compared to budgeted revenue in CY 2015. The multi-year rate plan, from the Bartle Wells rate study, is updated to show approved rate changes and is shown in the tables below. Each of the multi-year adjustments are calculated at 4% for CY 2016 and 5.5% for CY2017 – CY 2019. Rate changes apply to both the monthly meter charge and commodity rates.

Tiered Commodity Rates (\$/ccf)

	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
Tier 1	0.75	0.78	0.82	0.87	0.92
Tier 2	0.86	0.89	0.94	0.99	1.04
Tier 3	2.43	2.53	2.67	2.82	2.98
Tier 4	3.66	3.81	4.02	4.24	4.47
Tier 5	4.73	4.92	5.19	5.48	5.78
Tier 6	6.08	6.32	6.67	7.04	7.43

Monthly Meter Charge

	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
1" and Smaller	32.05	33.33	35.16	37.09	39.13
1.5"	96.15	100.00	105.50	111.30	117.42
2"	147.45	153.35	161.78	170.68	180.07
3"	267.14	277.83	293.11	309.23	326.24
4"	438.13	455.66	480.72	507.16	535.05
6"	865.61	900.23	949.74	1,001.98	1,057.09
8"	1,378.58	1,433.72	1,512.57	1,595.76	1,683.53
10"	1,977.06	2,056.14	2,169.23	2,288.54	2,414.41

(Continued on next page)

The CY 2016 Budget also continues the District’s effort to control the costs related to the water quality and moving water to customers at higher elevations. Both of these costs are shown separately on our customers’ water bills. This provides transparency and accountability for these expenses and charges.

The water quality fee is largely controlled by the cost of Granular Activated Carbon (GAC). In 2014 the District negotiated a long term contract related to the purchase expense for GAC used during the water treatment process. The water quality expenses were also put into a five-year running average to avoid any large changes in costs to customers. These have allowed the District to reduce the water quality fee from \$0.20/ccf to \$0.14/ccf in 2015 and further reduce it to \$0.13/ccf in 2016.

District staff also continually reviews Edison rate structures to minimize the cost of moving water to higher elevations. This includes optimized run times to take advantage of lower power costs during off-peak times and proactive maintenance schedule of booster and well facilities to lessen the impact on expenses related to emergency equipment failures. The costs were also put into a five-year running averages to avoid large changes in costs to customers. These actions have allowed the District to control the elevation booster surcharges for rate payers living in higher elevation zones.

	CY 2014	CY 2015	CY 2016
Water Quality Fee (\$/ccf)	0.20	0.14	0.13
Elevation Booster Surcharge (\$/ccf)			
Base	-	-	-
Zone A1	0.13	0.12	0.10
Zone A2	0.41	0.44	0.48
Zone A3	0.89	0.97	1.06

EXPENSES

The 2016 Budget includes operating expenses similar to CY 2015 year end forecasts. The CY 2016 operating expenses, with the exception of salaries and related expenses, show an overall decrease from the 2015 Budget. This reflects the lower costs associated with decreased water purchases and treatment/production costs. The District is also seeing a decrease in general maintenance and repair related expenses reflective of the increased effort to replace aging infrastructure and equipment.

The District will continue outreach to the rate payers in 2016 with regards to conservation efforts. This will include education about how to conserve water, the ongoing drought, compliance with State and District emergency drought measures, and funding of the District’s water rebate programs. The 2016 Budget includes in \$126,500 for rebate programs assisting customers to convert landscapes and replace inefficient indoor appliances. This fund will also be augmented by any enforcement fines received due to water conservation measures violations.

CAPITAL PROJECTS

As previously stated, the CY 2016 capital expenditure budget includes a reduced amount available for capital expenditures. They are summarized on Pages 5-7 in the “Basis of the Budget” section. The total includes expenditures for projects, equipment, and planning studies that were contractually committed in 2015 but will be finished and expensed in 2016. All the projects, contractually committed and uncommitted, are shown in tables on Page 5.

Continuing Palmdale Water District’s commitment to the orderly replacement of capital infrastructure (which is part of the District’s Strategic Plan), staff will focus on replacing and upgrading necessary water production, storage, and distribution infrastructure as well as invest in new information technology. The approved Capital Expenditures Project Selection Summary contains plant expenditures for \$455,000 related to safety and regulatory requirements and equipment replacement and \$2,409,000 for replacement capital/equipment.

Page 6 shows the planned expenditure of \$583,000 in 2017 for the District’s share of the Upper Amargosa Recharge Project. The District’s participation and operational capacity of the proposed Upper Amargosa Recharge Project will allow the District to use 25% of the Project’s capacity to recharge water into the Antelope Valley. The other three (3) partners are the City of Palmdale, Antelope Valley – East Kern Water Agency, and Los Angeles County Waterworks District No. 40.

The District will also continue to implement the design, permitting, and financial planning necessary to improve the long-term water supply and reliability projects. These include the Littlerock Reservoir Sediment Removal Project and the Palmdale Regional Groundwater Recharge and Recovery Project. The 2013A Series Water Revenue Bond provided \$8,500,000 in funding for these and other major projects including water main replacement projects. However, these projects will need additional funding totaling \$931,000 from the operational budget in 2016 and future years to be completed.

The remainder of Page 6 and Page 7 list the requested, but unfunded projects for 2016. These summarize the known, deferred maintenance of facilities in the District. These items will be brought to the Board of Directors for consideration if funds become available during 2016 or will be reconsidered in 2017 as funding allows.

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BUDGET SUMMARY

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Calendar Year 2016 Budget
Comparative Statement of Revenues, Expenses, and Changes in Net Position

	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
OPERATING REVENUES:					
Water sales - Wholesale (AVEK & LCID)	192,316	218,627	142,750	225,000	160,000
Water sales - commodity charge	9,025,493	8,283,444	6,952,750	8,550,500	7,242,000
Monthly meter service charge	11,059,700	11,321,843	11,659,000	11,506,000	12,079,000
Water quality fees	1,650,551	1,564,800	898,000	1,146,500	934,500
Elevation fees	553,631	477,654	370,000	525,000	400,000
Other water service charges	1,643,319	1,475,268	1,154,500	1,350,000	860,000
TOTAL OPERATING REVENUES	24,125,011	23,341,636	21,177,000	23,303,000	21,675,500
OPERATING EXPENSES:					
Source of supply - purchased water	3,205,345	3,164,037	2,179,045	3,696,500	2,659,500
Administration - District Wide	1,136,072	1,047,917	1,394,000	1,260,500	1,662,750
Administration Service Departments	1,956,034	2,763,100	3,115,747	2,846,950	3,284,350
Finance and customer care	3,417,381	3,633,556	3,272,608	3,290,225	3,102,500
Engineering	1,460,236	1,289,492	1,438,989	1,440,255	1,485,650
Facilities	3,408,556	4,270,413	6,815,823	7,310,525	7,324,750
Operations and production	5,685,516	5,875,735	2,878,643	2,959,000	2,759,250
Water conservation	396,176	361,146	611,984	543,500	418,000
TOTAL OPERATING EXPENSES	20,665,315	22,405,396	21,706,839	23,347,455	22,696,750
Operating income before overhead absorption	3,459,696	936,239	(529,839)	(44,455)	(1,021,250)
Overhead absorption	217,333	508,818	65,000	79,000	420,000
Operating income before depreciation expense	3,677,028	1,445,057	(464,839)	34,545	(601,250)
Depreciation expense	(7,483,036)	(7,166,973)	(8,050,000)	(7,550,000)	(7,200,000)
OPERATING INCOME(LOSS)	(3,806,008)	(5,721,916)	(8,514,839)	(7,515,455)	(7,801,250)
NON-OPERATING REVENUE(EXPENSE):					
Property taxes and assessment for State Water Project	7,316,688	7,063,784	7,352,850	7,050,000	6,695,000
State Water Project, long-term dept and amortization	(4,945,826)	(3,994,899)	(4,016,814)	(3,690,000)	(4,266,000)
Other non-operating revenues/(expenses), net	429,662	(395,351)	411,230	35,000	155,000
TOTAL NON-OPERATING REVENUES, NET	2,800,524	2,673,534	3,747,266	3,395,000	2,584,000
Income(Loss) before Capital Contributions	(1,005,484)	(3,048,382)	(4,767,574)	(4,120,455)	(5,217,250)
CAPITAL CONTRIBUTIONS:					
Capital improvement fees	244,949	13,547	367,481	50,000	50,000
Grant funding	-	-	-	-	485,000
TOTAL CAPITAL CONTRIBUTIONS	244,949	13,547	367,481	50,000	535,000
CHANGE ON NET POSITION	(760,535)	(3,034,835)	(4,400,093)	(4,070,455)	(4,682,250)
Net Position, Beginning of year	109,432,704	108,672,169	105,637,335	105,637,335	101,237,242
Net Position, End of year	108,672,169	105,637,335	101,237,242	101,566,880	96,554,992

Calendar Year 2016 Budget
Balance Sheet

	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
Cash and Investments	12,216,474	12,982,056	12,316,574	9,748,659	10,300,285
Cash and Investments - Restricted	7,761,016	4,410,779	1,191,266	1,971,180	-
Accounts Receivable	6,996,643	6,618,098	6,590,580	6,750,000	6,750,000
Materials and Supply Inventory	832,364	1,572,698	826,139	880,000	900,000
Fixed Assets	148,064,127	148,665,430	150,558,743	151,500,000	153,300,000
Other Assets	9,715,906	8,733,778	8,336,870	9,500,000	6,045,000
TOTAL ASSETS	185,586,530	182,982,839	179,820,172	180,349,839	177,295,285
Accounts Payable & Accrued Expenses	1,194,538	1,328,302	1,332,243	1,500,000	2,025,750
Current portion, Loans	1,642,972	1,695,606	1,734,738	1,734,738	1,657,739
Other Liabilities & OPEB	16,765,882	18,808,363	21,839,582	21,851,146	25,038,176
Non-current portion, Loans	57,310,968	55,513,234	53,676,367	53,697,075	52,018,628
Change in Net Position	108,672,169	105,637,335	101,237,242	101,566,880	96,554,992
TOTAL LIABILITIES AND NET POSITION	185,586,530	182,982,839	179,820,172	180,349,839	177,295,285

Statement of Cash Flows

	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
CASH & INVESTMENTS - Beginning of year	8,852,185	12,216,473	12,989,417	12,989,417	12,316,574
OPERATING ACTIVITIES					
Operating revenues, adjusted net	24,125,011	23,341,636	22,185,519	23,403,000	21,675,500
Operating expenses, adjusted net	20,665,315	22,405,396	19,848,366	22,596,600	21,096,430
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,459,696	936,239	2,337,153	806,400	579,070
OTHER SOURCES AND USES OF CASH					
Assessments received	7,316,688	7,063,784	7,352,850	7,050,000	6,695,000
Payments for State Water Project	(2,821,029)	(2,390,962)	(3,278,807)	(3,295,203)	(3,274,746)
Long-term Debt & Capital Leasing	(3,848,771)	(3,946,790)	(3,939,453)	(3,939,453)	(3,936,422)
Acquisition and construction of capital assets	(1,817,663)	(1,249,083)	(3,667,086)	(3,752,504)	(2,401,000)
Other	595,368	359,756	522,500	(110,000)	68,000
NET CASH PROVIDED BY OTHER SOURCES AND USES	(575,407)	(163,295)	(3,009,996)	(4,047,160)	(2,849,168)
NET INCREASE (DECREASE) IN CASH	2,884,288	772,944	(672,843)	(3,240,760)	(2,270,098)
Rate Stabilization Fund	480,000	-	-	-	-
CASH & INVESTMENTS - End of year	12,216,473	12,989,417	12,316,574	9,748,657	10,046,476

BASIS OF THE BUDGET

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Calendar Year 2016 Budget
Personnel Summary

	CY 2013 BUDGET	CY 2014 BUDGET	CY 2015 BUDGET	CY 2016 BUDGET
ADMINISTRATION				
Managers/Supervisors	5	5	6	6
Staff	3	3	4	4
TOTAL ADMINISTRATION	8	8	10	10
FINANCE				
Managers/Supervisors	4	4	3	3
Staff	19	19	4	4
TOTAL FINANCE	23	23	7	7
CUSTOMER CARE				
Managers/Supervisors	-	-	-	-
Clerical	-	-	8	8
Field	-	-	7	7
TOTAL CUSTOMER CARE	-	-	15	15
ENGINEERING				
Managers/Supervisors	2	1	2	2
Staff	7	7	7	7
TOTAL ENGINEERING	9	8	9	9
FACILITIES				
Managers/Supervisors	2	2	3	3
Staff	20	20	26	27
TOTAL FACILITIES	22	22	29	30
OPERATION AND PRODUCTION				
Managers/Supervisors	4	4	2	2
Staff	17	17	11	11
TOTAL OPERATION AND PRODUCTION	21	21	13	13
WATER CONSERVATION				
Managers/Supervisors	2	2	1	1
Staff	1	1	1	1
TOTAL WATER CONSERVATION	3	3	2	2
TOTAL PERSONNEL	86	85	85	86

The following represent the part-time interns (not included in above figures):

	3	4	6
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Notes:

- Five elected officials serve on Palmdale Water District's Board of Directors
- 2015 Budget had Finance and Customer Care (Service) as a single department. In March 2015 these groups were separated into two individual departments.

Calendar Year 2016 Budget
Labor and Benefits Cost Summary

Accounting Category	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
Salaries (Includes On-Call and Overtime)	6,475,578	6,757,122	7,046,900	7,090,250	7,272,750
FICA / Medicare (Employer Portion)	483,112	513,337	524,575	531,500	550,750
Workers Comp	110,558	118,517	105,000	125,000	125,000
Healthcare Benefits	1,396,733	1,325,862	1,324,250	1,364,000	1,312,250
Life Insurance/EAP Program	7,283	7,572	7,000	8,000	8,000
Retirement (CalPERS)	1,065,484	1,228,920	1,018,150	1,243,500	873,750
TOTAL	9,538,749	9,951,331	10,025,875	10,362,250	10,142,500

Calendar Year 2016 Budget
Approved Capital Expenditures/Project Selection Summary

<i>Project Type</i>	<i>Budgeted - Committed Contracts</i>	<i>CY 2016</i>
Asset/Infrastructure Related Expense		
Water Supply	Upper Amargosa Recharge Project	348,000
Water Supply	PRGRRP - Financial Model	29,000
Replacement Equipment	Security Improvement Project (Installation and Engineering)	96,000
Replacement Equipment	Dredging & Lake Outlet Repairs	41,000
Replacement Equipment	Well No. 15 - Rehabilitation	152,000
Replacement Equipment	Well No. 30 - Rehabilitation	75,000
Replacement Equipment	Well No. 22 - Rehabilitation	36,000
Infrastructure Replacement	Water Main Replacement - Tierra Subida Ave. (Paving)	46,500
Infrastructure Replacement	Emergency Repairs on Well 18/19 Tank	58,000
Equipment Replacement	Valve Exercising Truck	122,500
Equipment Replacement	New Vehicle	30,000
	<i>Subtotal:</i>	1,034,000
Plant Expenditure Related Expense		
Planning	2015 Urban Water Management Plan Update	60,500
Planning	2014 Water System Master Plan	54,500
Planning	Hydrologic and Energy Database	1,500
Site Improvements	Drainage Improvements @ WTP	50,000
Office Renovation	Office Space for Electronic Tech.	26,000
Safety	Fleet Lighting Improvements (Ph. 2 of 3)	10,000
Safety	ARC Flash	137,500
	<i>Subtotal:</i>	340,000

<i>Project Type</i>	<i>Budgeted - Contracts (Not Committed)</i>	<i>CY 2016</i>
Asset/Infrastructure Related Expense		
Replacement Equipment	Meter Replacement Program & Installation (Qty. 2,500)	600,000
Infrastructure Replacement	Water Main and Service Line Replacement Projects	300,000
Replacement Equipment	Well No. 25 - Rehabilitation	50,000
Replacement Equipment	Well No. 26 - Rehabilitation	50,000
Replacement Equipment	WTP Security - Feasibility and Phase 1	25,000
Water Supply	PRGRRP - Recharge and Recovery Project Pilot	300,000
Equipment Replacement	Hi-Speed Document Scanners (4)	50,000
	<i>Subtotal:</i>	1,375,000
Plant Expenditure Related Expense		
Planning	Water System Master Plan - CEQA (EIR)	75,000
Regulatory	Generator/Engine Emissions - 25th and 45th Booster Sta.	20,000
Equipment Replacement	Conference Room Projectors - Installation	10,000
Safety	Entry Way Building @ WTP	10,000
	<i>Subtotal:</i>	115,000

Total Asset/Infrastructure Projects 2,409,000

Total Plant Expenditures 455,000

Calendar Year 2016 Budget
Deferred Maintenance/Projects Capital Expenditures Summary

The following listings show the remaining portion of Water Revenue Bonds committed contract that will conclude in the CY 2017 budget year as well as all submitted projects by staff for consideration. The majority of these projects represent deferred maintenance of infrastructure and equipment. While others are projects that refine processes within the organization. If additional funds become available throughout the year these projects will be considered for addition to the approved projects.

<i>Project Type</i>	<i>Water Revenue Bond Projects - Funded from General Fund</i>	<i>CY 2017</i>
Water Supply	Upper Amargosa Recharge Project	583,000
		Subtotal: 583,000

<i>Project Type</i>	<i>Requested Projects for 2016</i>	<i>CY 2016</i>
Asset/Infrastructure Related Expense		
New Capital	Additional Brine Tank - WTP	65,000
New Capital	GAC Staging Area (2000 Sq. Ft.)	20,000
New Capital	Sedimentation Basin Loading Docks/Access Improvements	20,000
New Capital	Sludge Pump Station Flow Meter	4,000
New Equipment	Bucket Truck (Looking at Lease Option)	75,000
New Equipment	Power Broom	35,000
New Equipment	Handheld GPS Data Collection Equipment	20,000
New Equipment	Trailer Hot Water Pressure Washer	20,000
New Equipment	Data Center UPS System (Symmetra)	20,000
Replacement Capital	Meter Replacement Program - Portion remaining from request (Qty. 2,000)	615,000
Replacement Capital	Meter Replacement Program - Installation (Portion remaining from request)	100,000
Replacement Capital	Water Main and Service Line Replacement Projects	300,000
Replacement Capital	NaOCL Generator Replacement - (3 Well Sites and 45th St. Booster Station)	265,000
Replacement Capital	Brine Storage Tanks - Well Sites (Qty. 8)	130,000
Replacement Capital	Parking Lot Re-Surfacing - Administration and N.O.B.	115,000
Replacement Capital	Palmdale Ditch Improvements	75,000
Replacement Capital	WTP SCADA Radio Replacement	50,000
Replacement Capital	Well 29 Rehabilitation	50,000
Replacement Equipment	Replacement Vehicles/Fleet (3)	100,000
Replacement Equipment	Submersible Mixer - Spare Dolarbee Unit (GridBee)	14,000
Water Supply	Littlerock Sediment Removal Permitting	125,000
		Subtotal: 2,218,000

(Continued on next page)

Calendar Year 2016 Budget
Deferred Maintenance/Projects Capital Expenditures Summary (Continued)

<i>Plant Expenditure Related Expense</i>		
General Project	CIS Software Replacement	675,000
New Equipment	FIS/HR Upgrade (Dynamics GP)	50,000
New Equipment	District Data Storage (Additional Space)	35,000
New Equipment	Tele-Conference Bridge	25,000
New Equipment	WTP WiFi System	25,000
New Equipment	Mobility Project	25,000
New Equipment	GIS Extended Capabilities	25,000
New Equipment	RobinAir Service System (HVAC)	5,000
Planning	Customer Lobby Improvements and Remodel - Design	175,000
Regulatory	Generator/Engine Emissions - WTP 250 kW	50,000
Replacement Capital	As-Needed Engineering and Design Services	50,000
Replacement Capital	Small Kitchen Remodel (Main Office)	4,000
Replacement Equipment	Replacement Rock Drill, Pavement Breaker & Clay Spade (Qty. 2)	8,000
Safety	Fire Doors and Fire Alarm Replacement - Admin. Building	15,000
Safety	Fleet Lighting Improvements - Phase 3 of 3	10,000
Safety	Crane Rigging	5,000
	Subtotal:	1,182,000
	Total All Capital:	<u>3,983,000</u>

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DEPARTMENTS

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Calendar Year 2016 Budget
Departmental Budgets

ADMINISTRATIVE - DISTRICT WIDE						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-00-5025-000	Provision for Bad Debt	(19,586)	16,594	48,000	100,000	50,000
1-02-4000-200	Salaries - On-Call/Stand-By Time	57,569	53,711	89,500	67,500	95,000
1-02-4015-001	PERS - Unfunded Liability	-	-	189,500	-	404,750
1-02-4020-000	Worker's Comp	110,558	118,517	105,000	125,000	125,000
1-02-4025-000	Vacation Benefit Expense	33,866	1,748	46,000	35,000	35,000
1-02-4030-000	Life Insurance/EAP Program	7,283	7,572	7,000	8,000	8,000
1-02-4080-000	Other Operating	19,627	18,355	19,000	20,000	20,000
1-02-4110-000	Consultants	42,590	121,710	155,000	175,000	160,000
1-02-4125-000	Insurance	254,505	275,100	297,000	285,000	300,000
1-02-4135-000	Groundwater Adjudication	299,901	228,195	144,000	75,000	80,000
1-02-4140-000	Legal Services	121,927	183,460	160,000	160,000	160,000
1-02-4165-000	Memberships/Subscriptions	207,832	22,955	134,000	210,000	150,000
1-02-4170-000	Elections	-	-	-	-	75,000
Departmental Totals:		1,136,072	1,047,917	1,394,000	1,260,500	1,662,750

Calendar Year 2016 Budget
Departmental Budgets

ADMINISTRATIVE SERVICE DEPARTMENTS						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-01-4000-000	Directors Pay	49,950	71,100	57,000	45,000	50,000
1-01-4005-000	Payroll Taxes - Directors	3,821	5,405	5,000	5,500	5,500
1-01-4010-000	Health Insurance - Directors	45,405	53,150	58,000	58,000	76,250
1-01-4050-000	Director's Travel, Seminars & Meetings	3,229	15,677	14,000	10,000	14,000
	Directors Totals:	102,406	145,332	134,000	118,500	145,750
1-00-4085-000	Post Employment Benefits - Administrative Expense	(176,201)	(135,956)	-	(204,000)	-
1-02-4000-000	Salaries - Administration	493,945	787,919	909,250	860,500	982,000
1-02-4000-100	Salaries - Overtime	7,450	7,992	7,500	8,250	8,250
1-02-4005-000	Payroll Taxes - Administration	30,878	49,348	58,750	66,000	74,000
1-02-4010-000	Health Insurance - Administration	80,560	110,746	133,750	134,000	135,000
1-02-4015-000	PERS - Administration	86,034	148,467	-	169,000	-
1-02-4015-100	PERS - Administration - Employer (Classic)	-	-	98,750	-	77,500
1-02-4015-200	PERS - Administration - Employee (Classic)	-	-	47,000	-	40,000
1-02-4050-000	Staff Travel	6,058	11,286	-	-	-
1-02-4050-100	General Manager Travel	6,056	7,808	6,750	5,000	5,000
1-02-4060-000	Conferences & Seminars	1,150	3,670	-	-	-
1-02-4060-100	General Manager - Conferences and Seminars	2,631	3,460	4,000	4,000	4,000
1-02-4070-000	Employee Expense	24,014	-	-	-	-
1-02-4085-000	Post Employment Benefits - Administration	86,604	127,129	181,420	181,500	183,250
1-02-4130-000	Bank Charges	118,886	136,637	147,000	140,000	140,000
1-02-4150-000	Accounting Services	23,692	25,285	25,000	25,000	27,500
1-02-4155-000	Contracted Services -	27,955	-	-	-	-
1-02-4155-205	Contracted Services - Landscape Services	-	10,200	-	-	-
1-02-4155-210	Contracted Services - Janatorial Services	-	14,375	-	-	-
1-02-4155-215	Contracted Services - Elevator	-	3,112	-	-	-
1-02-4175-000	Permits	9,230	9,061	17,500	10,000	17,500
1-02-4180-000	Postage	16,640	25,085	18,500	27,500	25,000
1-02-4190-100	Public Relations - Publications	33,949	17,002	9,250	35,000	30,000
1-02-4190-900	Public Relations - Other	1,201	706	1,000	1,000	1,000
1-02-4200-000	Advertising	2,095	2,439	3,750	3,500	4,000
1-02-4205-000	Office Supplies	17,886	25,888	21,000	18,000	18,000
1-02-4210-000	Office Furniture	-	-	8,250	-	-
1-02-4215-200	Natural Gas - Buildings	3,529	3,954	-	-	-
1-02-4220-200	Electricity - Buildings	45,805	53,108	-	-	-
	Administration Totals:	950,048	1,448,723	1,698,420	1,484,250	1,772,000
1-08-4000-000	Salaries - Human Resources	90,676	95,372	110,000	101,000	116,000
1-08-4000-100	Salaries - Overtime	-	-	-	-	-
1-08-4000-200	Salaries - Intern Program	-	9,249	46,250	55,750	40,000
1-08-4005-000	Payroll Taxes - Human Resources	6,677	8,333	12,225	7,750	15,250
1-08-4010-000	Health Insurance - Human Resources	-	16,993	17,750	18,000	18,250
1-08-4015-000	PERS - Human Resources	434	6,170	-	6,500	-
1-08-4015-300	PERS - Human Resources - Employer (PEPRA)	-	-	7,000	-	7,250
1-08-4050-000	Staff Travel	60	1,721	35,000	25,250	27,500
1-08-4060-000	Conferences & Seminars	-	749	20,000	20,500	25,000

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Calendar Year 2016 Budget
Departmental Budgets

ADMINISTRATIVE SERVICE DEPARTMENTS (Continued)						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-08-4070-000	Employee Expense	-	40,673	58,500	40,000	60,000
1-08-4085-000	Post Employment Benefits - Human Resources	21,651	25,426	25,917	26,000	26,250
1-08-4090-000	Temporary Staffing	59,256	-	-	-	-
1-08-4095-000	Employee Recruitment	3,611	18,848	2,500	3,000	3,000
1-08-4100-000	Employee Retention	1,457	17,757	20,000	20,000	20,000
1-08-4105-000	Employee Relations	3,506	2,683	3,500	3,500	3,500
1-08-4110-000	Consultants	-	-	-	1,000	1,000
1-08-4120-100	Training - Employee, Safety, etc.	25,710	13,031	41,000	35,000	35,000
1-08-4120-200	Training - Specialty	-	-	20,000	21,000	25,000
1-08-4121-000	Safety/HR Programs	-	68	500	1,000	1,000
1-08-4165-000	Memberships/Subscriptions	599	1,093	1,000	1,600	1,600
1-08-4165-100	HR/Safety Publications	289	1,546	500	1,000	1,000
1-08-6300-500	Supplies - Safety	7,400	18,245	20,500	20,000	20,000
	Human Resources Totals:	221,325	277,957	442,142	407,850	446,600
1-09-4000-000	Salaries - Information Technology	220,881	221,954	224,650	221,500	225,500
1-09-4000-100	Salaries - Overtime	2,583	1,676	3,500	2,500	2,500
1-09-4005-000	Payroll Taxes - Information Technology	16,193	16,153	16,350	17,000	16,000
1-09-4010-000	Health Insurance - Information Technology	41,624	38,400	37,500	37,500	38,000
1-09-4015-000	PERS - Information Technology	38,495	44,888	-	44,000	-
1-09-4015-100	PERS - Information Technology - Employer (Classic)	-	-	25,000	-	19,500
1-09-4015-200	PERS - Information Technology - Employee (Classic)	-	-	12,000	-	10,000
1-09-4050-000	Staff Travel	997	397	-	-	-
1-09-4060-000	Conferences & Seminars	11,402	12,628	-	-	-
1-09-4085-000	Post Employment Benefits - Information Technology	43,302	50,852	51,834	52,000	52,250
1-09-4155-300	Contracted Services - Computer Vendors	56,850	-	-	-	-
1-09-4155-905	Contracted Services - Offsite Services	-	4,920	5,000	5,000	5,000
1-09-4155-910	Contracted Services - Printer Services	-	3,957	4,750	1,500	3,000
1-09-4155-915	Contracted Services - Website Design Services	-	33,535	20,000	45,000	35,000
1-09-4155-920	Contracted Services - Telephony Services	-	1,200	-	3,500	3,500
1-09-4155-925	Contracted Services - Cloud Services	-	29,775	40,000	25,000	25,000
1-09-4155-930	Contracted Services - Network Services	-	43,509	44,000	45,000	45,000
1-09-4155-935	Contracted Services - Hardware Warranties	-	-	-	-	5,000
1-09-4165-000	Memberships/Subscriptions	-	1,607	2,000	1,000	2,000
1-09-4270-100	Telecommunication - Office Phone	16,235	16,897	16,500	16,500	16,500
1-09-4270-125	Telecommunication - Office Backbone	13,188	14,035	18,750	18,750	18,750
1-09-4270-150	Telecommunication - WTP Backbone	13,188	13,188	14,350	13,500	15,000
1-09-4270-300	Telecommunication - Cellular (Data)	12,199	22,079	27,000	29,000	29,000
1-09-8000-100	Computer Equipment - Computers	18,251	21,104	20,000	20,000	20,000
1-09-8000-200	Computer Equipment - Mobility	-	579	7,000	6,600	16,000
1-09-8000-300	Computer Equipment - Monitors	493	-	-	2,000	2,000
1-09-8000-400	Computer Equipment - Printers	12	-	-	-	-
1-09-8000-500	Computer Equipment - Printer Supplies	1,324	1,883	1,500	3,000	3,000
1-09-8000-550	Computer Equipment - Telephony	-	-	500	2,500	2,500
1-09-8000-600	Computer Equipment - Other	8,684	38,264	16,000	20,000	40,000
1-09-8100-100	Computer Software - Maintenance & Support	37,321	50,332	61,000	44,000	60,000
1-09-8100-140	Computer Software - Starnik	94,800	166,375	110,000	110,000	130,000

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Calendar Year 2016 Budget
Departmental Budgets

ADMINISTRATIVE SERVICE DEPARTMENTS <i>(Continued)</i>						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-09-8100-150	Computer Software - Dynamics GP	27,796	40,580	49,000	36,000	60,000
1-09-8100-200	Computer Software - Software and Upgrades	6,441	322	13,000	14,000	20,000
Information Technologies Totals:		682,256	891,089	841,184	836,350	920,000
Administration Service Departments Totals:		1,956,034	2,763,100	3,115,747	2,846,950	3,284,350

FINANCE AND CUSTOMER CARE						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-06-4000-000	Salaries - Finance	1,524,644	1,540,946	801,000	819,000	670,250
1-06-4000-100	Salaries - Overtime	32,826	18,203	4,750	5,500	3,000
1-06-4005-000	Payroll Taxes - Finance	119,116	120,148	59,000	64,500	49,000
1-06-4010-000	Health Insurance - Finance	344,111	334,581	137,500	143,000	83,000
1-06-4015-000	PERS - Finance	272,569	306,168	-	165,000	-
1-06-4015-100	PERS - Finance - Employer (Classic)	-	-	94,500	-	57,500
1-06-4015-200	PERS - Finance - Employee (Classic)	-	-	43,000	-	29,500
1-06-4015-300	PERS - Finance - Employer (PEPRA)	-	-	500	-	-
1-06-4050-000	Staff Travel	412	269	-	-	-
1-06-4060-000	Conferences & Seminars	920	562	-	-	-
1-06-4085-000	Post Employment Benefits - Finance	509,482	584,797	246,213	246,250	183,250
1-06-4155-100	Contracted Services - INFOSEND	185,652	200,535	200,000	205,000	225,000
1-06-4155-200	Contracted Services - INFOSEND (Drought Related)	-	3,224	5,500	-	-
1-06-4155-300	Contracted Services - Vendors	9,088	-	-	-	-
1-06-4155-605	Contracted Services - Assessor Data (Realquest)	-	9,900	1,650	1,750	-
1-06-4155-610	Contracted Services - Credit Reporting Services	262	3,979	290	300	-
1-06-4155-615	Contracted Services - AMR Services (Itron)	-	6,298	-	-	-
1-06-4155-620	Contracted Services - Letter Extractor (OPEX)	-	2,590	2,500	2,500	2,500
1-06-4155-625	Contracted Services - GASB45 Actuarial	-	-	3,150	3,250	3,500
1-06-4165-000	Memberships/Subscriptions	-	220	220	500	500
1-06-4230-110	Mtce & Rep Office - Equipment	-	-	-	500	500
1-06-4235-440	Mtce & Rep Operations - Large Meters	7,520	45,117	2,130	2,130	-
1-06-4235-470	Mtce & Rep Operations - Meter Exchanges	351,146	392,128	138,045	138,050	-
1-06-4250-000	General Material & Supplies	8,056	5,111	2,250	4,500	3,000
1-06-4260-000	Business Forms	10,394	8,675	10,500	6,500	7,500
1-06-4270-100	Telecommunication - Office	10,863	13,814	18,500	12,000	12,000
1-06-4270-200	Telecommunication - Cellular Stipend	14,465	15,570	18,500	17,000	18,500
1-06-4270-300	Telecommunication - Cellular	213	-	-	-	-
1-06-4300-200	Testing - Large Meter Testing	13,140	18,122	4,045	4,045	-
1-06-7000-100	Lease Expense - Equipment	2,501	2,600	3,100	3,000	3,000
Finance Totals:		3,417,381	3,633,556	1,796,843	1,844,275	1,351,500

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Calendar Year 2016 Budget
Departmental Budgets

FINANCE AND CUSTOMER CARE <i>(Continued)</i>						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-10-4000-000	Salaries - Customer Care	-	-	760,500	727,000	929,250
1-10-4000-100	Salaries - Overtime	-	-	7,250	13,500	10,000
1-10-4005-000	Payroll Taxes - Customer Care	-	-	61,500	54,000	71,500
1-10-4010-000	Health Insurance - Customer Care	-	-	180,000	173,000	217,000
1-10-4015-000	PERS - Customer Care	-	-	-	132,000	-
1-10-4015-100	PERS - Customer Care - Employer (Classic)	-	-	75,000	-	76,500
1-10-4015-200	PERS - Customer Care - Employee (Classic)	-	-	36,500	-	39,000
1-10-4015-300	PERS - Customer Care - Employer (PEPRA)	-	-	4,000	-	3,500
1-10-4085-000	Post Employment Benefits - Customer Care	-	-	323,965	324,000	366,250
1-10-4155-005	Contracted Services - Assessor Data (Realquest)	-	-	8,250	8,250	10,000
1-10-4155-010	Contracted Services - Credit Reporting Services	-	-	4,000	3,700	4,000
1-10-4155-015	Contracted Services - AMR Services (Itron)	-	-	5,800	5,000	6,000
1-10-4230-110	Mtce & Rep Office - Equipment	-	-	-	500	500
1-10-4250-000	General Material & Supplies	-	-	6,500	1,500	7,500
1-10-4260-000	Business Forms	-	-	2,500	3,500	10,000
	Customer Care Totals:	-	-	1,475,765	1,445,950	1,751,000
	Finance and Customer Care Totals:	3,417,381	3,633,556	3,272,608	3,290,225	3,102,500

ENGINEERING						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-03-4000-000	Salaries - Engineering	802,373	678,494	813,500	809,000	852,000
1-03-4000-100	Salaries - Overtime	5,977	9,781	5,250	6,750	6,750
1-03-4005-000	Payroll Taxes - Engineering	60,690	54,550	62,000	61,000	64,000
1-03-4010-000	Health Insurance - Engineering	165,163	134,005	140,000	154,500	155,000
1-03-4015-000	PERS - Engineering	139,915	136,655	-	142,000	-
1-03-4015-100	PERS - Engineering - Employer (Classic)	-	-	74,500	-	60,500
1-03-4015-200	PERS - Engineering - Employee (Classic)	-	-	35,000	-	31,250
1-03-4015-300	PERS - Engineering - Employer (PEPRA)	-	-	7,500	-	9,250
1-03-4050-000	Staff Travel	4,218	2,881	-	-	-
1-03-4060-000	Conferences & Seminars	1,460	1,515	-	-	-
1-03-4085-000	Post Employment Benefits - Engineering	194,860	203,408	233,255	233,500	235,500
1-03-4155-000	Contracted Services	11,023	-	-	-	-
1-03-4155-305	Contracted Services - GIS Services	-	50,000	55,000	40,000	40,000
1-03-4155-310	Contracted Services - Reproduction	-	-	-	18,000	18,000
1-03-4155-315	Contracted Services - Prod./Demand Database	-	-	-	-	2,500
1-03-4155-320	Contracted Services - Plotter/Scanner	-	2,763	-	2,500	2,500
1-03-4155-325	Contracted Services - Backflow Software	-	-	-	1,000	1,000
1-03-4165-000	Memberships/Subscriptions	1,390	1,889	2,250	2,000	2,500
1-03-4250-000	General Material & Supplies	6,268	2,162	2,500	2,500	3,000
1-03-8100-100	Computer Software - Maintenance and Support	66,900	11,391	9,500	12,900	31,000
	Departmental Totals:	1,460,236	1,289,492	1,440,255	1,485,650	1,514,750

Calendar Year 2016 Budget
Departmental Budgets

FACILITIES		CY 2013	CY 2014	CY 2015	CY 2015	CY 2016
GL #	Description	ACTUAL	ACTUAL	FORECAST	BUDGET	BUDGET
1-04-4000-000	Salaries - Facilities	1,307,909	1,553,408	1,908,000	2,049,000	2,083,750
1-04-4000-100	Salaries - Overtime	51,484	78,544	91,000	65,000	90,000
1-04-4005-000	Payroll Taxes - Facilities	106,666	129,425	155,000	157,000	166,500
1-04-4010-000	Health Insurance - Facilities	380,429	349,246	434,000	466,000	444,500
1-04-4015-000	PERS - Facilities	224,502	278,180	-	362,000	-
1-04-4015-100	PERS - Facilities - Employer (Classic)	-	-	178,500	-	152,500
1-04-4015-200	PERS - Facilities - Employee (Classic)	-	-	83,750	-	78,250
1-04-4015-300	PERS - Facilities - Employer (PEPRA)	-	-	18,500	-	26,750
1-04-4050-000	Staff Travel	731	6,943	-	-	-
1-04-4060-000	Conferences & Seminars	2,225	1,652	-	-	-
1-04-4085-000	Post Employment Benefits - Facilities	482,078	559,371	751,598	751,750	811,000
1-04-4155-000	Contracted Services -	65,671	-	-	-	-
1-04-4155-405	Contracted Services - Landscape Svcs (NOB-Shop)	-	1,675	12,000	15,500	15,500
1-04-4155-410	Contracted Services - Landscape Svcs (Wells)	-	28,640	31,500	26,000	32,000
1-04-4155-415	Contracted Services - Alarm Services	-	3,076	3,125	5,000	5,000
1-04-4155-420	Contracted Services - Janatorial Services	-	7,143	32,500	24,000	30,000
1-04-4155-425	Contracted Services - Pest Control Svcs (All Loc)	-	1,729	3,000	5,500	5,500
1-04-4155-430	Contracted Services - Pest Control Svcs (Plm Dam)	1,920	23,040	23,050	23,000	23,000
1-04-4155-435	Contracted Services - Elevator Services	-	-	3,250	3,500	3,500
1-04-4155-440	Contracted Services - SCADA Software	-	-	12,000	12,000	15,000
1-04-4155-445	Contracted Services - SCADA Hardware	-	-	1,000	3,500	20,000
1-04-4155-450	Contracted Services - Seismic Valve Controllers	-	-	5,750	6,000	7,500
1-04-4155-455	Contracted Services - Annual Tank Service	-	319,100	330,000	330,000	330,000
1-04-4155-499	Contracted Services - Miscellaneous	-	5,357	6,250	1,000	1,000
1-04-4175-000	Permits - Dams	45,887	27,026	30,000	50,000	50,000
1-04-4215-100	Natural Gas - Wells & Boosters	-	-	191,500	236,000	225,000
1-04-4215-200	Natural Gas - Buildings	3,185	3,052	7,500	9,000	9,000
1-04-4220-100	Electricity - Wells & Boosters	-	-	1,475,000	1,515,000	1,480,000
1-04-4220-200	Electricity - Buildings	19,777	22,579	85,750	75,000	88,000
1-04-4225-000	Mtce & Rep - Vehicles	33,536	28,861	30,000	40,000	35,000
1-04-4230-100	Mtce & Rep Office - Office Building	4,036	11,007	9,750	15,000	15,000
1-04-4235-110	Mtce & Rep Operations - Equipment	7,156	10,424	6,000	6,500	6,500
1-04-4235-400	Mtce & Rep Operations - Wells	41,435	81,768	90,000	75,000	75,000
1-04-4235-405	Mtce & Rep Operations - Boosters	56,137	29,172	30,000	50,000	50,000
1-04-4235-410	Mtce & Rep Operations - Shop Buildings	9,209	8,959	2,000	10,000	10,000
1-04-4235-415	Mtce & Rep Operations - Facilities	13,145	9,395	24,000	15,000	15,000
1-04-4235-420	Mtce & Rep Operations - Water Lines	242,173	313,799	210,500	240,000	225,000
1-04-4235-425	Mtce & Rep Operations - Littlerock Dam	-	3,164	-	15,000	15,000
1-04-4235-430	Mtce & Rep Operations - Palmdale Dam	-	1,020	1,250	7,500	7,500
1-04-4235-435	Mtce & Rep Operations - Palmdale Canal	230	960	4,000	10,000	10,000
1-04-4235-440	Mtce & Rep Operations - Large Meters	-	-	3,500	7,870	10,000
1-04-4235-445	Mtce & Rep Operations - Telemetry	-	-	6,250	2,250	4,000
1-04-4235-450	Mtce & Rep Operations - Hypo Generators	-	-	2,500	12,000	10,000
1-04-4235-455	Mtce & Rep Operations - Heavy Equipment	29,289	54,748	46,000	35,000	45,000
1-04-4235-460	Mtce & Rep Operations - Storage Reservoirs	223	381	3,000	5,000	5,000
1-04-4235-470	Mtce & Rep Operations - Meter Exchanges	-	-	120,000	211,950	225,000

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Calendar Year 2016 Budget
Departmental Budgets

FACILITIES <i>(Continued)</i>						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-04-4250-100	General Material & Supplies - Hot Tapping Program	-	-	5,550	-	-
1-04-4270-300	Telecommunication - Other	-	-	4,000	2,750	4,000
1-04-4300-200	Testing - Large Meter Testing	-	-	14,500	10,955	12,500
1-04-4300-300	Testing - Edison Testing	-	-	-	6,000	30,000
1-04-6000-000	Waste Disposal	21,687	12,987	17,000	25,000	20,000
1-04-6100-100	Fuel and Lube - Vehicle	114,837	115,177	85,000	130,000	105,000
1-04-6100-200	Fuel and Lube - Machinery	25,012	41,755	35,000	43,000	40,000
1-04-6200-000	Uniforms	20,783	22,624	27,500	22,500	22,500
1-04-6300-100	Supplies - General	39,783	51,515	53,500	47,500	47,500
1-04-6300-200	Supplies - Hypo Generators	-	-	2,250	6,500	6,500
1-04-6300-300	Supplies - Electrical	-	-	500	3,000	3,000
1-04-6300-400	Supplies - Telemetry	-	-	5,250	5,000	5,000
1-04-6300-800	Supplies - Construction Materials	33,398	48,419	44,000	35,000	35,000
1-04-6400-000	Tools	11,207	11,065	20,250	12,000	25,000
1-04-7000-100	Lease Expense - Equipment	12,817	14,027	14,500	12,500	12,500
7-00-4235-420	PRWA - Mtce & Rep Operations - Water Lines	-	-	8,500	-	-
7-00-6300-100	PRWA - Supplies - General	-	-	16,250	-	-
Departmental Totals:		3,408,556	4,270,413	6,815,823	7,310,525	7,324,750

Calendar Year 2016 Budget
Departmental Budgets

OPERATIONS AND PRODUCTION						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-05-4000-000	Salaries - Operations	1,620,378	1,496,842	1,067,500	1,104,500	1,012,500
1-05-4000-100	Salaries - Overtime	96,652	96,084	63,500	53,750	56,000
1-05-4005-000	Payroll Taxes - Operations	130,648	126,006	86,000	90,750	84,500
1-05-4010-000	Health Insurance - Operations	357,431	319,084	206,500	200,000	183,500
1-05-4015-000	PERS - Operations	274,670	292,061	-	203,000	-
1-05-4015-100	PERS - Operations - Employer (Classic)	-	-	104,500	-	88,000
1-05-4015-200	PERS - Operations - Employee (Classic)	-	-	49,500	-	45,250
1-05-4015-300	PERS - Operations - Employer (PEPRA)	-	-	6,500	-	4,500
1-05-4050-000	Staff Travel	9,618	8,563	-	-	-
1-05-4060-000	Conferences & Seminars	6,177	3,472	-	-	-
1-05-4085-000	Post Employment Benefits - Operations	454,673	533,945	336,923	337,000	340,000
1-05-4120-100	Training - Lab Equipment	-	6,867	-	-	-
1-05-4120-200	Training - SCADA Network	3,729	5,401	-	-	-
1-05-4155-000	Contracted Services -	127,564	-	-	-	-
1-05-4155-505	Contracted Services - Landscape Services	-	1,620	1,620	2,000	2,000
1-05-4155-510	Contracted Services - Alarm Services	-	900	900	1,000	1,000
1-05-4155-515	Contracted Services - Janatorial Services	-	5,989	-	-	-
1-05-4155-520	Contracted Services - Pest Control Services	-	400	-	-	-
1-05-4155-525	Contracted Services - Wind Turbine Services	3,507	10,769	32,500	30,000	25,000
1-05-4155-530	Contracted Services - CMMS Software	-	10,025	2,000	10,000	10,000
1-05-4155-535	Contracted Services - SCADA Software	-	11,509	-	-	-
1-05-4155-540	Contracted Services - Lab Software	-	1,470	1,500	1,500	1,500
1-05-4155-545	Contracted Services - Lab Equipment Services	-	2,970	17,000	6,000	20,000
1-05-4155-550	Contracted Services - Water Quality Services	-	24,883	27,200	25,000	32,000
1-05-4155-555	Contracted Services - SCADA Hardware	-	3,574	-	-	-
1-05-4155-560	Contracted Services - Seismic Valve Controllers	-	5,685	-	-	-
1-05-4155-599	Contracted Services - Miscellaneous	-	-	-	2,000	2,000
1-05-4175-000	Permits	36,598	28,733	28,000	40,000	40,000
1-05-4215-100	Natural Gas - Wells & Boosters	152,638	309,877	-	-	-
1-05-4215-200	Natural Gas - Water Treatment Plant	2,571	1,616	1,500	3,000	3,000
1-05-4220-100	Electricity - Wells & Boosters	1,455,798	1,682,458	-	-	-
1-05-4220-200	Electricity - Water Treatment Plant	112,683	147,472	145,000	125,000	125,000
1-05-4230-110	Mtce & Rep Office - Equipment	395	463	-	500	500
1-05-4235-110	Mtce & Rep Operations - Equipment	10,787	17,730	15,500	11,500	11,500
1-05-4235-410	Mtce & Rep Operations - Shop Buildings	15,254	10,301	1,500	6,000	6,000
1-05-4235-415	Mtce & Rep Operations - Facilities	49,150	84,532	88,500	45,000	45,000
1-05-4235-445	Mtce & Rep Operations - Telemetry	4,807	663	-	-	-
1-05-4235-450	Mtce & Rep Operations - Hypo Generators	22,296	48,265	17,250	18,000	18,000
1-05-4235-500	Mtce & Rep Operations - Wind Turbine	-	6,183	9,500	6,000	10,000
1-05-4236-000	Palmdale Lake Management	10,114	10,575	30,000	25,000	-
1-05-4270-300	Telecommunication - Other	2,784	3,087	-	-	-
1-05-4300-300	Testing - Edison Testing	5,385	9,770	-	-	-
1-05-6000-000	Waste Disposal	23,904	24,600	12,000	14,000	20,000
1-05-6200-000	Uniforms	12,355	14,763	16,000	12,000	16,000
1-05-6300-100	Supplies - General	21,774	24,817	9,000	15,000	15,000
1-05-6300-200	Supplies - Hypo Generators	3,750	6,535	-	-	-

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Calendar Year 2016 Budget
Departmental Budgets

OPERATIONS AND PRODUCTION <i>(Continued)</i>						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-05-6300-300	Supplies - Electrical	2,414	405	-	-	-
1-05-6300-400	Supplies - Telemetry	7,819	2,055	-	-	-
1-05-6300-600	Supplies - Lab	35,310	35,387	37,000	35,000	40,000
1-05-6300-700	Outside Lab Work	103,006	44,565	71,000	64,000	92,000
1-05-6400-000	Tools	5,807	6,827	10,000	6,500	6,500
1-05-6500-000	Chemicals	502,609	384,205	382,000	463,000	400,000
1-05-7000-100	Lease Expense - Equipment	460	1,729	1,250	3,000	3,000
Departmental Totals:		5,685,516	5,875,735	2,878,643	2,959,000	2,759,250

WATER CONSERVATION						
GL #	Description	CY 2013 ACTUAL	CY 2014 ACTUAL	CY 2015 FORECAST	CY 2015 BUDGET	CY 2016 BUDGET
1-07-4000-000	Salaries - Water Conservation	159,129	113,405	179,250	175,000	129,000
1-07-4000-100	Salaries - Overtime	1,104	2,792	1,000	1,000	1,000
1-07-4005-000	Payroll Taxes - Water Conservation	12,244	9,373	13,750	13,500	10,000
1-07-4010-000	Health Insurance - Water Conservation	27,415	22,807	37,250	38,000	38,000
1-07-4015-000	PERS - Water Conservation	28,866	16,332	-	20,000	-
1-07-4015-100	PERS - Water Conservation - Employer (Classic)	-	-	7,500	-	6,000
1-07-4015-200	PERS - Water Conservation - Employee (Classic)	-	-	3,500	-	3,000
1-07-4015-300	PERS - Water Conservation - Employer (PEPRA)	-	-	5,650	-	8,250
1-07-4050-000	Staff Travel	571	1,224	-	-	-
1-07-4060-000	Conferences & Seminars	1,338	695	-	-	-
1-07-4085-000	Post Employment Benefits - Water Conservation	43,302	50,852	51,834	52,000	52,250
1-07-4190-300	Public Relations - Landscape Workshop/Training	243	71	250	1,000	1,000
1-07-4190-400	Public Relations - Contests	709	-	1,000	1,000	1,000
1-07-4190-500	Public Relations - Education Programs	906	413	-	2,500	2,500
1-07-4190-700	Public Relations - General Media	1,535	4,418	37,500	25,000	25,000
1-07-4190-900	Public Relations - Other	180	787	45,000	2,000	2,000
1-07-4500-000	Drought Enforcement Expense	-	-	5,000	7,500	7,500
1-07-6300-100	Supplies - General	3,472	7,710	4,000	5,000	5,000
2-00-5100-100	Conservation - Rebates	115,163	130,267	219,500	200,000	126,500
Departmental Totals:		396,176	361,146	611,984	543,500	418,000

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APPENDIX

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Calendar Year 2016 Glossary of Terms

ACH	Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. At the District, we are receiving bill payments for customers through Metavante.
ACWA	Association of California Water Agencies – Association of California Water Agencies represents and provides key services to its members. From legislation, to regulatory activity, to broad policy issues, ACWA is on the front lines in Sacramento and in Washington, D.C. as a constant and respected advocate for California’s public water agencies. ACWA’s involvement at the state and federal level has helped shape laws and policies that affect ACWA member agencies and their customers. (http://www.acwa.com)
AWWA	American Water Works Association – American Water Works Association is the authoritative resource on safe water, sharing knowledge on water resource development, water and wastewater treatment technology, water storage and distribution, and utility management and operations. AWWA provides knowledge, information and advocacy to improve the quality and supply of water in North America and beyond and advances public health, safety and welfare by uniting the efforts of the full spectrum of the water community. (http://www.awwa.org)
BMP	Best Management Practice (BMP) is a practice or combination of practices determined to be the most effective, practicable means for protecting natural resources.
CalPERS	See PERS
CDPH	California Department of Public Health – State agency that oversees and regulates the public drinking water systems. This includes the certification and licensing of water treatment and distribution system operators. (http://www.cdph.ca.gov)
CEQA	California Environmental Quality Act - The California Environmental Quality Act is a California law (California Public Resources Code section 21000 et seq.) passed in 1970, shortly after the Federal Government passed the National Environmental Policy Act. CEQA does not directly regulate land uses, but instead requires development projects submit documentation of their potential environmental impact. (http://ceres.ca.gov/ceqa)
CIF	Capital Improvement Fee – Capital improvement fees were established to provide funds for the construction of District facilities to meet water demands. These fees are collected from developers so they can contribute toward the cost of construction of these future facilities as specified by the District’s Master Plan.
CMMS	Computerized maintenance management system is a software package that maintains a computer database of information about an organization’s maintenance operations related to equipment, assets and property.

**Calendar Year 2016
Glossary of Terms**

CSDA	California Special Districts Association – California Special Districts Association is the recognized voice for all special districts. CSDA provides advocacy, outreach and member services, while educating policy makers and the public on the vital importance of local services provided by special districts in California. (http://www.csda.net)
CUWCC	The California Urban Water Conservation Council was created to increase efficient water use statewide through partnerships among urban water agencies, public interest organizations, and private entities. The Council's goal is to integrate urban water conservation Best Management Practices into the planning and management of California's water resources.
DSOD	Division of Safety of Dams – Department of Water Resources program entrusted to protect people against loss of life and property from dam failure.
DWR	California Department of Water Resources – State agency that oversees the operation of the State Water Project (SWP). (http://www.water.ca.gov)
DBP	Disinfection By-Products are potentially toxic chemical compounds that are formed in extremely low concentrations during the disinfection of water supplies.
EBPP	Electronic Bill Presentment and Payment.
EIR	Environmental Impact Report – An EIR is a public document used by a government agency to analyze environmental effects of a proposed project. It also allows for the identification of alternatives and to disclose possible ways to reduce or avoid possible environmental damage.
EIS	Environmental Impact Study – See EIR
EPA	Environmental Protection Agency – The federal agency responsible for setting and enforcing water quality standards.
ET	Evapotranspiration, or "ET," is the combination of water that is lost from the soil through evaporation and through transpiration from plants as a part of their metabolic processes. "ET" is simply the amount of water needed by a particular plant, tree, or turf grass.
GAC	Granular Activated Carbon – Granular activated carbon is a form of carbon that has been processed to make it extremely porous and thus to have a very large surface area available for adsorption or chemical reactions. These carbons are therefore preferred for all adsorption of gases and vapors as their rate of diffusion are faster. Granulated carbons are used for water treatment, deodourisation and separation of components of flow system.
GASB	Governmental Accounting Standards Board – The Governmental Accounting Standards Board exists to establish and improve standards of state and local governmental accounting and financial reporting. By doing this, the result is useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports. (http://www.gasb.org)

**Calendar Year 2016
Glossary of Terms**

GIS	Geographical Information System – Geographical information system captures, stores, analyzes, manages, and presents data that is linked to location. Technically, a GIS is a system, which includes mapping software and its application to remote sensing, land surveying, aerial photography, mathematics, photogrammetry, geography, and tools that can be implemented with GIS software.
IVR	Interactive Voice Recognition.
MOU	Memorandum of Understanding is a document describing a bilateral or multilateral agreement between parties. It expresses a convergence of will between the parties, indicating an intended common line of action.
MTBE	Methyl tertiary-butyl ether (MTBE) is a chemical compound that is manufactured by the chemical reaction of methanol and isobutylene. MTBE is produced is almost exclusively used as a fuel additive in motor gasoline.
O&M	Operations and Maintenance – Operations and Maintenance are the activities related to the performance of routine, preventive, predictive, scheduled, and unscheduled actions aimed at preventing equipment failure or decline with the goal of increasing efficiency, reliability, and safety.
OPEB	Other Post-Employment Benefits – Other Post-Employment Benefits obligations are primarily for retiree health care costs but also can include other benefits such as insurance.
PEPRA	California Public Employees' Pension Reform Act of 2013. The District has adopted PEPRA provisions on January 1, 2013. For a better understanding of this act refer to the CalPERS employers' circular located at the following URL. http://www.calpers.ca.gov/eip-docs/employer/cir-ltrs/2012/200-055-12.pdf
PERS or CalPERS	California Public Employees' Retirement System – The State retirement system covering Palmdale Water District employees and retirees. The retirement program provides retirement income levels dependent on age and length of participation.
RFP	Request for proposals.
SCADA	Supervisory Control and Data Acquisition is a system that collects data from various sensors at a factory, plant or in other remote locations and then sends this data to a central computer, which then manages and controls the data.
SWC	The State Water Contractors is a non-profit association of 27 public agencies from Northern, Central and Southern California that purchase water under contract from the California State Water Project. (http://www.swc.org)
SWP	California State Water Project – Administered by the Department of Water Resources (DWR), the State Water Project is the nation's largest state-built water and power development and conveyance system. Its purpose is to deliver water, control flooding, generate power, provide recreational opportunities, and enhance habitats for fish and wildlife.

Calendar Year 2016
Glossary of Terms

TTHM	Trihalomethanes (THM) are a group of four chemicals that are formed along with other disinfection byproducts when chlorine or other disinfectants used to control microbial contaminants in drinking water react with naturally occurring organic and inorganic matter in water. The EPA is in charge of regulating the total trihalomethanes (TTHM) at a maximum allowable annual average in drinking water.
VOC	Volatile Organic Compounds are ground-water contaminants of concern because of very large environmental releases, human toxicity, and a tendency for some compounds to persist in and migrate with ground-water to drinking-water supply wells
WI-FI	A popular technology that allows an electronic device to exchange data or connect to the internet wirelessly using radio waves.