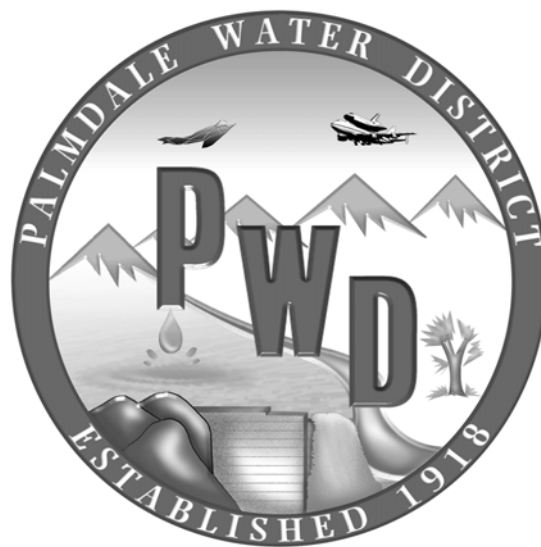


PALMDALE WATER DISTRICT



2005 BUDGET

Approved: December 17, 2004

PALMDALE WATER DISTRICT

2005 BUDGET

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SECTION I DISTRICT GOALS AND OBJECTIVES

OVERALL DISTRICT GOALS

*DEPARTMENTAL DESCRIPTIONS, ACCOMPLISHMENTS, AND
GOALS*

PALMDALE WATER DISTRICT

2005 BUDGET GOALS AND OBJECTIVES

Palmdale Water District adopted the following Mission Statement re-emphasizing our “. . . dedicat[ion] to providing clean, pure. . .

Water system facilities to meet current and future needs;
Attentive staff committed to customer service;
Treatment and testing to ensure high quality water;
Education on water conservation and safety;
Reliable supply and reasonable rates.”

The 2005 Budget provides a basis for operating the District to accomplish the Mission and goals stated above. The following is a brief overview of the 2005 Budget and a review of the District’s operations in 2004.

Year 2004 Review

The District continued addressing the challenge of California’s 2001 energy crisis in 2004. The District then moved ahead with hydroelectric and wind projects to increase our power supply reliability and make use of our local resources. The former hydroelectric station at Palmdale Lake was redesigned, licensed, and is currently under construction. This facility will provide power directly to the District providing both reduced electrical costs and reliable power. The wind energy conversion project for our water treatment facilities at Palmdale Lake was operational in July and had the Notice of Completion filed in December. The District will receive approximately \$1,000,000 from Southern California Edison from the Alternative Energy Incentive Fund in January or February, 2005.

The local rain and snowfall amounts were closer to normal this year. The District was able to use local surface water without purchasing additional water through the State Water Project (SWP) to meet our customer’s needs. The SWP water allotment was large enough to provide carry-over water into 2005. These, in addition to our available groundwater supplies and local surface water, are expected to allow the District to meet our customer’s demands in 2005.

Operationally, there was an increase of about 800 active accounts compared to 2003 for a total of approximately 24,400. These were largely newly constructed water services. However, water usage increased very little from 2003. This was likely due to the wet and colder than normal Fall. The billed water usage in 2004 is projected to be approximately 24,400 acre-feet or 7.92 billion gallons of water.

The water demand was met mostly by use of available surface water processed through the water treatment plant. Treated surface water accounted for nearly 60% of the total water production. Surface water sources used by the District are the SWP and a local source. Minimum payments are made on both sources regardless of water use. However, water actually delivered by the SWP costs an additional amount. The local surface water source does not. Therefore, local surface water was used to the extent possible before SWP water. The use of surface water did not result in water quality problems in 2004 as it had in 2003. The remainder of the water demand was met by groundwater.

The number of water main leaks and “lost” water are good indications about the health of a water distribution system. Water main leaks remained about the same, rising slightly from 88 in 2003 to 98 in 2004. This is about one leak for every four miles of water mains in the District. “Lost” water is the difference between the amount of water produced and put into the distribution system and the amount of water metered at service connections. The November, 2004 12-month average percentage of water loss was 9.16%. This is less than the normal water industry range of 10% to 15% and is higher than the 2003 percentage of 3.94%. However, it is similar to the 2002 percentage of 7.38%. Both indicators show that the District has an efficient and healthy water system.

2005 Budget

The District's mission statement includes providing adequate facilities, customer service, water treatment, water testing, water conservation education, a reliable water supply, and reasonable water rates as ways to fulfill our duty. The 2005 Budget provides for accomplishing all of these.

The majority of the budget funds personnel, operations, and maintenance costs. The personnel area includes increased benefit costs, adjustments to salary ranges that enable the District to attract and retain talented people, and additional positions. Operations and maintenance costs are planned for ensuring the water system remains healthy.

The equipment and project inclusions more clearly show the activities planned in 2005. While a number of these can also be considered maintenance, they will continue to upgrade the District's operations. For example, several items deal with the computer systems, replacement vehicles, and improvements to the District office and board room. The District program of installing radio-read water meters has been successful and will continue with approximately 8,000 meters planned for installation in two separate contracts. This will reduce the time needed to read water meters and will allow District staff to focus more on customer service.

The 2005 Budget also includes the electrical energy projects of the hydroelectric project and possible new technology at the clearwell site, mainline and service line replacement projects, continuing the development of the District GIS system, design and environmental work to enclose a portion of Palmdale Ditch under a Proposition 13 grant, environmental work to manage sediment levels in Littlerock Reservoir, construction of Phase I of improvements to the water treatment plant, design of Phase II improvements to the water treatment plant, design of the future water treatment plant, land purchases for future improvements, various facilities for the 2850' water service zone, and improvements associated with the College Park Palmdale Specific Plan.

Finally, funds are included to continue the District's water conservation and public information programs. This includes continuing with the water conservation garden design and working with the City of Palmdale and Palmdale School District to install weather-controlled irrigation systems. Both of these projects potentially have grant funds available.

Administration

Description:

The Administration Department manages the District through the Board of Directors, which sets policy, and the General Manager, who reports to the Board and manages the daily operation of the District. The attorneys and financial advisor positions, which answer to the Board and interact with the staff through the General Manager, are also an integral part of the Administration Department as are the functions of payroll, personnel, insurance management, I.T./I.S. services, public relations, and water conservation programs.

Business Office

Description:

The Business Office manages the day-to-day customer service affairs of the Palmdale Water District. This includes billing, meter reading, service applications, customer complaints, accounting related to accounts payable, cost accounting, payment processing, assessment management, and records management.

2004 WATER YEAR INDICATORS:

- 1) 2,819 +/- new applications processed. *
- 2) Responded to 7,731 +/- customer service orders. *
- 3) Processed _ payments of which _ were handled at front counter. *
- 4) 22,040 acre feet of water billed. *
- 5) 24,275 total active customer accounts on October 31, 2004.
- 6) 24,771 total accounts (active and inactive).

* All numbers are based on a reporting period of January 1 through October 31, 2004.

2004 WATER YEAR ACCOMPLISHMENTS:

- 1) Cross training of office staff in various areas (accounts payable, billing, image scanning, mail payments) to enable the office to operate efficiently.
- 2) The new Customer CIS system has allowed us to proficiently look at a customer's account and answer various questions in a shorter time frame. Additionally, refining and modifying the customer CIS software this year has provided us better capabilities in regards to collections (doortags & shutoffs), tracking special payment arrangements or requested deposit due dates.
- 3) Activation of the new Palmdale Water District Website has enabled our customers to gain access and perform many functions such as: obtaining the necessary documents to establish water service, address change request, check water rates and access their respective accounts on-line to view their bills and track their payments.
- 4) Scanning documents into the new document imaging software "Docstar" will enable us to expedite our look up of ownership, service applications, correspondence and other pertinent information.
- 5) Coordinating the large meter repair and testing. Replaced 4 large meters to improve accuracy and reliability.
- 6) Fostering active participation of staff in water awareness, conservation and education functions.

2005 OBJECTIVES:

- 1) Continue to promote effective customer service practices/programs to meet the needs of our customers.
- 2) Providing additional bill payment avenues by enabling (activating) the Website payment portal so that customers can pay their bills on-line. At the same time, we will be able to transact Credit/ATM transactions at each register.
- 3) Finish installing the radio read meters for remaining routes.
- 4) Continue to cross train office personnel in various areas (accounts payable, mail payment handling, scanning, collections and the like) to help the office efficiency.
- 5) Conduct real-time auditing of radio-read routes with new handheld devices and mobile collector unit to reduce re-reads during the month.
- 6) Continue training meter readers in customer service area (programming transponders, replacing meters and changing registers).
- 7) Oversee large meter repair, replacement and/or testing.
- 8) Presenting a positive image for the District by having staff members take an active role in the Districts water awareness, conservation and education programs.

Engineering

Description:

The Engineering Department's primary responsibilities are planning, project development and management, and quality control. Associated duties include CEQA compliance, permit maintenance, plan checking, construction inspection, updating facility maps, maintaining standard construction specifications, emergency planning, and reporting water production to maintain water rights.

2004 WATER YEAR INDICATORS:

- 1) 21 Water improvement projects approved.
- 2) 12 Water improvement projects completed.
- 3) 4 District construction projects completed.
- 4) 59 Inspection work orders actively overseen for completion and closure of the work order.
- 7) 2,567 USA tickets received with 1,012 requiring street marks.

2004 WATER YEAR ACCOMPLISHMENTS:

- 1) Provided input and staff time for various state reports.
- 2) Maintained tracking program for equivalent units for the Capital Improvement program annual update.
- 3) Updated water service maps, gate books, and 1000' scale maps.
- 4) Updated total quantification miles of pipe, number of valves, fire hydrants, air vacs, and other facilities.
- 5) Produced monthly water comparison charts and well static and pumping level graphs.
- 6) Completed survey and related reporting for both Littlerock and Palmdale Dam.
- 7) Compiled backup data and applications for Antelope Valley Pollution Control District.
- 8) Completed the design and construction management of the mainline replacement in the area of Maureen and 16th Street East.
- 9) Completed the contract administration for the construction contract for the Water Treatment Plant SCADA system.
- 10) Completed contract administration of the construction of the Wind Energy Conversion System.
- 11) Completed land acquisition for the future Water Treatment Plant.
- 12) Advertised for the Lake Palmdale By-Pass Pipeline construction and obtained necessary permits.
- 13) Completed the design of the mainline replacement project in 11th Street East between Avenue Q and Avenue R.
- 14) Completed the design for the modification at the 3MG tank site.
- 15) Awarded contract for the construction of the Palmdale Lake Hydro-Electric Station and currently reviewing submittals and shop drawings.
- 16) Completed the contract administration of the design and award of a construction contract for the phase I Water Treatment Plant Improvements.
- 17) Completed the contract administration of the design and award of a construction contract for the phase 45th Street Booster Station.
- 18) Awarded a contract for the completion of the EIS/EIR for the Littlerock Reservoir Sediment Removal Project.

2005 OBJECTIVES:

- 1) Complete the design and construction of equipping existing cased wells #34a, #29, and new Lancaster Sub-basin well.
- 2) Complete Phase III of the G.I.S. Mapping.
- 3) Complete the design, award construction contract, and provide construction management of a new building for well #16.
- 4) Complete the award of construction contract and provide construction management for the construction of the 11th Street East between Palmdale Blvd. and Avenue R mainline replacement project.
- 5) Complete the award of a construction contract and provide construction management of the next phase of the meter change-out program.
- 6) Complete the award of construction contracts and provide construction management for the 2850' Zone storage and related facilities.
- 7) Determine the most viable approach to completing the construction of the Lake Palmdale By-Pass Pipeline.
- 8) Continue providing construction management for the phase I Water Treatment Plant Improvements.
- 9) Complete the construction management of the Palmdale Lake Hydro-Electric Station and related transmission lines and switchgear.
- 10) Complete the emergency preparedness manual update and conduct drills.
- 11) Obtain necessary permits for the Littlerock Reservoir Sediment Removal Project.
- 12) Complete the design of the water main replacement project in the vicinity of Avenue Q, 35th Street East, Palmdale Blvd., and 37th Street East and award construction contract.
- 13) Provide input and review on the 2006 Water System Master Plan Update.
- 14) Provide input and review on the Emergency Response Plan revision.
- 15) Complete tasks related to the Palmdale Ditch Enclosure Grant and oversee design, CEQA, and construction management for this project.
- 16) Continue providing QA/QC on the construction of the new tracts, commercial, and city projects which require water system improvements.

Facilities

Description:

The Facilities Department maintains, services, repairs, and installs all District equipment and facilities with the exception of the Water Treatment Plant. Services include meter exchanges, valve exercises, maintain and repair District well pumps, reservoir and pipeline maintenance, vehicle and equipment repair and maintenance.

2003 WATER YEAR INDICATORS:

- 1) 24,472 meters in service.
- 2) 5,314 number of valves in service.
- 3) 356 miles of pipes in service.
- 4) 24 wells in service.
- 5) 130 emergencies to which the department responded.

2004 WATER YEAR ACCOMPLISHMENTS:

- 1) Completed installation of the 4th St. E & Avenue S pipeline job.
- 2) Completed installation of the 3 M.G. Tank Site retrograde piping job.
- 3) Exchanged 191 meters as of November 15, 2004.
- 4) Exercised 110 valves as of November 15, 2004.
- 5) Performed 2,971.75 hours of repair on District vehicles and equipment. *
- 6) Performed 3,644.25 hours of service and maintenance on tanks, pumps and wells.
- 7) 2,857.0 hours spent on leak repairs, valve exercising, and air/vac repair.
- 8) Tested 19 large meters for accuracy as part of a meter testing program.
- 9) Flushing program 37,352 CF used as of November 15, 2004. **
- 10) Total number of leaks 130 (98 SL and 32 ML) as of November 15, 2004.
- 11) 120 Angle stop repaired as of November 15, 2004.

* All numbers are based on a reporting period of January 1 through October 31, 2004.

** Previous year totals for flushing were reported inaccurately by ten times.

2005 OBJECTIVES:

- 1) Continue large meter testing program
- 2) Continue valve exercising program.
- 3) Continue flushing program
- 4) Continue main line replacement program
- 5) Continue dead end tie-in program.

Operations and Production

Description:

The Operations and Production Department operates the Water Treatment Plant, Lake Palmdale, Littlerock Dam and Reservoir, and the Palmdale Ditch for surface water sources and treatment. The Operations and Production Department also monitors and maintains operational control of the District's 24 ground water wells, 14 reservoir sites, 16 booster station sites, 16 pressure regulating stations, 7 hydro-pneumatic tanks, and hypo-chlorite disinfection equipment at 32 of the above sites. The Department is also responsible for maintaining compliance with federal, state, and local regulations on water quality standards, updating the watershed sanitary survey, source water protection plan, energy management, and pumping efficiency, as well as handling customer related water quality complaints.

2004 WATER YEAR INDICATORS:

- 1) Treated 15,027.2 * acre feet of water, 55.4% of total production.
- 2) Operated Water Treatment Plant 7,550.0 * hours.
- 3) Received 13,606.5 * acre feet of State Project Water.
- 4) Received 4,691.0 * acre feet of water from Littlerock Reservoir.
- 5) Pumped 12,084.3 * acre feet of ground water, 44.6% of total production.
- 6) Presently maintain 28.0 million gallons of potable water in distribution reservoir storage with total storage capacity at 40.0 million gallons.
- 7) Presently maintain 2,771.3 acre feet of water in Lake Palmdale at an elevation of 2,806.06 feet above sea level, and approximately 1,900 acre feet in Littlerock reservoir at an elevation of 3253.31 feet above sea level, (as of November 18, 2004).
- 8) Produced 27,112.7 * acre feet of potable water from all sources.

* Water year October 1, 2003 to September 30, 2004

2005 WATER YEAR ACCOMPLISHMENTS:

- 1) Completed Laboratory re-certification including Bacteriological, Inorganic and General Chemistry analysis.
- 2) Successfully tested and placed into operation temporary Carbon Dioxide storage and feed system and refined treatment techniques and chemical dosing, resulting in very low finished water turbidities.
- 3) Completed SCE Inspection and Hydraulic efficiency testing at booster sites, as well as certified maintenance of all valve operators including seismic valve operators.
- 4) Continue Lake monitoring and management plan to attempt to control organic precursors and thereby reduce TTHM's. Operated and maintained seven solar bee pond circulators in Palmdale Lake as they have proven to reduce thermal stratification and aerate the lake to help reduce algal blooms and reduce subsequent chemical treatment once again to only twice this current year.
- 5) Completed work with Northern Digital, Inc to specify and install Treatment Plant Automation, (SCADA)

2005 WATER YEAR ACCOMPLISHMENTS (Continued):

- 6) Completed work with Carollo Engineering to specify and design upgrades for plant optimization.
- 7) Completed work with Carollo Engineering to specify scope of work for DBP reduction study and obtained grant from AwwARF to complete study.
- 8) Utilized new water distribution strategies to reduce TTHM levels.
- 9) Worked with Carollo Engineering to complete update of operations manual.
- 10) Completed installation of three remote water quality monitoring stations.
- 11) Completed installation and commissioning of new seismic instrumentation at Littlerock dam.
- 12) Taken an active role with staff participation in all Water Awareness functions.
- 13) Monitored all source water supplies for Lead, Copper, Radioactivity, Giardia, Cryptosporidium, MTBE, and Hexavalent Chromium as well as other constituents required by law.

2005 OBJECTIVES:

- 1) Complete treatment plant automation and control via SCADA.
- 2) Continue development and execution of an effective lake monitoring program and clean up of Lake Palmdale shoreline.
- 3) Complete DBP study with Carollo Engineering and AwwARF.
- 4) Begin Plant Optimization Project.
- 5) Continue jar testing of coagulants to further reduce chemical costs and reduce sludge production and optimize treatment.
- 6) Modify and develop routine maintenance schedules to better accomplish preventative maintenance.
- 7) Continue to install new magnetic flow meters at well sites as necessary to improve accuracy of production tracking.
- 8) Complete upgrades at Littlerock Dam Valve house for more accurate metering and vapor proof instrumentation.
- 9) Complete conversion of pump controls to soft start controllers at various well sites.
- 10) Develop and refine Power Logic programming, including development of a data base for use by SCADA to automatically ensure efficient energy usage.
- 11) Continue to help promote a positive image of the District by taking an active role in the District's water awareness and water conservation and education programs.
- 12) Continue to promote a higher level of interdepartmental cooperation and communication. Keeping employees informed of progress on, and aware of District goals. Reinforcing the understanding and value of their individual contributions.
- 13) Encourage the continued education and training of all employees with the express intention of promoting a professional attitude among employees and improving overall water quality, customer service, and satisfaction.
- 14) Monitor all source water supplies for Radioactivity, Giardia, Cryptosporidium, MTBE, and Hexavalent Chromium, Cyanide, General Physical, General Mineral, Inorganics & Organics as well as other constituents required by law. Potentially begin Initial Distribution System Evaluation (IDSE) for stage II D/DBP rule.

SECTION II SUMMARIES

2005 BUDGET

FOUR YEAR CASH FLOW

DEPARTMENTAL STAFFING

Palmdale Water District
Budget 2005

	<u>BUDGET</u> <u>2005</u>	<u>PROJECTED</u> <u>2004</u>	<u>BUDGET</u> <u>2004</u>	<u>ACTUAL</u> <u>2003</u>	<u>ACTUAL</u> <u>2002</u>	<u>ACTUAL</u> <u>2001</u>
Operating Revenue						
Water sales	+	\$15,600,000	\$15,300,000	\$14,600,000	\$14,575,736	\$14,175,759
Other		1,300,000	1,300,000	900,000	873,291	786,931
		<u>16,900,000</u>	<u>16,600,000</u>	<u>15,500,000</u>	<u>15,449,027</u>	<u>14,962,690</u>
Operating Expenses						
Administration		3,039,300	2,707,500	2,751,500	2,838,147	2,320,377
Business office		3,417,625	1,930,000	2,522,000	1,576,766	1,423,989
Engineering		1,577,000	974,500	1,115,000	979,108	543,835
Facilities		2,569,600	2,638,500	2,275,500	3,088,850	2,893,436
Operations and production		4,426,500	3,965,000	4,140,000	3,782,438	3,538,127
Water Purchases		1,900,000	1,793,000	1,600,000	1,359,509	2,840,114
Water Recovery		(250,000)	(292,000)	(300,000)	(1,143,911)	(433,990)
Depreciation		4,700,000	4,573,000	4,800,000	4,565,438	4,887,121
Bad debts		5,000	6,000	15,000	0	30,000
Capitalized construction		(700,000)	(890,000)	(500,000)	(361,024)	(632,640)
		<u>20,685,025</u>	<u>17,405,500</u>	<u>18,419,000</u>	<u>16,685,321</u>	<u>17,410,369</u>
Operating Loss		<u>(3,785,025)</u>	<u>(805,500)</u>	<u>(2,919,000)</u>	<u>(1,236,294)</u>	<u>(2,447,679)</u>
Non-operating Revenues						
Assessments		1,300,000	1,810,000	1,000,000	2,580,426	3,320,425
Interest		1,640,000	840,000	650,000	735,699	1,735,831
Market Adj. on Investments		(100,000)	(432,000)	(325,000)	(362,032)	
Capital improvement fees	*	1,850,000	3,639,000	1,000,000	2,474,768	559,357
State Grants	**	1,404,000	0	885,000	0	0
Other		100,000	131,000	75,000	122,601	105,705
		<u>6,194,000</u>	<u>5,988,000</u>	<u>3,285,000</u>	<u>5,551,462</u>	<u>5,721,318</u>
Non-operating Expenses						
Interest Paid & Amortization on long-term debt		2,809,000	1,448,000	982,000	1,005,479	1,030,287
Amortization of SWP		900,000	875,000	875,000	801,756	741,564
		<u>3,709,000</u>	<u>2,323,000</u>	<u>1,857,000</u>	<u>1,807,235</u>	<u>1,771,851</u>
Net Earnings<Loss>		<u>(\$1,300,025)</u>	<u>\$2,859,500</u>	<u>(\$1,491,000)</u>	<u>\$2,507,933</u>	<u>\$1,501,788</u>

Assumptions:

Cost of Living possible increase maximum of 3% effective September 1, 2005.

Vision insurance coverage should stay at the same rates for the next year.

Health insurance will increase for Kaiser plans by 13.1% over last year's rates.

Health insurance will increase for Blue Cross PPO plans by 1.9% over last year's rates.

Health insurance will decrease for Blue Cross Classic plans by 0.9% over last year's rates.

Delta Dental insurance plans have not finalized their increase but the estimates are between 5% to 10% per plan over last year's rates.

Worker's Comp rates are calculated at .0175 for office personnel and .1080 for field personnel.

PERS will be calculated at 12.237% compared to the 2003-2004 rate of 7.206%.

USPS has announced a 10% increase in postal rates for 2005. It will take effect somewhere around March.

Palmdale Water District
4-Year Cash Flow

	<u>Proposed</u> <u>2005</u>	<u>Projected</u> <u>2004</u>	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:				
Operating <Loss> Income	(3,785,025)	(805,500)	(1,236,294)	(2,447,679)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	4,700,000	4,573,000	4,565,438	4,887,121
Other balance sheet accounts	(307,670)	(82,733)	1,423,319	(544,796)
Total Adjustments	4,392,330	4,490,267	5,988,757	4,342,325
Net cash provided by operating activities	<u>607,305</u>	<u>3,684,767</u>	<u>4,752,463</u>	<u>1,894,646</u>
Cash flows from capital & related financing activities:				
Acquisition of property, plant and equipment	(15,920,000)	(4,437,345)	(2,868,392)	(2,860,318)
Payments for participation rights in state water fac.	(1,506,347)	(1,597,275)	(1,986,349)	(1,674,000)
Net proceeds from 2004 bonds		38,454,021		
Principal paid on long-term debt	(895,000)	(595,000)	(570,000)	(665,000)
Interest paid on long-term debt	(2,733,112)	(1,372,112)	(929,591)	(954,400)
Refund of long-term debt				
Proceeds from property tax assessments levied	1,297,488	2,230,000	3,272,527	3,333,478
Proceeds from capital improvement fees	1,850,000	3,639,000	2,474,768	559,357
Proceeds from state grant funds	1,404,000	0	0	0
Other	100,000	131,000	122,601	105,705
Net cash used-capital & related financing activities	<u>(16,402,971)</u>	<u>36,452,289</u>	<u>(484,436)</u>	<u>(2,155,178)</u>
Cash flows from investing activities:				
Change in Investments	15,804,508	(39,949,805)	(371,016)	3,307,928
Interest on investments	1,640,000	840,000	735,699	921,288
Market adjustment	(100,000)	(432,000)	(362,032)	
Net cash provided by investing activities	<u>17,344,508</u>	<u>(39,541,805)</u>	<u>2,651</u>	<u>4,229,216</u>
Net increase (decrease) in cash & cash equivalents	<u>1,548,842</u>	<u>595,251</u>	<u>4,270,679</u>	<u>3,968,684</u>
Cash and cash equivalents at beginning of year:	<u>11,093,848</u>	<u>10,498,597</u>	<u>6,227,918</u>	<u>2,259,234</u>
Cash and cash equivalents at end of year:	<u>12,642,690</u>	<u>11,093,848</u>	<u>10,498,597</u>	<u>6,227,918</u>
Invested Funds	<u>46,000,000</u>	<u>61,000,000</u>	<u>21,050,195</u>	<u>20,679,179</u>
Cash and investments at end of year:	<u>58,642,690</u>	<u>72,093,848</u>	<u>31,548,792</u>	<u>26,907,097</u>

Palmdale Water District
Departmental Staffing

POSITION	2005	2004	2003
ADMINISTRATION:			
Directors	5	5	5
General Manager	1	1	1
Executive Secretary	1	1	1
Financial Advisor	1	1	1
Water Conservation Manager	1	1	1
Water Conservation Aide	1	1	1
Personnel Representative	1	1	1
Information Systems Specialist III	1	1	1
Information Systems Specialist II	1	1	1
SUBTOTAL:	<u>13</u>	<u>13</u>	<u>12</u>
BUSINESS:			
Office Supervisor	1	1	1
Assistant Office Supervisor	1	1	1
Customer Service Supervisor	1	1	1
Cross Connection Controller	1	1	1
Customer Service Technician	3	3	3
Account Clerks I/II	9	9	9
Meter Readers	3	3	3
Purchasing & Warehouse Technician	1	1	1
SUBTOTAL:	<u>20</u>	<u>20</u>	<u>20</u>
ENGINEERING:			
Assistant General Manager	1	1	1
Engineering Supervisor	1	1	1
Engineering Aide	2	2	1
Inspectors	3	3	3
USA	1	1	1
Drafters	2	2	2
SUBTOTAL:	<u>10</u>	<u>10</u>	<u>9</u>
FACILITIES:			
Facilities & Operations Manager	1	1	1
Facilities Superintendent	1	1	1
Supervisors	2	2	2
Crew Leaders	3	3	2
Mechanics	4	4	4
Maintenance Worker	1	1	1
Service Workers I/II	7	7	8
SUBTOTAL:	<u>19</u>	<u>19</u>	<u>18</u>
OPERATIONS AND PRODUCTION			
Production & Operations Superintendent	1	1	1
Supervisors	2	2	2
Operators	5	5	5
Pump Operator	2	2	2
Water Quality Specialist	1	1	1
Lab Assistant	2	2	1
Electronic Technician	1	1	1
Electrician I/II	2	2	2
SUBTOTAL:	<u>16</u>	<u>16</u>	<u>15</u>
DISTRICT TOTAL:	78	78	74

SECTION III

DEPARTMENTAL BUDGETS

ADMINISTRATION

BUSINESS

ENGINEERING

FACILITIES

OPERATIONS AND PRODUCTION

ACCOUNT DEFINITIONS

Palmdale Water District
Budget 2005

Administration

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2005	2004	2004	2003	2002	2001
1-4000	Salaries	660,000	650,000	581,000	559,604	447,545	456,331
1-4009	Directors Fees	90,000	84,000	95,000	94,188	88,360	97,638
	Subtotal (Salaries)	750,000	734,000	676,000	653,792	535,905	553,969
Employee Benefits							
1-4001	Payroll Taxes	45,000	44,000	40,000	39,367	35,346	32,129
1-4002	Health Insurance	136,500	124,000	120,000	93,192	81,597	71,287
1-4003	Pers	** 81,000	53,000	60,000	41,574	31,654	33,441
1-4004	Worker's Comp	* 260,000	188,000	190,000	173,713	130,803	64,395
1-4005	Sick Leave & Holidays		78,000		205,225	103,571	4,015
	Subtotal (Benefits)	522,500	487,000	410,000	553,071	382,971	205,267
	Personnel Expenses	1,272,500	1,221,000	1,086,000	1,206,863	918,876	759,236

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
OPERATING EXPENSES:		2005	2004	2004	2003	2002	2001
1-4100	Director's Travel	16,000	11,500	16,000	11,990	20,378	26,474
1-4101	Director's Meetings & Seminars	8,000	5,500	8,000	8,110	7,172	11,030
1-4102	General Manager's Travel	10,000	7,500	11,000	10,752	12,627	16,761
1-4103	General Mgr's Meetings & Seminars	6,000	5,000	4,000	3,160	3,754	5,230
1-4104	Staff Travel	7,500	5,000	4,000	529	2,043	1,452
1-4105	Staff Meetings & Seminars	6,000	4,500	5,000	2,329	13,786	16,174
1-4106	Safety Training - OSHA Compliance	75,000	42,000	38,000	38,005	30,595	31,622
1-4107	Employee Physicals/Safety Related Testing	5,000	5,500	4,000	4,275	2,746	3,549
1-4111	Employee Expense	30,000	26,000	30,000	33,976	36,427	34,425
1-4112	Other Operating	25,000	21,000	25,000	75,873	20,491	16,355
1-4120	Water Awareness Program	80,000	130,000	70,000	94,773	78,688	76,889
1-4121	Safety Program	7,500	7,000	5,000	4,267	3,054	1,954
1-4150	Insurance	175,000	160,000	175,000	161,258	170,057	150,757
1-4151	Bank Charges	75,000	65,000	75,000	57,708	72,686	48,189
1-4200	Legal Services	240,000	225,000	240,000	259,720	212,462	246,442
1-4201	Consulting Services	150,000	200,000	150,000	237,259	315,473	586,482
1-4202	Accounting Services	18,500	17,500	17,500	16,530	20,899	21,491
1-4203	Contracted Maintenance	220,000	215,000	200,000	226,589	179,481	129,897
1-4204	Safety Consulting	15,000	14,500	15,000	15,450	14,350	13,700
1-4205	Collections	6,000	6,000	5,000	6,042	4,993	4,475
1-4210	Memberships/Subscriptions	75,000	73,000	72,000	86,307	67,004	73,528
1-4211	Elections	0	62,500	50,000	0	48,188	0
1-4212	Permits	10,000	14,000	8,000	7,775	7,246	7,106
1-4223	Public Relations - Publications	++ 55,000	55,000				
1-4224	Public Relations - Chamber of Commerce	++ 10,000	7,500				
1-4225	Public Relations - Other	++ 6,000	6,500	65,000	59,799	52,602	62,054
1-4226	Youth Sponsorship	3,000	3,000	2,500	2,000	1,680	900
1-4227	Advertising	2,500	1,500	2,500	2,484	2,619	1,130
1-4999	Budget Inclusion Expenses	429,800	90,000	368,000	204,324		
	Total Operating Expense	1,766,800	1,486,500	1,665,500	1,631,284	1,401,501	1,588,066
	TOTAL:	3,039,300	2,707,500	2,751,500	2,838,147	2,320,377	2,347,302

Palmdale Water District
Budget 2005

Business Office

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
		2005	2004	2004	2003	2002	2001
PERSONNEL BUDGET:							
2-4000	Salaries	1,000,000	967,000	933,000	904,293	841,554	802,748
Employee Benefits							
2-4001	Payroll Taxes	75,000	73,000	75,000	72,647	66,832	61,410
2-4002	Health Insurance	196,000	168,000	182,000	149,259	120,750	122,093
2-4003	Pers	** 122,500	84,000	84,000	68,073	54,702	57,613
	Subtotal (Benefits)	393,500	325,000	341,000	289,979	242,284	241,116
	Personnel Expenses	1,393,500	1,292,000	1,274,000	1,194,272	1,083,838	1,043,864
OPERATING EXPENSES:							
2-4104	Staff Travel	6,000	3,000	6,000	5,275	1,653	1,782
2-4105	Staff Meetings & Seminars	4,000	3,500	4,000	3,031	2,219	1,361
2-4213	Postage	38,000	35,500	35,000	35,826	28,238	36,431
2-4250	Outsourced Processing	200,000	180,000	180,000	175,356	163,763	151,719
2-4260	Equipment Leasing	2,000	1,500	1,500	1,202	698	1,290
2-4300	Office Supplies & Fixtures	30,000	25,000	30,000	28,035	29,078	23,378
2-4301	Computer Supplies & Equipment	10,000	7,000	8,000	7,825	6,792	3,975
2-4305	Computer Software/Upgrades	20,000	17,500	12,000	7,459	5,722	5,248
2-4310	Business Forms	12,000	8,000	12,000	9,116	11,309	19,856
2-4410	Gas - Office Buildings	4,000	2,500	5,000	2,551	1,840	6,920
2-4411	Electricity - Office Buildings	35,000	30,000	40,000	35,366	35,932	31,392
2-4412	Telephone - Buildings	++ 27,000	25,000	34,000	32,921	28,752	26,078
2-4414	Telephone - Pager Services	++ 3,000	3,000				
2-4415	Telephone - Cellular Services	++ 12,000	10,500				
2-4502	Maint. & Repair - Office Buildings	35,000	32,000	30,000	35,742	18,366	29,739
2-4510	Maint. & Repair - Office Equipment	4,000	2,500	4,500	1,332	2,776	2,191
2-4512	Maint. & Repair - Computers	3,000	1,500	4,000	1,457	3,013	3,071
2-4999	Budget Inclusion Expenses	1,579,125	250,000	842,000	0		
	Total Operating Expense	2,024,125	638,000	1,248,000	382,494	340,151	344,431
	TOTAL:	3,417,625	1,930,000	2,522,000	1,576,766	1,423,989	1,388,295

Palmdale Water District
Budget 2005

Engineering

	BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2005	2004	2004	2003	2002	2001
PERSONNEL BUDGET:						
3-4000 Salaries	745,000	766,000	674,000	527,857	420,499	456,441
Employee Benefits						
3-4001 Payroll Taxes	54,000	47,500	54,000	42,042	35,670	34,920
3-4002 Health Insurance	102,000	78,000	82,000	58,893	51,241	48,063
3-4003 Pers	** 91,000	53,000	60,000	37,807	26,101	26,790
Subtotal (Benefits)	247,000	178,500	196,000	138,742	113,012	109,773
Personnel Expenses	992,000	944,500	870,000	666,599	533,511	566,214
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	BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2005	2004	2004	2003	2002	2001
OPERATING EXPENSES:						
3-4104 Staff Travel	7,000	5,000	7,000	6,571	6,204	4,381
3-4105 Staff Meetings & Seminars	5,000	4,000	5,000	5,091	3,085	1,950
3-4240 Inspection (Non Recovered)	1,000	0	1,000	49	0	41
3-4510 Maint. & Repair - Office Equipment	2,000	1,000	2,000	229	1,035	1,721
3-4999 Budget Inclusion Expenses	570,000	20,000	230,000	300,569		
Total Operating Expense	585,000	30,000	245,000	312,509	10,324	8,093
TOTAL:	1,577,000	974,500	1,115,000	979,108	543,835	574,307

Palmdale Water District
Budget 2005

Facilities

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2005	2004	2004	2003	2002	2001
4-4000	Salaries	1,115,000	1,078,000	1,050,000	1,003,286	868,274	895,831
Employee Benefits							
4-4001	Payroll Taxes	84,000	80,000	84,000	78,176	69,244	66,836
4-4002	Health Insurance	227,000	203,000	170,000	179,827	162,150	134,994
4-4003	Pers	** 163,500	95,000	94,500	74,670	54,671	58,839
	Subtotal (Benefits)	474,500	378,000	348,500	332,673	286,065	260,669
	Personnel Expenses	1,589,500	1,456,000	1,398,500	1,335,959	1,154,339	1,156,500

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
OPERATING EXPENSES:		2005	2004	2004	2003	2002	2001
4-4104	Staff Travel	11,000	10,500	7,500	10,671	7,032	8,075
4-4105	Staff Meetings & Seminars	9,000	9,000	3,500	4,038	2,683	1,918
4-4203	Contracted Maintenance	+ 25,000	19,000	15,000			
4-4241	Waste Disposal	70,000	19,000	15,000	14,160	14,989	12,403
4-4242	Fuel & Lube - Auto	60,000	58,000	55,000	50,571	45,599	53,431
4-4243	Fuel & Lube - Machinery	22,000	20,000	17,500	18,952	11,867	15,569
4-4244	Uniforms	21,000	20,000	16,000	17,244	14,482	13,961
4-4260	Equipment Leasing	5,000	4,500	5,000	8,798	3,690	1,715
4-4306	Materials & Supplies	95,000	97,000	75,000	79,452	45,672	96,163
4-4320	New Meters	40,000	25,000	50,000	55,518	1,079,713	205,477
4-4321	Service Costs Construction	30,000	24,000	30,000	31,880	29,994	23,022
4-4322	Fire Hydrant Repair	1,500	0	1,500	0	1,522	241
4-4330	Tools	10,000	10,500	10,000	8,592	10,522	10,879
4-4331	Safety Equipment	7,500	11,000	7,500	20,387	3,952	3,848
4-4410	Gas - Buildings	2,000	1,500	2,000	2,175	1,667	1,771
4-4411	Electricity - Buildings	12,500	9,000	15,000	13,012	12,750	13,379
4-4500	Maint. & Repair - Wells	200,000	535,000	150,000	92,344	163,900	239,680
4-4501	Maint. & Repair - Boosters	60,000	28,000	65,000	52,745	68,320	38,023
4-4502	Maint. & Repair - Shop Buildings	10,000	1,000	15,000	9,202	7,271	18,943
4-4503	Maint. & Repair - Facilities	25,000	27,500	25,000	20,076	6,884	31,990
4-4504	Maint. & Repair - Water Lines	75,000	75,000	75,000	103,197	41,142	95,410
4-4505	Maint. & Repair - Littlerock Dam	25,000	30,000	15,000	26,762	9,847	22,270
4-4506	Maint. & Repair - Palmdale Dam	10,000	10,500	7,500	2,490	683	15,579
4-4507	Maint. & Repair - Palmdale Canal	10,000	2,500	7,500	872	1,296	1,657
4-4510	Maint. & Repair - Office Equipment	2,000	1,000	2,000	632	225	1,552
4-4511	Maint. & Repair - Equipment	10,000	10,000	12,000	13,318	10,835	8,842
4-4515	Maint. & Repair - Vehicles	40,000	45,000	37,500	58,040	29,807	32,450
4-4516	Maint. & Repair - Heavy Equipment	25,000	24,000	25,000	25,485	26,728	10,819
4-4517	Maint. & Repair - Storage Reservoirs	25,000	0	25,000	84	67,198	51,789
4-4518	Maint. & Repair - Large Meters	25,000	10,000	30,000	15,843	4,580	8,785
4-4520	Meter Testing	15,000	10,000	15,000	1,560	14,247	5,425
4-4999	Budget Inclusion Expenses	1,600	35,000	45,000	994,791		
	Total Operating Expense	980,100	1,182,500	877,000	1,752,891	1,739,097	1,045,066
	TOTAL:	2,569,600	2,638,500	2,275,500	3,088,850	2,893,436	2,201,566

Palmdale Water District
Budget 2005

Operations and Production

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2005	2004	2004	2003	2002	2001
5-4000	Salaries	1,050,000	1,000,000	987,000	894,952	846,050	829,250
Employee Benefits							
5-4001	Payroll Taxes	80,000	78,500	79,000	72,300	68,291	60,971
5-4002	Health Insurance	160,000	158,000	147,500	124,052	100,717	91,828
5-4003	Pers	** 128,500	88,500	90,000	66,220	55,511	55,404
	Subtotal (Benefits)	368,500	325,000	316,500	262,572	224,519	208,203
	Personnel Expenses	1,418,500	1,325,000	1,303,500	1,157,524	1,070,569	1,037,453

		BUDGET	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
OPERATING EXPENSES:		2005	2004	2004	2003	2002	2001
5-4104	Staff Travel	10,000	8,500	10,000	6,838	12,536	15,228
5-4105	Staff Meetings & Seminars	8,000	7,500	6,000	8,010	6,859	8,339
5-4203	Contracted Maintenance	35,000	24,000	35,000	0		
5-4206	Edison Testing	15,000	0	15,000	4,935	0	
5-4207	EPA/Regulatory Compliance	20,000	0	25,000	19,163		
5-4212	Permits	50,000	18,500	45,000	40,968	8,911	36,735
5-4241	Waste Disposal	30,000	20,000	30,000	17,233	23,071	2,539
5-4244	Uniforms	7,000	6,250	6,500	5,559	6,246	6,148
5-4245	Outside Lab Work	80,000	55,000	100,000	81,041	114,312	49,809
5-4260	Equipment Leasing	2,500	750	2,500	822	(202)	2,438
5-4302	Laboratory Supplies	35,000	30,000	35,000	28,810	23,966	37,453
5-4303	Telemetry Supplies	4,000	2,000	5,000	4,099	0	
5-4304	Electrical Supplies	3,000	2,000	3,000	2,112	399	2,563
5-4306	Materials & Supplies	15,000	14,000	15,000	9,489	16,630	20,588
5-4307	Hypo Generator Supplies	15,000	18,500	20,000	3,733	18,065	45,570
5-4330	Tools	5,000	6,000	5,000	2,654	1,239	2,261
5-4331	Safety Equipment	7,500	4,500	10,000	9,593	4,831	1,911
5-4350	Chemicals	400,000	350,000	500,000	288,543	424,099	413,454
5-4400	Gas - Wells & Boosters	400,000	375,000	275,000	334,092	196,947	333,632
5-4401	Electricity - Wells & Boosters	1,350,000	1,240,000	1,300,000	1,221,504	1,324,888	1,561,750
5-4402	Telephone - Wells & Boosters	4,000	2,000	5,000	3,951	4,966	5,723
5-4410	Gas - Buildings	3,000	1,750	3,000	2,745	1,353	1,380
5-4411	Electricity - WTP Buildings	+ 80,000	45,000	60,000	59,570	52,987	87,626
5-4413	Electricity - Hypo Generator (Removed)	+ 25,000	24,000	35,000	24,388	31,567	26,161
5-4500	Maint. & Repair - Wells	25,000	20,000	25,000	50,103	40,972	17,653
5-4501	Maint. & Repair - Boosters	35,000	34,000	25,000	38,341	17,607	11,392
5-4502	Maint. & Repair - Plant Buildings	15,000	7,500	15,000	23,776	8,725	14,077
5-4503	Maint. & Repair - Facilities	55,000	38,000	60,000	79,506	54,074	51,442
5-4510	Maint. & Repair - Office Equipment	2,500	1,750	2,000	512	359	2,127
5-4511	Maint. & Repair - Equipment	15,000	17,000	15,000	6,235	4,383	14,961
5-4513	Maint. & Repair - Telemetry	6,000	3,500	7,500	4,859	5,273	5,656
5-4519	Maint. & Repair - Hypo. Generators	7,500	4,000	10,000	10,825	4,440	7,246
5-4520	Palmdale Lake Management	50,000	44,000	55,000	45,045	58,055	
5-4999	Budget Inclusion Expenses	218,000	215,000	76,000	185,860		
	Total Operating Expense	3,008,000	2,640,000	2,836,500	2,624,914	2,467,558	2,785,862
	TOTAL:	4,426,500	3,965,000	4,140,000	3,782,438	3,538,127	3,823,315

Palmdale Water District 2005 Budget Notes

Balance Sheet Notes:

- * Actual 2004 construction in process fees have reached \$3,615,000 due to increase of developers' housing construction projects. Budget estimate for 2005 were set at \$1,750,000 based on half of the potential projections for new housing development (tracts) in plan check process. However, actual figure will probably be similar to 2004 due to the continuing increase in residential housing being built due to continuing low interest rates and demand driven by increased demand for regional housing.
- ** State grant monies budgeted for 2003 were based on the proposed Wind Turbine project at Palmdale Lake. This number is being carried over to 2004 since the project did not start due to additional requirements that delayed the project. However this delay has pushed the grant refund payment into the 2005 budget year.
- + Water sales for 2004 continued to be higher than the previous year. This was due in part to continued increases in usage brought about to the increases in the housing market. We also saw continued warm weather that ran into the fall months. 2005 water sales should be nearly the same as long as we have normal rainfall (as predicted). Most likely we will continue to see a slight increase due the continuation of additional housing developments.

Departmental Budget Notes:

- + 5-4411 and 5-4413 are combined for the 2005 since the electric accounts at the treatment plant were combined for net metering account. This was brought on by the installation of the the 952 megawatt wind turbine.
- ++ These accounts were split apart to define the overall costs better. Costs were identified based on the vendors providing the rendered services.
- * Worker's Comp Rates have increased due to modification factor increases versus claims against units. Majority of this increase has been due in part to claims filed by employees within the field worker class.
- ** Currently the PERS rate is 12.237% Employer/Employee combined. PERS calculates new rates at the start of the fiscal year and an adjustment maybe required in July.

Budget Inclusion Notes:

- (CO) This flag at the end of the descriptions stands for 2003 carry-over items.
- (O & M) This item will be handled through a one time approved amount in the standard operations and maintenance budget.
- * Price is dependent on the amount of meters that are approved in 2GP01.

Account Definitions

These definitions are provided as a guideline for the submission of invoices for payment. These are also provided to so the Board of Directors and general public can see what the potential expenditures could entail for a specific ledger account.

General

SALARIES: Includes all salaries, overtime, and Director Fees listed for positions authorized in the Personnel Budget. Board action on this item sets the authorized staffing level for this department unless amended by future Board action. This line item also includes payment for vacation and bereavement leave. Worker's Comp., sick leave and holidays are non-departmental expenses shown in the administration budget sheet.

EMPLOYEE BENEFITS: Includes all District provided benefits for employees and their eligible dependents including Health, Dental, Vision, PERS, and employer tax liability.

All departments contain these accounts for departmental breakdown purposes and they start at X-4000 through X-4009 (X represents the department number be reviewed).

Administration

1-4100: DIRECTOR'S TRAVEL - Includes all transportation, lodging and meal expenses for directors to attend meetings, conferences, etc.

1-4101: DIRECTOR'S MEETINGS & SEMINARS – Includes all costs associated with approved conferences, meetings, and training seminars.

1-4102: GENERAL MANAGER'S TRAVEL - Includes all transportation, lodging and meal expenses for the general manager to attend meetings, conferences, etc.

1-4103: GENERAL MANAGER'S MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars.

1-4104: STAFF TRAVEL - Includes all transportation, lodging and meal expenses for staff to attend meetings, conferences, etc.

1-4105: STAFF MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars related to employees classified as being part of the administration department.

1-4106: SAFETY TRAINING (OSHA COMPLIANCE) - Includes all District training related to safety in the work place such as hazmat, crane and backhoe training, CPR, first responder, etc.

1-4107: EMPLOYEE PHYSICALS / SAFETY RELATED TESTING - Includes all physicals for new hires, DMV physicals required for Class A renewals, and drug testing. It includes all items that are related to the safety training testing also. Includes both personnel and equipment.

1-4111: EMPLOYEE EXPENSE - Any expense that is paid by the District referred to in Employee Manual such as job-related classes, class licenses, etc.

1-4112: OTHER OPERATING - Includes all miscellaneous expenses not shown in other District accounts.

1-4120: WATER AWARENESS PROGRAM - Expenses for resource and promotional materials to promote water awareness in schools and community events, also includes expenses related to perform contests, community activities, etc.

1-4121: SAFETY PROGRAM - Expenses for educational materials such as safety videos, books, and resource materials for use in the District. It also includes costs associated with the employee safety bingo program.

1-4150: INSURANCE - Liability, Board, Dam Insurance, and Auto Insurance for all District vehicles. All insurance is included here except worker's compensation, employee health, dental and vision.

Administration (continued):

1-4151: BANK CHARGES - Charges incurred on checking, savings, and merchant accounts (service charges, returned check fees, etc.).

1-4200: LEGAL SERVICES - Includes all legal fees for services provided by the District's legal counsel. Also, it does not include the work of District staff in support of counsel.

1-4201: CONSULTING SERVICES - Non-reoccurring, non-capital services which are performed under contract for all departments. This includes consultants for special studies, surveys, etc.

1-4202: ACCOUNTING SERVICES - Audit services. Does not include salary for the Financial Advisor.

1-4203: CONTRACTED MAINTENANCE - All maintenance that is contracted for the year such as computer, HVAC, cleaning, security, etc. This account excludes the facilities or operations and production portions.

1-4204: SAFETY CONSULTING – Outside services related to overseeing safety issues.

1-4205: COLLECTIONS - Collection agency fees for all accounts submitted. Includes provision for bad debt.

1-4210: MEMBERSHIPS/SUBSCRIPTIONS - Includes District memberships in professional organizations such as the Association of California Water Agencies, the American Water Works Association, the California Special District Association, and others. Also includes District paid memberships for individual employees to professional organizations that furthers the mission of the District. Subscriptions include all District paid subscriptions to professional publications that further the mission of the District.

1-4211: ELECTIONS - The District will have its next election in the fall of 2005. However the payment will not be due until the spring of 2006.

1-4212: PERMITS - All licenses and permit fees such as Air Quality Management District, etc. This account excludes the permits to operate the water treatment plant

1-4223: PUBLIC RELATIONS – PUBLICATIONS – Includes the cost of District newsletters and consumer confidence reports.

1-4224: PUBLIC RELATIONS – CHAMBER OF COMMERCE – Includes the cost of the District's participation in Chamber of Commerce events and ad campaigns.

1-4225: PUBLIC RELATIONS – OTHER Includes the cost of photographs, and all other public relations activities with the exception of those related to the Littlerock Dam project, water awareness and youth sponsorship and not covered in accounts 1-4223 and 1-4224.

Administration (continued):

1-4226: YOUTH SPONSORSHIP - Includes sponsorship of youth sports, school organizations, etc.

1-4227: ADVERTISING - Includes all items related to advertise pipeline projects, public notices, sale of declared surplus, etc.

Business Office

2-4104: STAFF TRAVEL - Includes all transportation, lodging and meal expenses for staff to attend meetings, conferences, etc.

2-4105: STAFF MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars related to employees classified as being part of the business office department.

2-4213: POSTAGE - All postage including billing, daily mail, ups and federal express.

2-4250: OUTSOURCED PROCESSING – This account is for services such as bill printing services that is done through contracts.

2-4260: EQUIPMENT LEASING - Includes existing leases on office equipment. Also any rented during the year to be used in conjunction with office projects.

2-4300: OFFICE SUPPLIES & FIXTURES - Pens, paper, envelopes, and non-computer related expenditures except for toner/ink. Also includes minor office equipment that is not depreciable.

2-4301: COMPUTER SUPPLIES & EQUIPMENT - All supplies and new equipment needed for computer services. This does not include toner/ink, forms and paper, which are included in 2-4300.

2-4305: COMPUTER SOFTWARE/UPGRADES - Account for tracking all new software purchases and upgrades of existing software outside of standard maintenance and service contracts.

2-4310: BUSINESS FORMS - All forms used in billing and front office to see actual expenses. Includes door-tags, bills, checks (payables and payroll), complaint form, etc.

2-4410: GAS - OFFICE BUILDING - All utility bills for gas service to main office located at 2029 E Avenue Q.

2-4411: ELECTRICITY - OFFICE BUILDINGS - All utility bills for electric service to main office located at 2029 E Avenue Q.

2-4412: TELEPHONE - OFFICE - All utility bills for telephone service and backbone connection to the Internet to main office and shop buildings located at 2029 E Avenue Q.

2-4414: TELEPHONE – PAGER SERVICES - All billing associated with pager services provided to employees for on-call. This includes the costs associated with the District's after hours service provider.

2-4415: TELEPHONE – CELLULAR SERVICES - All billing associated with cellular services provided to employees.

Business Office (continued):

2-4502: MAINT. & REPAIR - OFFICE BUILDINGS - Includes all materials used for maintenance done on the main office building. Also covers anything that is not covered under maintenance contracts.

2-4510: MAINT. & REPAIR - OFFICE EQUIPMENT - Includes upkeep and minor additions to existing office equipment not covered by contracted maintenance.

2-4512: MAINT. & REPAIR - COMPUTERS - Covers any equipment items that are upgraded or have failed during the year and items not specifically covered under service contracts.

Engineering

3-4104: STAFF TRAVEL - Includes all transportation, lodging and meal expenses for staff to attend meetings, conferences, etc.

3-4105: STAFF MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars related to employees classified as being part of the engineering department.

3-4240: INSPECTION - Includes lost salary time for District inspectors on developer projects that have become defunct or no chargeable contractor/developer.

3-4510: MAINT. & REPAIR - OFFICE EQUIPMENT - Includes upkeep and minor additions to existing office equipment not covered by contracted maintenance.

Facilities

4-4104: STAFF TRAVEL - Includes all transportation, lodging and meal expenses for staff to attend meetings, conferences, etc.

4-4105: STAFF MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars related to employees classified as being part of the facilities department.

4-4203: CONTRACTED MAINTENANCE - All maintenance that is contracted for the year such as computer, HVAC, building cleaning, security, etc. and only includes the facilities department.

4-4241: WASTE DISPOSAL - Removal of any by-products from maintenance of vehicles, wells, etc. Such as waste oil, anti-freeze, etc. Also disposal of excess materials from excavation of water lines for repair.

4-4242: FUEL & LUBE - AUTO - Gasoline and lubricants used on District vehicles including those used by other departments.

4-4243: FUEL & LUBE - MACHINERY - Gasoline and lubricants used on District equipment other than vehicles. Such as heavy equipment, small equipment wells and boosters.

4-424-4: UNIFORMS - Provision and cleaning of all District provided uniforms for the business office, engineering department and facilities department. This account excludes the uniform charges of the operation and production department.

4-4260: EQUIPMENT LEASING - Lease payments for equipment leased by the District for use in maintaining the District's facilities. Does not include office equipment or equipment specifically listed in other accounts or departments.

4-4306: MATERIALS & SUPPLIES - Includes all materials purchased for the purpose of maintaining the District's distribution system and District property over and above the standard maintenance and repair. Excludes items that are covered under other accounts.

4-4320: NEW METERS - Purchase of new meters for the District's on-going meter exchange program for the regular replacement of non-functioning meters. This account is also used for the purchasing of developer meters, which are offset by meter deposit fees.

4-4321: SERVICE COSTS CONSTRUCTION - Materials and equipment used on construction projects, fire hydrants, meters, and check valves not covered by a specific work order. Does not include inspection or contractor expenses.

4-4322: FIRE HYDRANT REPAIR - Any repairs done to fire hydrants when an accident occurs or to maintain proper fire protection. Accident related charges that are re-imbursed by insurance companies will offset the charges in this account.

Facilities (continued):

4-4330: TOOLS - All tools that are purchased for use in the shop or out in the field for use during the maintenance of existing equipment, facilities (pipelines, valves, etc.) or buildings.

4-4331: SAFETY EQUIPMENT - Purchase of safety equipment such as: gloves, boots, goggles, traffic signs, cones, delineators, etc. to maintain the safety of employees in the field.

4-4410: GAS - OFFICE BUILDING - All utility bills for gas service to shop building and back office.

4-4411: ELECTRICITY - OFFICE BUILDINGS - All utility bills for electric service to shop building and back office.

4-4500: MAINT. & REPAIR - WELLS - All materials and supplies necessary for the proper operation of District wells including pipes, motors, fencing, etc. Excludes items done by the Operations and Production Dept.

4-4501: MAINT. & REPAIR - BOOSTERS - All materials and supplies necessary for the proper operation of District boosters including pipes, motors, fencing, etc. Excludes items done by the Operations and Production Dept.

4-4502: MAINT. & REPAIR - SHOP BUILDINGS - All materials and supplies necessary for upkeep on shop buildings and back office building. Excludes main offices and treatment plant buildings.

4-4503: MAINT. & REPAIR - FACILITIES - All materials and supplies necessary for the proper operations of District facilities such as the District yard, etc. Includes all facilities not specifically covered by other accounts.

4-4504: MAINT. & REPAIR - WATER LINES - Includes all maintenance done to water lines such as leaks, service lines, valves, etc. Does not include major improvement projects which are performed under contract.

4-4505: MAINT. & REPAIR - LITTLEROCK DAM - All materials needed to maintain the safety and integrity of the dam. Includes monies for the start of a silt removal program.

4-4506: MAINT. & REPAIR - PALMDALE DAM - All materials needed to maintain the safety and integrity of the earthen dam at the East end of Palmdale Lake for water storage.

4-4507: MAINT. & REPAIR - PALMDALE CANAL - All materials and supplies necessary to maintain the canal for the transportation of water from Littlerock Dam to Palmdale Lake.

4-4510: MAINT. & REPAIR - OFFICE EQUIPMENT - Includes upkeep and minor additions to existing office equipment not covered by contracted maintenance.

Facilities (continued):

4-4511: MAINT. & REPAIR - EQUIPMENT - All materials necessary for the proper operation of the District's equipment. Includes all equipment other than office and treatment plant equipment, which is itemized separately, also, equipment covered by other accounts.

4-4515: MAINT. & REPAIR - VEHICLES - All materials for the repair of District vehicles including those used by other departments.

4-4516: MAINT. & REPAIR - HEAVY EQUIPMENT - All materials for the repair of District heavy equipment including those used by other departments. Includes the backhoes, dump trucks, cranes, trailers, etc.

4-4517: MAINT. & REPAIR – STORAGE RESERVOIRS – All materials for the repair of District storage reservoirs related to cathodic protection.

4-4518: MAINT. & REPAIR – LARGE METERS – This is the expense account to track associated costs for the repair of large meters. These meters have been identified for repair by the meter testing program. Maintenance charges are taken in to offset these expenses and the funds show up in other operating revenue.

4-4520: METER TESTING - Testing, calibration, and rebuilding of large meters.

Operations and Production

5-4104: STAFF TRAVEL - Includes all transportation, lodging and meal expenses for staff to attend meetings, conferences, etc.

5-4105: STAFF MEETINGS & SEMINARS - Includes all costs associated with approved conferences, meetings, professional development and training seminars related to employees classified as being part of the facilities department.

5-4203: CONTRACTED MAINTENANCE - All maintenance that is contracted for the year such as computer, HVAC, building cleaning, security, etc. and only includes the operations and production department.

5-4206: EDISON TESTING – This account is for the charges related to the preventative maintenance testing that Edison performs. The charges will be based on testing the wells one year and the boosters the following on a rotating schedule.

5-4212: PERMITS - All licenses and permit fees to operate the water treatment plant.

5-4241: WASTE DISPOSAL - Hauling of the sediment removed during the water treatment process.

5-4244: UNIFORMS - Provision and cleaning of all District provided uniforms for the operation and production department. This account excludes the uniform charges of the business office, engineering department and facilities department.

5-425-4: OUTSIDE LAB WORK - Provides for laboratory work beyond the capability of the Water Treatment Plant. Increased amount is largely due to Title 22 requirements which require that certain testing be performed every third year.

5-4260: EQUIPMENT LEASING - Lease payments for equipment leased by the District for use in maintaining the District's water treatment plant. Does not include office equipment or equipment specifically listed in other accounts or departments.

5-4302: LABORATORY SUPPLIES - Laboratory supplies for in-plant testing including solutions, reagents, bottles, burets, flasks, etc.

5-4303: TELEMETRY SUPPLIES - Supplies needed for the day-to-day operation of the telemetry equipment.

5-4304: ELECTRICAL SUPPLIES - Supplies for stock on hand in case of emergencies due to parts failure.

5-4306: MATERIALS & SUPPLIES - Materials used in the operation of the Water Treatment Plant and well site operations (does not include well site maintenance which is performed under other accounts and depts.).

Operations and Production (continued):

5-4330: TOOLS - All tools that are purchased for use at the water treatment plant or out in the field for use during the maintenance of existing equipment, facilities (pipelines, valves, etc.) or buildings by the operations and production department.

5-4331: SAFETY EQUIPMENT - Equipment used for the safety of District employees or visitors to the water treatment plant.

5-4350: CHEMICALS - Chemicals used in water treatment and source, including but not limited to, Chlorine, Aluminum Sulfate, Carbon, Copper Sulfate, Polymers, Potassium Permanganate, and Zinc Orthophosphate.

5-4400: GAS - WELLS & BOOSTERS - All utility bills for gas service to gas-powered well and booster sites.

5-4401: ELECTRICITY - WELLS & BOOSTERS - All utility bills for electric services for the District's distribution system (well sites, boosters and Littlerock Dam).

5-4402: TELEPHONE - WELLS & BOOSTERS - All utility bills for telephone services for the District's distribution system (well sites, boosters and Littlerock Dam).

5-4410: GAS - OFFICE BUILDING - All utility bills for gas service to water treatment plant.

5-4411: ELECTRICITY – WATER TREATMENT PLANT - All utility bills for electric service to water treatment plant including the hypo generator. This account will also contain any credits issued related to the running of the wind turbine.

5-4500: MAINT. & REPAIR - WELLS - All materials and supplies necessary for the proper operation of District wells electrical, chlorination systems, etc. Excludes items done by the facilities department.

5-4501: MAINT. & REPAIR - BOOSTERS - All materials and supplies necessary for the proper operation of District boosters electrical, chlorination systems, etc. Excludes items done by the facilities department

5-4502: MAINT. & REPAIR - PLANT BUILDINGS - All materials and supplies necessary for upkeep on water treatment plant buildings and back shop building. Excludes main offices and shop buildings.

5-4503: MAINT. & REPAIR - FACILITIES - Maintenance of all facilities and land at the Water Treatment Plant and Lake Palmdale. Excludes items covered under other accounts.

5-4510: MAINT. & REPAIR - OFFICE EQUIPMENT - Includes upkeep and minor additions to existing office equipment not covered by contracted maintenance.

Operations and Production (continued):

5-4511: MAINT. & REPAIR - EQUIPMENT - All materials necessary for the proper operation of the District's equipment. Includes all equipment other than office and facilities equipment which is itemized separately, also equipment covered by other accounts.

5-4513: MAINT. & REPAIR - TELEMETRY - Covers any equipment items that are upgraded during the year at the treatment plant, well sites and booster sites.

5-4519: MAINT. & REPAIR – HYPO. GENERATORS – All materials necessary to repair and maintain the sodium hypo-chlorite generators. This is over and above costs not associated with generation systems still under warranty.

5-4520: PALMDALE LAKE MANAGEMENT - Covers the costs associated with excess debris removal around Palmdale Lake. It will however exclude any chemical costs for spraying.

SECTION IV INDIVIDUAL BUDGET REQUESTS

EQUIPMENT BUDGET REQUESTS

GENERAL FUND PROJECT REQUESTS

CAPITAL IMPROVEMENT FUND PROJECT REQUESTS

Palmdale Water District
Budget 2005
Equipment Inclusions

REQ #	DESCRIPTION	AMOUNT	GEN MGR RECOMMEND.	BOARD ACTION	INCLUSION TYPE
<u>Administration Dept.</u>					
1E01	Small Workgroup Digital Mpiers	9,000	9,000	9,000	Depreciable
1E02	Vehicle GPS Tracking/Audit System	66,000	20,000	20,000	Depreciable
1E03	E.O.C. Trailer	65,000	HOLD	HOLD	
1E04	Aquadog & Wesley Costumes	3,300	3,300	3,300	Expense
1E05	Software Adobe InDesign CS	2,000	2,000	2,000	Expense
1E06	46" LCD-TV Station for Board Room	15,750	15,750	HOLD	
1E07	Photo ID Printing System	4,750	0	0	
1E08	Firewall/VPN Server	20,000	20,000	20,000	Depreciable
1E09	Customer Service IVR Telephony System	60,000	HOLD	HOLD	
	Dept Subtotal:	245,800	70,050	54,300	
<u>Business Office Dept.</u>					
2E01	Handheld Meter Reading System	20,000	20,000	20,000	Depreciable
2E02	Itron Mobile Collector (MC2)	45,000	45,000	45,000	Depreciable
2E03	Meter Test Bench	30,000	0	0	
	Dept Subtotal:	95,000	65,000	65,000	
<u>Engineering Dept.</u>					
3E01	Survey Equipment	7,500	7,500	7,500	Depreciable
	Dept Subtotal:	7,500	7,500	7,500	
<u>Facilities Dept.</u>					
4E01	8000 Watt Portable Generator	2,000	2,000	2,000	Depreciable
4E02	3" 8 H.P. Trash Pump (Qty. 2)	3,300	3,300	3,300	Depreciable
4E03	Laser Site Setup Instrument	1,500	1,500	1,500	Depreciable
4E04	Wacker Compactor	3,850	3,850	3,850	Depreciable
4E05	Trail King 32' Trailer	22,000	22,000	22,000	Depreciable
4E06	Trailer Mounted Portable Diesel Self-priming Trash Pump	35,000	0	0	
4E07	Pavement Equipment	60,000	0	0	
4E08	Valve Tuning Machine w/Software Package	40,000	40,000	40,000	Depreciable
4E09	2005 3/4 Ton Truck w/Utility Body	33,000	33,000	33,000	Depreciable
4E10	2005 3/4 Ton Truck w/Utility Body	33,000	33,000	33,000	Depreciable
4E11	2005 1/2 Ton Truck	23,000	23,000	23,000	Depreciable
4E12	2005 1/2 Ton Truck	23,000	23,000	23,000	Depreciable
	Dept Subtotal:	279,650	184,650	184,650	
<u>Operation and Production Dept.</u>					
5E01	Upgrade Solar Bees	80,500	80,500	80,500	Depreciable
5E02	Chemical Batching Tank Upgrade at Lake Inlet Building	3,500	3,500	3,500	Expense
	Dept Subtotal:	84,000	84,000	84,000	
	District Total:	711,950	403,700	387,950	

Palmdale Water District
Budget 2005
General Fund Project Inclusions

REQ. #	DESCRIPTION	AMOUNT	GEN. MNGR. RECOMMEND.	BOARD ACTION	INCLUSION TYPE
<u>Administration Dept.</u>					
1GP01	Water Conservation Garden Park (CO)	610,000	330,000	330,000	Expense
1GP02	Weather Reach Irrigation System (CO)	110,000	16,000	16,000	Depreciable
1GP03	Main Office - Front Entry Re-Model (CO)	71,000	71,000	71,000	Expense
1GP04	Audio Visual Consultant	18,500	18,500	18,500	Expense
1GP05	Landscape Series for the Web	5,000	5,000	5,000	Expense
1GP06	Network Switch Replacement	15,000	15,000	15,000	Depreciable
1GP07	FCC 2-way Radio Compliance	10,000	10,000	10,000	Depreciable
	Dept Subtotal:	839,500	465,500	465,500	
<u>Business Dept.</u>					
2GP01	Radio-Read Meters (CO)	419,125	67,500	67,500	Expense
2GP02	Radio-Read Meters Installation (CO)	187,000	92,500	92,500	Expense
2GP03	Radio-Read Meters	698,000	1,049,625	1,049,625	Expense
2GP04	Radio-Read Meters Installation	220,000	314,500	314,500	Expense
2GP05	Fireline Meters	55,000	55,000	55,000	Expense
	Dept Subtotal:	1,579,125	1,579,125	1,579,125	
<u>Engineering Dept.</u>					
3GP01	Well 16 - Building (CO)	100,000	100,000	100,000	Depreciable
3GP02	Palmdale Lake Hydro-Electric Station (CO)	1,000,000	1,000,000	1,000,000	Depreciable
3GP03	GIS Mapping Phase III (CO)	250,000	200,000	200,000	Expense
3GP04	Replacement Water Main (11th Street East) (CO)	600,000	600,000	600,000	Depreciable
3GP05	Palmdale Lake By-Pass Pipeline - Construction (CO)	2,000,000	HOLD	HOLD	
3GP06	Water Storage Tank Recoatings (CO)	200,000	200,000	200,000	Depreciable
3GP07	Emergency Response Plan Update	35,000	20,000	20,000	Expense
3GP08	RECLASSIFIED				
3GP09	Water Treatment Plant Improvements (75% of Phase I)	11,000,000	11,000,000	11,000,000	Depreciable
3GP10	45th Street Booster Station Upgrades 2800'-3000'	1,070,000	1,070,000	1,070,000	Depreciable
3GP11	Palmdale Ditch Enclosure	750,000	150,000	150,000	Depreciable
3GP12	WTP Improvements - DBP/Filter Upgrades (Phase II)	750,000	750,000	750,000	Depreciable
3GP13	Mainline Replacements and Distribution System Upgrades	200,000	200,000	200,000	Depreciable
3GP14	Well 15 - Building	100,000	30,000	30,000	Depreciable
3GP15	Water Main Replacement (35th ST E)	650,000	HOLD	HOLD	
3GP16	CEC Energy Bridge Project	400,000	HOLD	HOLD	
	Dept Subtotal:	18,705,000	15,320,000	15,320,000	

Palmdale Water District
Budget 2005
General Fund Project Inclusions (Continued)

REQ. #	DESCRIPTION	AMOUNT	GEN. MNGR. RECOMMEND.	BOARD ACTION	INCLUSION TYPE
<u>Facilities Dept.</u>					
4GP01	Murphy Panel Upgrades For Wells 11 And 15	81,000	81,000	81,000	Depreciable
4GP02	Air/Fuel Ratio Controllers For Wells 11 And 15	20,000	20,000	20,000	Depreciable
4GP03	Washbay Motorized Door w/ Key/Touchpad Access	1,600	1,600	1,600	Expense
4GP04	3000 Gallon Ground Diesel Storage Tank	100,000	100,000	100,000	Depreciable
	Dept Subtotal:	202,600	202,600	202,600	
<u>Operation and Production Dept.</u>					
5GP01	Replacement soft starters Wells 3, 4, 33 & 35	110,000	110,000	110,000	Expense
5GP02	Littlerock dam valve house access walkway.	3,000	3,000	3,000	Expense
5GP03	Initial Distribution System Evaluation (IDSE)	50,000	50,000	50,000	Expense
5GP04	Maintenance Management and Scheduling Program	35,000	HOLD	HOLD	
5GP05	CyberLock	57,000	57,000	60,000	Depreciable
5GP06	Replacement of Littlerock dam cone valve flow meters.	10,000	HOLD	HOLD	
5GP07	Upgrade Palmdale Ditch Flume at Lake Palmdale Outlet	Deferred	0	0	
5GP08	PLC Upgrade for Treatment Plant NaOCl Generator	20,000	20,000	20,000	Depreciable
5GP09	Treatment Plant Gate Opening Improvements.	1,450	1,450	1,450	Expense
5GP10	Treatment Plant Lab-room Dust and climate control	5,800	5,800	5,800	Depreciable
5GP11	Treatment Plant computer room	4,800	4,800	4,800	Depreciable
5GP12	SCADA Evaluation and Plan (CO)	50,000	50,000	50,000	Expense
	Dept Subtotal:	347,050	302,050	305,050	
	District Total:	<u>21,673,275</u>	<u>17,869,275</u>	<u>17,872,275</u>	

Palmdale Water District
Budget 2005
Capital Improvement Project Inclusions

REQ. #	DESCRIPTION	AMOUNT	GEN. MNGR. RECOMMEND.	BOARD ACTION	INCLUSION TYPE
<u>Engineering Dept.</u>					
3CP01	Well No. 34A (CO)	417,000	417,000	417,000	Depreciable
3CP02	Acquisition of land for future Water Treatment Plant (CO)	50,000	50,000	50,000	Depreciable
3CP03	Two (2) 4-MG Storage Tanks - 50th St E and Avenue T8 (CO)	3,200,000	3,200,000	3,200,000	Depreciable
3CP04	45th Street Booster Station (2800'-2850') (CO)	1,815,000	1,815,000	1,815,000	Depreciable
3CP05	2850' Zone 24" Transmission Main (CO)	2,200,000	2,200,000	2,200,000	Depreciable
3CP06	2850' Zone 16" Transmission Main (CO)	1,122,000	1,122,000	1,122,000	Depreciable
3CP07	Well No. 29 (CO)	417,000	417,000	417,000	Depreciable
3CP08	New Lancaster Subbasin Well (2800' Zone) (CO)	833,000	833,000	833,000	Depreciable
3CP09	New WTP and Related Facilities (Design) (CO)	1,500,000	1,500,000	1,500,000	Depreciable
3CP10	New Water Quality Laboratory Building	3,250,000	3,250,000	3,250,000	Depreciable
3CP11	4 MG Storage Tank - 45th Street Tank Site	1,600,000	1,600,000	1,600,000	Depreciable
3CP12	2006 Water System Master Plan Update and Related EIR	350,000	350,000	350,000	Expense
3CP13	New Facilities Dept Buildings and Yard Improvements	0	250,000	250,000	Depreciable
3CP14	Replacement Lancaster Subbasin Well (Well No. 24)	833,000	833,000	833,000	Depreciable
3CP15	Little Rock Reservoir Sediment Removal EIS/EIR	200,000	200,000	200,000	Depreciable
	Section 1 Subtotal:	<u>17,787,000</u>	<u>18,037,000</u>	<u>18,037,000</u>	
3CP16	3 MG Tank - College Park (CO)	200,000	200,000	200,000	Depreciable
3CP17	175 hp Booster Station - 47th Street Tank Site (CO)	120,000	120,000	120,000	Depreciable
3CP18	16" Trans. Main - Booster Stn to College Park Tank (CO)	176,000	176,000	176,000	Depreciable
3CP19	2 MG Tank - Mt. Emma Road (CO)	150,000	150,000	150,000	Depreciable
3CP20	55 hp Booster Station - College Park Tank (CO)	50,000	50,000	50,000	Depreciable
3CP21	16" Trans. Main - Booster Stn to Mt. Emma Tank (CO)	200,000	200,000	200,000	Depreciable
	Section 2 Subtotal:	<u>896,000</u>	<u>896,000</u>	<u>896,000</u>	
	District Total:	<u>18,683,000</u>	<u>18,933,000</u>	<u>18,933,000</u>	

Section 2 is dependent on the development of the College Park project and is only the design portion of the work.

APPENDIXES

*APPENDIX A
BUDGET CONTROL GUIDELINES*

*APPENDIX B
DISTRICT INFORMATION*

*APPENDIX C
REQUEST FOR INCLUSION FORMS*

APPENDIX A
BUDGET CONTROL GUIDELINES

APPENDIX A

BUDGET CONTROL GUIDELINES

The 2005 Budget approved by the Board of Directors will serve as the basis for operating Palmdale Water District. It includes a number of individual items and projects as well as the anticipated operations and maintenance budgets. Occasional questions have come up in recent years as the District has gotten familiar with the budget process. These range from adjustments in accounts of departmental operating budgets to implementing projects approved in the budget. The following are intended to act as guidelines for working within the budget and to clarify the Board's involvement in the process.

- 1) Work on purchasing equipment and other projects in the approved budget can be initiated by staff. Approval of proposals for the construction projects or purchasing equipment will follow the appropriate District policy and may involve Committee or Board action.
- 2) Department managers are required to operate within the approved budget amounts, both the total department amount and individual accounts. Permission from the General Manager is needed prior to exceeding any account budget amount.
- 3) The General Manager is authorized to approve transfers between operating budget accounts within or between departments up to \$25,000. These transfers must be requested in writing from the department manager and shall not increase the overall District budget. Transfers above \$25,000 must be approved by the Board of Directors.
- 4) Items not included in the approved budget and recommended by staff must be approved by the Board.
- 5) Increases in the total operating budget that are not due to emergency or maintenance activities must be approved by the Board of Directors. The General Manager shall inform the Board of Directors of spending related to emergency situations.
- 6) The General Manager will periodically provide the Board of Directors with reports on actual spending versus the approved budget, any recommended adjustments and any approved transfers.
- 7) The Departmental Staffing Summary included in the approved 2005 Budget is for monetary planning purposes only. The General Manager will consult with the Personnel Committee or full Board of Directors, as appropriate, prior to filling any vacant positions shown in the Summary.

APPENDIX B
DISTRICT INFORMATION

Palmdale Water District
Yearly Memberships and Subscriptions
2005

Memberships:

1. Agricultural Energy Consumers Association
2. Antelope Valley Board of Trade
3. Antelope Valley State Water Contractors Association
4. A.C.W.A.
5. A.C.W.A. USA
6. A.W.W.A.
7. A.W.W.A. Research Foundation
8. Association of State Dam Safety Officials
9. C.S.D.A. annual membership
10. California Municipal Treasures Association
11. California Municipal Utilities Association
12. California Rural Water Association
13. California Utilities Emergency Association
14. California Water Awareness Campaign
15. Channel County Water Utility Association
16. Foundation for Cross-Connection Control & Hydraulic Research
17. National Association of Corrosion Engineers
18. National Notary Association
19. National Water Resources Association Municipal Caucus
20. Palmdale Chamber of Commerce
21. Palmdale Sheriff Boosters
22. Solar Electric Power Association
23. State Water Contractors
24. SWC – Bay Delta Fund
25. Underground Service Alert
26. Water Education Foundation

Palmdale Water District
Yearly Memberships and Subscriptions
2005
(Continued)

Subscriptions:

1. A.W.W.A. magazine
2. A.W.W.A. Safe Drinking Water updates
3. Antelope Valley Press
4. Bentley System - Software updates
5. B.N.I. Building News (Standard Spec. Books)
6. Blue Book software updates
7. Daily News
8. Ragans – “Leadership” brochure
9. Engineering News Record
10. Environmental Compliance Alert
11. Experian – TRW/Redi property data
12. Micro-Station Manager
13. Newsletter Services, Inc. – “Ideas Unlimited for Editors”
14. Regional Planning Agenda subscription
15. U.S. Water News
16. Water Engineering and Management
17. West Publishing – Calif. Water Codes update