PALMDALE WATER DISTRICT
2029 East Avenue Q • Palmdale, California 93550 • Telephone (661) 947-4111

Since 1918

Board of Directors
ROBERT E. ALVARADO
Division 1
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ALESHIRE & WYNDER LLP
Attorneys

December 7, 2017

Agenda for a Meeting
of the Finance Committee of the Palmdale Water District
Committee Members: Marco Henriquez-Chair, Robert Alvarado
to be held at the District's office at 2029 East Avenue Q, Palmdale

Monday, December 11, 2017

4:30 p.m.

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

PUBLIC COMMENT GUIDELINES: **The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)**

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

1) Roll call.
2) Adoption of agenda.
3) Public comments for non-agenda items.
4) Action Items: (The public shall have an opportunity to comment on any action item as each item is considered by the Committee prior to action being taken.)

4.1) Consideration and possible action on approval of minutes of meeting held November 16, 2017.

4.2) Discussion and overview of Cash Flow Statement and Current Cash Balances as of October, 2017. (Financial Advisor Egan)

4.3) Discussion and overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for October, 2017. (Finance Manager Williams)

4.4) Discussion and overview of committed contracts issued and water revenue bond projects. (Finance Manager Williams)

4.5) Discussion of contribution to CalPERS California Employers Retiree Benefit Trust (OPEB) account. (Chair Henriquez/Finance Manager Williams)

4.6) Consideration and possible action on Resolution No. 17-26 being a Resolution of the Board of Directors of the Palmdale Water District Establishing its Investment Policy. (Financial Advisor Egan/Finance Manager Williams)

5) Information items.

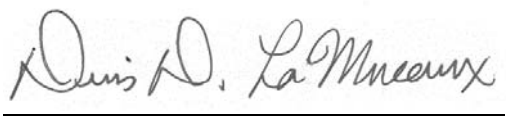
5.1) Status of Debt Service Coverage. (Financial Advisor Egan)

5.2) Update on June 26, 2017 summary of expenditures for emergency repairs for 2016 and 2017 to date. (Committee Member Alvarado/Facilities Manager Moore/Project Manager Thompson)

5.3) Other.

6) Board members' requests for future agenda items.

7) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

P A L M D A L E
W A T E R D I S T R I C T

B O A R D M E M O R A N D U M

DATE: December 6, 2017 **December 11, 2017**

TO: FINANCE COMMITEE **Committee Meeting**

FROM: Mr. Bob Egan, Financial Advisor

RE: ***AGENDA ITEM NO. 4.2 – DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF OCTOBER, 2017.***

Attached is the Investment Funds Report and current cash balance as of October, 2017. The reports will be reviewed in detail at the Finance Committee meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
October 31, 2017

			October 2017	September 2017
CASH				
1-00-0103-100	Citizens - Checking		306,577.13	317,263.02
1-00-0103-200	Citizens - Refund		(9,430.02)	628.66
1-00-0103-300	Citizens - Merchant		815,807.09	661,632.62
		Bank Total	**1,112,954.20**	**979,524.30**
1-00-0110-000	PETTY CASH		300.00	300.00
1-00-0115-000	CASH ON HAND		5,400.00	5,400.00
		TOTAL CASH	**1,118,654.20**	**985,224.30**
INVESTMENTS				
1-00-0135-000	**Local Agency Investment Fund**	**Acct. Total**	**11,926.66**	**11,894.47**
1-00-0120-000	**UBS Money Market Account General (SS 11469)**			
	UBS RMA Government Portfolio		-	-
	UBS Bank USA Dep acct		189,875.69	191,516.08
	Accrued interest		10,115.25	5,477.81
			199,990.94	**196,993.89**

US Government Securities

CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
912796LB3	US Treasury Note	12/07/2017	0.000	1,000,000	999,020.00	998,190.00
912828C24	US Treasury Note	02/28/2019	1.490	1,000,000	999,730.00	1,000,940.00
				2,000,000	**1,998,750.00**	**1,999,130.00**

Certificates of Deposit

	Issuer	Maturity Date	Rate	Face Value		
1	MB Finl Bank	10/26/2017	0.850	200,000	-	199,976.00
2	Bank United Miami	11/21/2017	1.200	240,000	240,024.00	240,064.80
3	Compass Bank	12/11/2017	1.300	200,000	200,058.00	200,094.00
4	Goldman Sachs Bank NY	01/29/2018	1.350	240,000	240,117.60	240,148.80
5	Stearns Bank	05/03/2018	1.050	240,000	239,704.80	239,652.00
6	Sallie Mae Bank	09/04/2018	1.800	200,000	200,238.00	200,166.00
7	Medallion Bank	09/07/2018	1.750	200,000	200,560.00	200,516.00
8	Midland States Bank	02/28/2019	1.400	240,000	239,433.60	239,364.00
9	Key Bank	03/29/2019	1.500	240,000	239,683.20	239,632.80
10	Wells Fargo	05/20/2019	1.250	240,000	238,920.00	238,831.20
11	Capital Bank	06/17/2019	1.850	200,000	199,970.00	-
				2,440,000	**2,238,709.20**	**2,238,445.60**
			Acct. Total		**4,437,450.14**	**4,434,569.49**
1-00-1110-000	**UBS Money Market Account Capital (SS 11475)**					
	UBS Bank USA Dep acct				-	250,000.00
	UBS RMA Government Portfolio				-	1,017,746.68
			Acct. Total		**-**	**1,267,746.68**
1-00-0125-000	**UBS Access Account General (SS 11432)**					
	UBS Bank USA Dep acct				4,195.25	87,068.20
	UBS RMA Government Portfolio				-	-
	Accrued interest				20,262.82	15,686.02
					24,458.07	**102,754.22**

US Government Securities

CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
912828XF2	US Treasury Note	06/15/2018	1.125	1,000,000	998,590.00	998,910.00
912828KD1	US Treasury Note	02/15/2019	2.610	1,500,000	1,523,385.00	1,527,015.00
912828P53	US Treasury Note	02/15/2019	0.750	1,000,000	990,390.00	991,020.00
912828P95	US Treasury Note	03/15/2019	1.000	1,358,000	1,348,344.62	-
				4,858,000	**4,860,709.62**	**3,516,945.00**

Certificates of Deposit

	Issuer	Maturity Date	Rate	Face Value		
1	BMW Bank	11/15/2018	1.960	240,000	241,185.60	241,248.00
2	La Salle Bank	03/01/2019	1.350	240,000	239,277.60	239,196.00
3	American Express	04/29/2019	1.440	240,000	239,980.80	239,896.80
4	Synchrony Bank	04/14/2020	1.850	240,000	240,988.80	241,111.20
5	JP Morgan Chase Bank	11/18/2020	1.600	240,000	235,156.80	235,387.20
6	Bank of Baroda NY	11/23/2020	1.600	77,000	75,483.10	75,559.33
7	Comenity Cap Bank	01/19/2021	1.900	163,000	164,856.57	165,215.17
				1,440,000	**1,436,929.27**	**1,437,613.70**
			Acct. Total		**6,322,096.96**	**5,057,312.92**
			Total Managed Accounts		**10,771,473.76**	**10,771,523.56**
1-00-1121-000	**UBS Rate Stabilization Fund (SS 24016)** - *District Restricted*					
	UBS Bank USA Dep acct				4,880.64	4,603.76
	UBS RMA Government Portfolio				-	-
	Accrued interest				1,402.53	1,068.50
					6,283.17	**5,672.26**

Certificates of Deposit

Issuer	Maturity Date	Rate	Face Value		
Webbank UT US	12/19/2018	1.400	240,000	239,625.60	239,560.80
Ally Bank UT US	12/24/2018	1.500	240,000	239,884.80	239,839.20
			480,000	**479,510.40**	**479,400.00**
		Acct. Total		**485,793.57**	**485,072.26**
		GRAND TOTAL CASH AND INVESTMENTS		**12,375,921.53**	**12,241,820.12**
		Increase (Decrease) in Funds		**134,101.41**	
1-00-1130-000	**2013A Bonds - Project Funds (BNY Mellon)**				
	Construction Funds			**4,429.49**	**38,039.26**

PALMDALE WATER DISTRICT

2017 Cash Flow Report (Based on Nov. 22, 2016 Approved Budget)

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	Budget 2018 Carryover Information
Total Cash Beginning Balance (BUDGET)	**12,888,144**	**12,591,298**	**12,125,487**	**9,811,099**	**10,852,433**	**11,101,609**	**10,602,468**	**10,269,501**	**10,564,441**	**8,273,846**	**8,294,757**	**8,535,850**		
Total Cash Beginning Balance	**12,883,393**	**13,217,019**	**13,413,293**	**11,445,512**	**13,404,252**	**14,487,121**	**13,647,746**	**13,715,473**	**14,093,379**	**12,241,820**	**12,375,922**	**12,585,125**		
Budgeted Water Receipts	1,607,158	1,463,315	1,532,426	1,684,307	1,746,031	1,895,010	2,343,532	2,248,451	2,409,722	2,187,005	1,948,605	1,734,438	22,800,000	
Water Receipts	**2,124,125**	**1,731,155**	**1,636,067**	**1,539,982**	**1,904,555**	**1,985,256**	**2,118,020**	**2,620,431**	**2,319,083**	**2,561,345**	2,314,000	1,975,000	24,829,019	
DWR Refund (Operational Related)		**2,189**		**1,894**			**6,293**				**1,929**		12,305	
Other													-	
Total Operating Revenue (BUDGET)													-	
Total Operating Revenue (ACTUAL)	2,124,125	1,733,344	1,636,067	1,541,876	1,904,555	1,985,256	2,124,313	2,620,431	2,319,083	2,561,345	2,315,929	1,975,000	24,841,324	
Total Operating Expenses excl GAC (BUDGET)	(1,433,015)	(1,410,412)	(1,843,115)	(1,795,526)	(1,815,868)	(1,666,439)	(2,049,698)	(1,869,774)	(2,078,927)	(1,678,858)	(1,660,776)	(1,794,941)	(21,097,350)	
GAC (BUDGET)	-	(121,780)	-	(220,000)	-	-	(65,000)	-	(190,000)	-	-	(190,000)	(786,780)	
Operating Expenses excl GAC (ACTUAL)	**(1,426,614)**	**(1,496,496)**	**(1,366,407)**	**(1,531,765)**	**(1,702,242)**	**(1,619,574)**	**(1,858,944)**	**(2,012,709)**	**(1,862,835)**	**(1,977,693)**	(1,959,462)	(1,794,941)	(20,609,681)	
GAC	**(169,477)**	-	**(169,477)**	-	**(91,409)**	**(91,462)**	-	**(232,513)**	-	**(169,477)**	-	(169,500)	(1,093,315)	
Prepaid Insurance (paid)/refunded	-	-	**(67,198)**	-	-	-	-	**(33,363)**	-	**(143,379)**	-	-	(243,940)	
Total Operating Expense (ACTUAL)	(1,596,091)	(1,496,496)	(1,603,082)	(1,531,765)	(1,793,651)	(1,711,036)	(1,858,944)	(2,278,585)	(1,862,835)	(2,290,549)	(1,959,462)	(1,964,441)	(21,946,937)	
Non-Operating Revenue Expenses:														
Assessments, net (BUDGET)	671,050	260,305	14,650	2,077,790	758,290	11,325	77,225	130,500	-	-	132,500	2,518,797	6,652,432	
Actual/Projected Assessments, net	**669,618**	**373,532**	**15,376**	**1,968,372**	**759,015**	**10,679**	**125,853**	**155,688**	-	-	**130,758**	2,518,797	6,727,689	
RDA Pass-through (Successor Agency)					**396,503.97**							224,000	620,504	
Interest	**11,110**	**10,049**	**11,724**	**11,285**	**12,800**	**12,536**	**13,087**	**12,868**	**12,405**	**13,380**	5,000	5,000	131,244	
Market Adjustment	**28**	**(6,681)**	**(13,784)**	**(2,145)**	**(4,920)**	**(12,785)**	**209**	**140**	**(7,011)**	**(12,681)**			(59,630)	
Grant Re-imbursement							**37,500**	**37,500**					75,000	
Capital Improvement Fees - Infrastructure	**4,035**	**54,662**		**41,701**	**11,528**		**46,224**	**35,977**	**865**	**288**	**1,161**		196,441	
Capital Improvement Fees - Water Supply		**133,286**		**178,810**	**24,683**		**277,954**	**192,074**			**8,665**		815,471	
DWR Refund (Capital Related)				**76,319**	**37,319**	**46,158**			**30,525**	**76,317**			266,638	
Other	**4,421**	**11,311**	**29**										15,762	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	**689,212**	**576,159**	**13,346**	**2,274,343**	**1,236,930**	**56,587**	**500,827**	**434,248**	**36,783**	**77,305**	**145,584**	**2,747,797**	**8,789,119**	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(238,494)	(214,207)	(166,000)	(246,000)	(560,041)	(315,000)	(195,000)	(120,000)	(145,000)	(328,000)	(90,000)	-	(2,617,742)	
Budgeted Capital Expenditures (Committed During Year)					(78,440)	(115,485)	(110,000)	(110,000)	(137,490)	(10,000)	(10,000)		(571,415)	
Actual/Projected Capital Expenditures	**(175,106)**	**(452,506)**	**(212,536)**	**(161,081)**	**(95,373)**	**(165,982)**	**(9,380)**	**(233,497)**	**(40,107)**	**(48,297)**	(61,500)	(70,000)	(1,725,365)	(892,378)
WRB Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,153,589)
Const. of Monitoring Wells/Test Basin (Water Supply)	-	-	-	-	-	-	-	-	-	-	(66,657)	(200,000)	(266,657)	(127,490)
Grade Control Structure (Water Supply)	-	-	-	-	-	-	-	-	-	-	-	-	-	(231,750)
SWP Capitalized	**(681,198)**	**(157,881)**	**(181,818)**	**(157,881)**	**(157,881)**	**(157,881)**	**(681,194)**	**(157,881)**	**(188,154)**	**(157,881)**	**(157,880)**	(157,879)	(2,995,409)	
Butte County Water Transfer						**(750,399)**						(751,304)	(1,501,704)	
Bond Payments - Interest			**(1,060,942)**						**(1,052,364)**				(2,113,307)	
Principal			**(553,437)**						**(1,057,016)**				(1,610,453)	
Capital leases - Go West (2012 Lease - Paid in Full May)	**(17,296)**	-	-	-	**(5,267)**								(22,563)	
Capital leases - Holman Capital (2017 Lease)						**(89,477)**							(89,477)	
Capital leases - Enterprise FM Trust (Vehicles)	**(2,392)**	**(2,660)**	**(1,692)**	**(2,339)**	**(2,339)**	**(2,339)**	**(3,773)**	**(2,687)**	**(2,826)**	**(2,678)**	(2,678)	(2,678)	(31,079)	
Capital leases - Wells Fargo (Printers)	**(7,628)**	**(3,687)**	**(3,687)**	**(4,412)**	**(4,104)**	**(4,104)**	**(4,123)**	**(4,123)**	**(4,123)**	**(5,143)**	(4,132)	(4,132)	(53,399)	
Total Non-Operating Expenses (ACTUAL)	**(883,619)**	**(616,734)**	**(2,014,112)**	**(325,713)**	**(264,964)**	**(1,170,182)**	**(698,469)**	**(398,189)**	**(2,344,590)**	**(213,998)**	**(292,847)**	**(1,185,994)**	**(10,409,412)**	
Total Cash Ending Balance (BUDGET)	**12,591,298**	**12,125,487**	**9,811,099**	**10,852,433**	**11,101,609**	**10,602,468**	**10,269,501**	**10,564,441**	**8,273,846**	**8,294,757**	**8,535,850**	**10,205,110**		
Total Cash Ending Balance (ACTUAL)	**13,217,019**	**13,413,293**	**11,445,512**	**13,404,252**	**14,487,121**	**13,647,746**	**13,715,473**	**14,093,379**	**12,241,820**	**12,375,922**	**12,585,125**	**14,157,488**		
											Budget	**10,205,110**	**Carryover**	(2,405,207)
											Difference	**3,952,378**	**Adj. Difference**	1,547,171
2016 Cash Ending Balance (ACTUAL)	**12,534,672**	**12,719,333**	**10,275,232**	**12,340,454**	**13,316,414**	**12,675,338**	**12,028,366**	**12,724,061**	**10,784,100**	**11,041,695**	**11,034,719**	**12,888,144**		

Indicates actual expenditures/revenues:

Indicates anticipated expenditures/revenues:

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE:	December 6, 2017	**December 11, 2017**
TO:	Finance Committee	**Committee Meeting**
FROM:	Michael Williams, Finance Manager/CFO	
VIA:	Mr. Dennis LaMoreaux, General Manager	
RE:	***AGENDA ITEM 4.3 – DISCUSSION AND OVERVIEW OF FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR OCTOBER, 2017. (FINANCE MANAGER WILLIAMS)***	

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending October 31, 2017. Also included are Year-To-Year Comparisons and Month-To-Month Comparisons for both revenue and expense. Finally, I have provided individual departmental budget reports for the month of October, 2017.

This is the tenth month of the District's Budget Year 2017. The target percentage is 83.3%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on October 31, 2017.
- There are no significant changes for October.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on October 31, 2017.
- Operating revenue is at 86% of budget.
- Cash operating expense is at 80% of budget.
- Departmental budgets are at or under budget except for Operations, which we have discussed in previous meetings, and Human Resources due to temporary staffing costs.
- Revenues have exceeded expenses for the month by $654K, and year-to-date revenues are exceeding expenses by $2.2MM.
- Page 6 is showing the distribution of expense between labor and operations. Labor costs are currently at 50% of total expenses with salaries making up 34% of that.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of October, 2016 to October, 2017.
- Total operating revenue is down $4K, or .18%.
- Operating expenditures are up $129K, or 9%.
- Page 7-1 is our comparison of October, 2015 to October, 2017.
- Total operating revenue was up $208K, or 10.6%.
- Total operating expenses were down $30K, or 2%.

- Page 8 and 8-1 is a graphic presentation of the water consumption comparison for 2016 and 2015, respectively.
    - Units billed in acre feet for 2016 comparison were down by 60, or 4%.
    - Total revenue per unit sold was up $0.12, or 4%.
    - Total revenue per connection was up $5.67, or 7.7%.
    - Units billed per connection is down 1.01, or 4%.

    - Units billed in acre feet for 2015 comparison were up by 87, or 6%.
    - Total revenue per unit sold was up $0.13, or 4%.
    - Total revenue per connection was up $14.72, or 23%.
    - Units billed per connection is up 1.35, or 6%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through October, 2017 is up $697K, or 3.7%.
- Retail water revenue from all areas are up by $1.5MM from last year. That's shown by the combined green highlighted area.
- Retail water sales, including the drought surcharge but excluding meter fees, is up $127K.
- Total revenue is up $875K due to increased water sales and capital improvement fees.
- Operating revenue is at 86% of budget, last year was at 87% of budget.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through October, 2017 are up $221K, or 1.2%, compared to 2016.
- Total Expenses are up $887K, or 3.2%.

Departments:

- Pages 14 through 24 are detailed individual departmental budgets for your review.

Non-Cash Definitions:

Depreciation: This is the spreading of the total expense of a capital asset over the expected life of that asset.

OPEB Accrual Expense: Other Post Employment Benefits (OPEB) is the recognized annual required contribution to the benefit. The amount is actuarially determined in accordance with the parameters of GASB 45. The amount represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year.

Bad Debt: The uncollectible accounts receivable that has been written off.

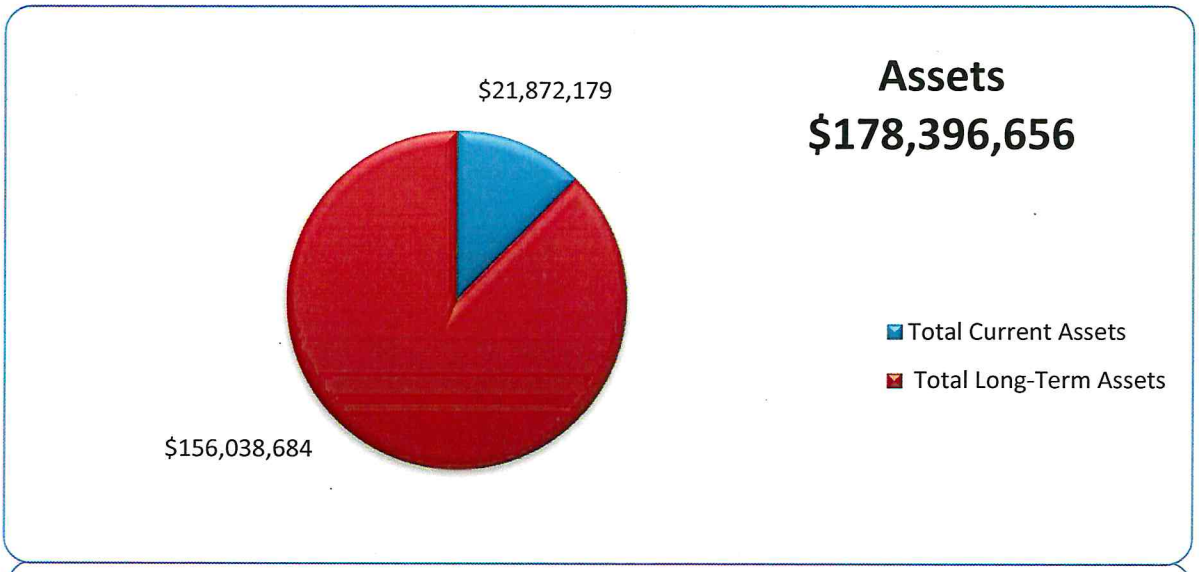
Service Cost Construction: The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

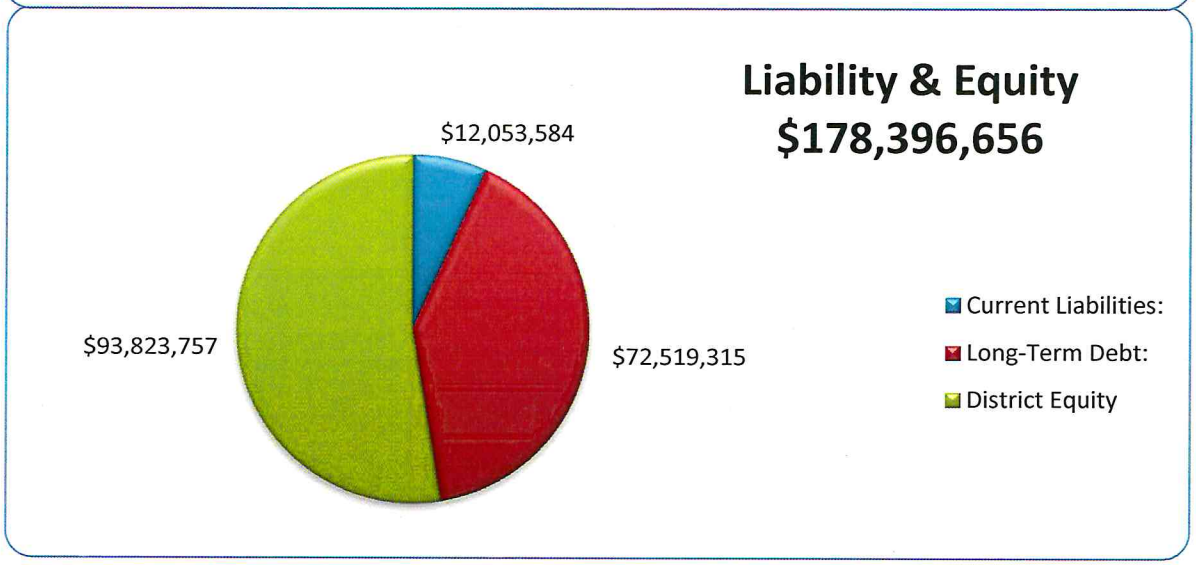
Capitalized Construction: The value of our labor force used to construct our asset infrastructure.

Palmdale Water District
Balance Sheet Report
For the Ten Months Ending 10/31/2017

	October 2017	September 2017
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 1,082,986	$ 780,069
Investments	10,771,474	10,771,524
2013A Bonds - Project Funds	4,429	38,038
	$ 11,858,888	$ 11,589,632
Receivables:		
Accounts Receivables - Water Sales	$ 1,880,547	$ 2,054,248
Accounts Receivables - Miscellaneous	87,677	39,140
Allowance for Uncollected Accounts	(153,668)	(153,668)
	$ 1,814,556	$ 1,939,720
Assessments Receivables	$ 7,236,507	$ 7,236,507
Meters, Materials and Supplies	777,775	796,899
Prepaid Expenses	184,452	204,781
Total Current Assets	**$ 21,872,179**	**$ 21,767,539**
Long-Term Assets:		
Property, Plant, and Equipment, net	$ 107,036,141	$ 107,393,388
Participation Rights in State Water Project, net	46,229,055	46,287,915
Investment in PRWA	320,680	320,680
2013A Bonds - Insurance & Surity Bond	207,231	207,898
CalPERS Contributions	2,245,577	2,245,577
	$ 156,038,684	**$ 156,455,457**
Restricted Cash:		
Rate Stabilization Fund	485,794	484,387
Total Long-Term Assets & Restricted Cash	**$ 156,524,477**	**$ 156,939,843**
Total Assets	**$ 178,396,656**	**$ 178,707,382**
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	$ 172,705	$ 0
Current Principal Installment of Long-term Debt	1,672,899	15,815
Accounts Payable and Accrued Expenses	5,674,647	6,230,572
Deferred Assessments	4,533,333	5,100,000
Total Current Liabilities	**$ 12,053,584**	**$ 11,346,387**
Long-Term Debt:		
Pension-Related Debt	$ 9,143,384	$ 9,143,384
OPEB Liability	14,751,545	14,587,158
2013A Water Revenue Bonds	41,904,951	42,417,202
2012 - Certificates of Participation	5,914,144	7,054,430
2017 - Capital Lease Payable	805,290	805,290
Total Long-Term Liabilities	**$ 72,519,315**	**$ 74,007,464**
Total Liabilities	**$ 84,572,899**	**$ 85,353,852**
District Equity		
Revenue from Operations	$ (1,239,753)	$ (1,709,980)
Retained Earnings	95,063,510	95,063,510
Total Liabilities and District Equity	**$ 178,396,656**	**$ 178,707,382**

BALANCE SHEET AS OF OCTOBER 31, 2017

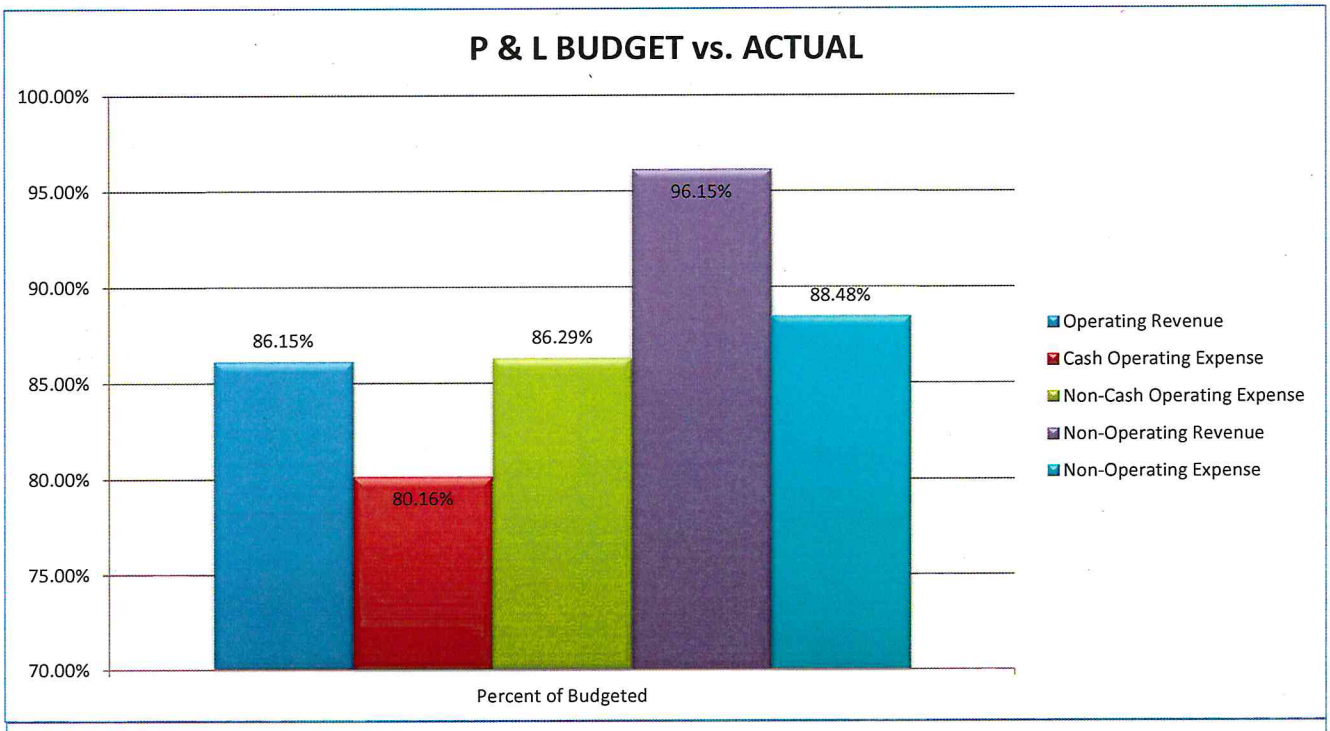


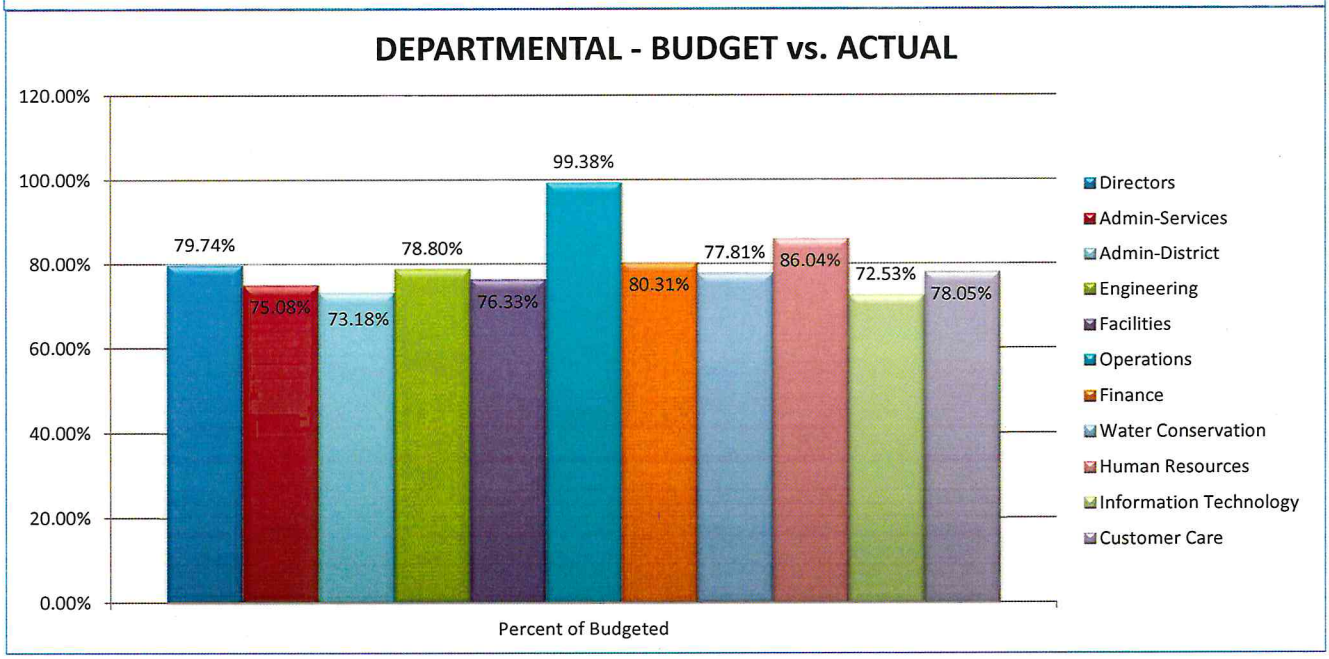


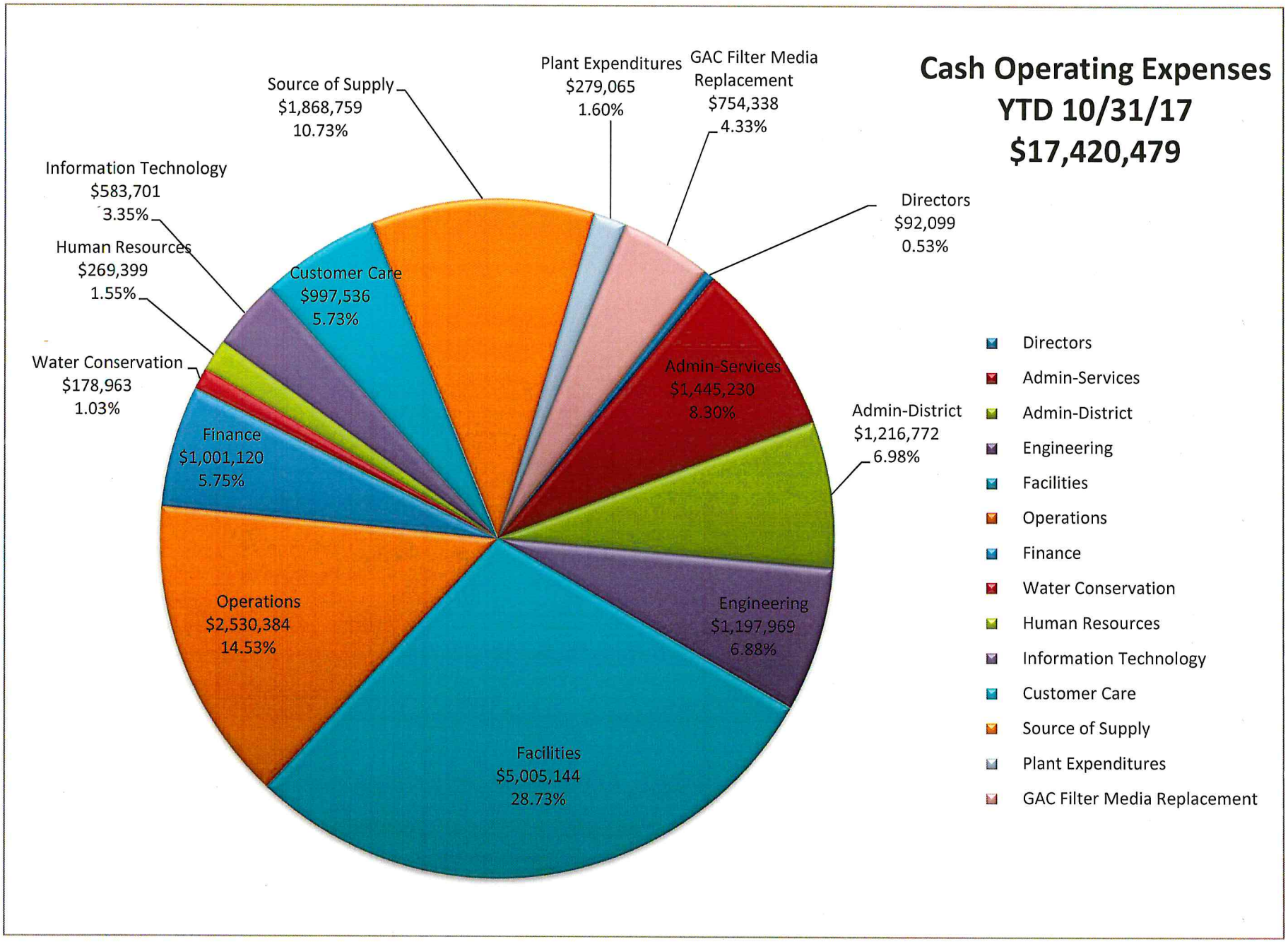
Palmdale Water District
Consolidated Profit and Loss Statement
For the Ten Months Ending 10/31/2017

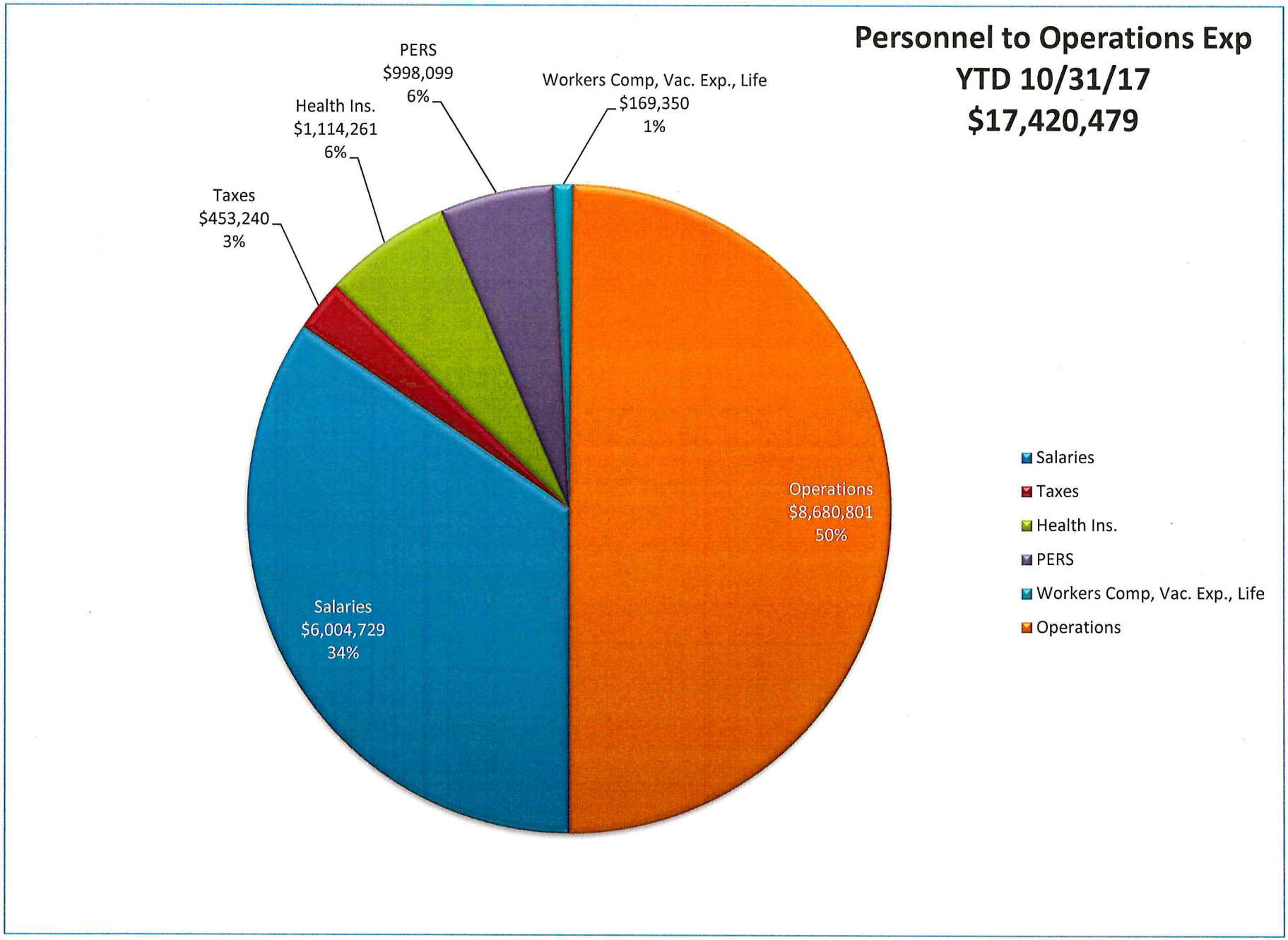
	Thru September	October	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	$ 161,514	$ 135,310	$ 296,825		$ 160,000	185.52%
Water Sales	6,191,805	805,536	6,997,341		8,002,000	87.44%
Meter Fees	9,510,102	1,040,850	10,550,952		12,475,500	84.57%
Water Quality Fees	640,099	77,720	717,819		862,500	83.23%
Elevation Fees	278,544	33,260	311,804		340,000	91.71%
Other	630,264	70,078	700,342		960,000	72.95%
Drought Surcharge	66,226	-	66,226		-	
Total Operating Revenue	**$ 17,478,554**	**$ 2,162,754**	**$ 19,641,309**	**$ -**	**$ 22,800,000**	**86.15%**
Cash Operating Expenses:						
Directors	$ 79,466	$ 12,633	$ 92,099		$ 115,500	79.74%
Administration-Services*	1,317,666	127,564	1,445,230	(18,000)	1,925,000	75.08%
Administration-District***	1,037,133	179,638	1,216,772	60,000	1,569,500	77.53%
Engineering**	1,083,173	114,797	1,197,969	68,750	1,520,250	78.80%
Facilities**	4,556,287	448,857	5,005,144	(68,750)	6,557,250	76.33%
Operations	2,266,972	263,411	2,530,384		2,546,250	99.38%
Finance	910,712	90,409	1,001,120		1,246,500	80.31%
Water Conservation*	162,207	16,755	178,963	2,000	230,000	77.81%
Human Resources*	237,388	32,011	269,399	16,000	313,100	86.04%
Information Technology	484,362	99,339	583,701		804,750	72.53%
Customer Care	906,659	90,878	997,536		1,278,000	78.05%
Source of Supply-Purchased Water	1,866,737	2,022	1,868,759		2,190,000	85.33%
Plant Expenditures	248,894	30,171	279,065		574,292	48.59%
GAC Filter Media Replacement	754,338	-	754,338		862,500	87.46%
Total Cash Operating Expenses	**$ 15,911,995**	**$ 1,508,485**	**$ 17,420,479**	**$ 60,000**	**$ 21,732,892**	**80.16%**
Net Cash Operating Profit/(Loss)	**$ 1,566,560**	**$ 654,270**	**$ 2,220,829**	**$ (60,000)**	**$ 1,067,108**	**208.12%**
Non-Cash Operating Expenses:						
Depreciation	$ 4,722,497	$ 439,904	$ 5,162,401		$ 6,000,000	86.04%
OPEB Accrual Expense	1,646,096	182,900	1,828,995		2,350,000	77.83%
Bad Debts	50,721	(67)	50,654		50,000	101.31%
Service Costs Construction	98,041	8,554	106,595		125,000	85.28%
Capitalized Construction	(413,913)	(25,345)	(439,258)		(750,000)	58.57%
Total Non-Cash Operating Expenses	**$ 6,103,441**	**$ 605,945**	**$ 6,709,387**	**$ -**	**$ 7,775,000**	**86.29%**
Net Operating Profit/(Loss)	**$ (4,536,882)**	**$ 48,324**	**$ (4,488,557)**	**$ (60,000)**	**$ (6,707,892)**	**66.91%**
Non-Operating Revenues:						
Assessments (Debt Service)	$ 3,754,057	$ 427,833	$ 4,181,890		$ 5,000,000	83.64%
Assessments (1%)	1,611,033	138,833	1,749,866		1,957,500	89.39%
DWR Fixed Charge Recovery	190,321	76,317	266,638		200,000	133.32%
Interest	60,914	700	61,614		60,000	102.69%
CIF - Infrastructure	194,992	288	195,280		73,000	267.51%
CIF - Water Supply	806,806	-	806,806		177,000	455.82%
Grants - State and Federal	75,000	-	75,000		178,000	42.13%
Other	71,583	3	71,585		60,000	119.31%
Total Non-Operating Revenues	**$ 6,764,706**	**$ 643,974**	**$ 7,408,680**	**$ -**	**$ 7,705,500**	**96.15%**
Non-Operating Expenses:						
Interest on Long-Term Debt	$ 1,629,969	$ 177,918	$ 1,807,887		$ 2,228,000	81.14%
Amortization of SWP	1,950,630	216,741	2,167,371		2,238,000	96.84%
Change in Investments in PRWA	106,162	-	106,162		100,000	106.16%
Water Conservation Programs	68,738	9,718	78,455		135,500	57.90%
Total Non-Operating Expenses	**$ 3,755,499**	**$ 404,376**	**$ 4,159,876**	**$ -**	**$ 4,701,500**	**88.48%**
Net Earnings	**$ (1,527,675)**	**$ 287,922**	**$ (1,239,753)**	**$ (60,000)**	**$ (3,703,892)**	**33.47%**

* Budget adjustments by General Manager per Appendix A
** Budget adjustments by Board action 04/12/17
*** Budget adjustments by Board action 07/05/17


P & L BUDGET vs. ACTUAL
100.00%
95.00%
90.00%
85.00%
80.00%
75.00%
70.00%
86.15%
80.16%
86.29%
96.15%
88.48%
Operating Revenue
Cash Operating Expense
Non-Cash Operating Expense
Non-Operating Revenue
Non-Operating Expense
Percent of Budgeted


DEPARTMENTAL - BUDGET vs. ACTUAL
120.00%
100.00%
80.00%
60.00%
40.00%
20.00%
0.00%
79.74%
75.08%
73.18%
78.80%
76.33%
99.38%
80.31%
77.81%
86.04%
72.53%
78.05%
Directors
Admin-Services
Admin-District
Engineering
Facilities
Operations
Finance
Water Conservation
Human Resources
Information Technology
Customer Care
Percent of Budgeted


Cash Operating Expenses
YTD 10/31/17
$17,420,479
Source of Supply
$1,868,759
10.73%
Plant Expenditures
$279,065
1.60%
GAC Filter Media
Replacement
$754,338
4.33%
Information Technology
$583,701
3.35%
Directors
$92,099
0.53%
Human Resources
$269,399
1.55%
Customer Care
$997,536
5.73%
Water Conservation
$178,963
1.03%
Admin-Services
$1,445,230
8.30%
Admin-District
$1,216,772
6.98%
Finance
$1,001,120
5.75%
Operations
$2,530,384
14.53%
Engineering
$1,197,969
6.88%
Facilities
$5,005,144
28.73%
Directors
Admin-Services
Admin-District
Engineering
Facilities
Operations
Finance
Water Conservation
Human Resources
Information Technology
Customer Care
Source of Supply
Plant Expenditures
GAC Filter Media Replacement


Personnel to Operations Exp
YTD 10/31/17
$17,420,479
PERS
$998,099
6%
Workers Comp, Vac. Exp., Life
$169,350
1%
Health Ins.
$1,114,261
6%
Taxes
$453,240
3%
Operations
$8,680,801
50%
Salaries
$6,004,729
34%
Salaries
Taxes
Health Ins.
PERS
Workers Comp, Vac. Exp., Life
Operations

Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - October

	2016 October	2017 October	Change	% Change
Operating Revenue:				
Wholesale Water	$ 58,599	$ 135,310	$ 76,712	130.91%
Water Sales	740,713	805,536	64,823	8.75%
Meter Fees	1,015,021	1,040,850	25,829	2.54%
Water Quality Fees	87,619	77,720	(9,899)	-11.30%
Elevation Fees	37,590	33,260	(4,330)	-11.52%
Other	73,422	70,078	(3,344)	-4.56%
Drought Surcharge	153,704	-	(153,704)	-100.00%
Total Operating Revenue	**$ 2,166,668**	**$ 2,162,754**	**$ (3,914)**	**-0.18%**
Cash Operating Expenses:				
Directors	$ 12,804	$ 12,633	$ (171)	-1.34%
Administration-Services	138,483	127,564	(10,919)	-7.88%
Administration-District	103,540	179,638	76,098	73.50%
Engineering	96,103	114,797	18,694	19.45%
Facilities	430,188	448,857	18,669	4.34%
Operations	244,133	263,411	19,279	7.90%
Finance	94,658	90,409	(4,250)	-4.49%
Water Conservation	16,405	16,755	351	2.14%
Human Resources	34,528	32,011	(2,517)	-7.29%
Information Technology	42,596	99,339	56,743	133.21%
Customer Care	87,207	90,878	3,671	4.21%
Source of Supply-Purchased Water	(1,316)	2,022	3,338	-253.65%
Plant Expenditures	80,231	30,171	(50,060)	-62.40%
GAC Filter Media Replacement	-	-	-	
Total Cash Operating Expenses	**$ 1,379,559**	**$ 1,508,485**	**$ 128,925**	**9.35%**
Non-Cash Operating Expenses:				
Depreciation	$ 454,907	$ 439,904	$ (15,003)	-3.30%
OPEB Accrual Expense	195,860	182,900	(12,961)	-6.62%
Bad Debts	423	(67)	(490)	-115.83%
Service Costs Construction	(3,909)	8,554	12,463	-318.81%
Capitalized Construction	(110,037)	(25,345)	84,691	-76.97%
Total Non-Cash Operating Expenses	**$ 537,244**	**$ 605,945**	**$ 68,701**	**12.79%**
Net Operating Profit/(Loss)	**$ 249,865**	**$ 48,324**	**$ (201,540)**	**-80.66%**
Non-Operating Revenues:				
Assessments (Debt Service)	$ 440,417	$ 427,833	$ (12,583)	-2.86%
Assessments (1%)	142,917	138,833	(4,083)	-2.86%
DWR Fixed Charge Recovery	81,905	76,317	(5,588)	-6.82%
Interest	(647)	700	1,347	-208.09%
CIF - Infrastructure	-	288	288	
CIF - Water Supply	-	-	-	
Grants - State and Federal	-	-	-	
Other	(9)	3	12	-127.58%
Total Non-Operating Revenues	**$ 664,582**	**$ 643,974**	**$ (20,608)**	-3.10%
Non-Operating Expenses:				
Interest on Long-Term Debt	$ 182,353	$ 177,918	$ (4,435)	-2.43%
Amortization of SWP	196,900	216,741	19,841	10.08%
Change in Investments in PRWA	-	-	-	
Water Conservation Programs	7,437	9,718	2,281	30.67%
Total Non-Operating Expenses	**$ 386,690**	**$ 404,376**	**$ 17,687**	4.57%
Net Earnings	**$ 527,757**	**$ 287,922**	**$ (239,835)**	**-45.44%**

Consumption Comparison

	2016	2017
Units Billed	673,989	647,869
Active	26,605	26,633
Vacant	802	762
Rev/unit	$ 3.21	$ 3.34
Rev/con	$ 72.90	$ 78.57
Unit/con	25.33	24.33

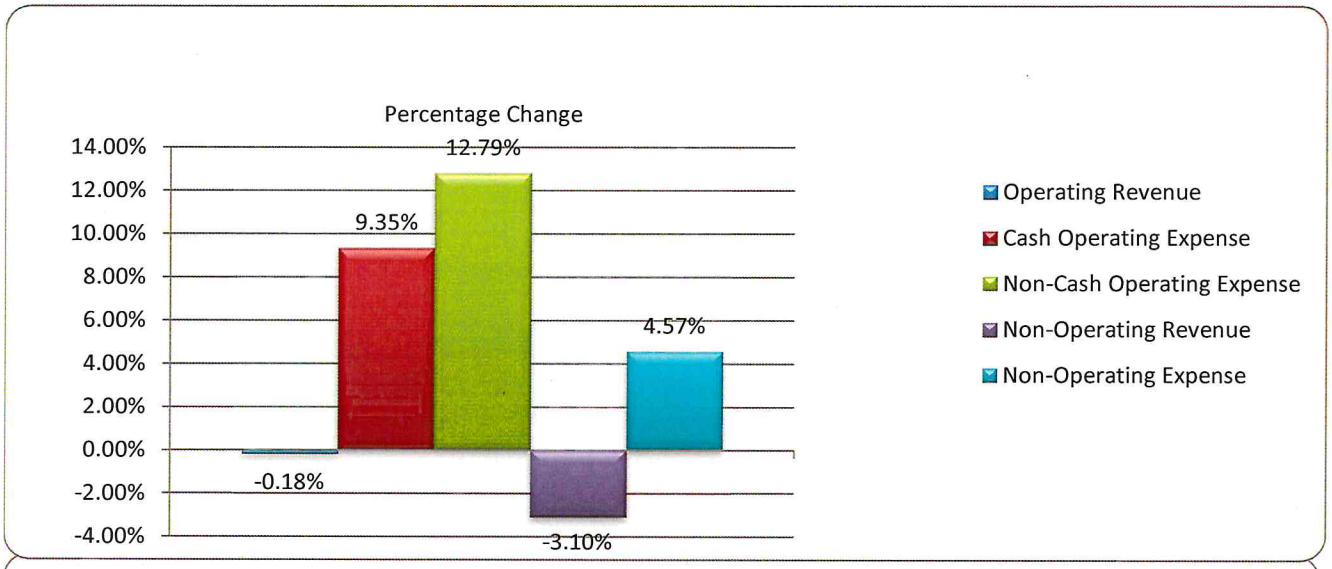
Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison-2 Years - October

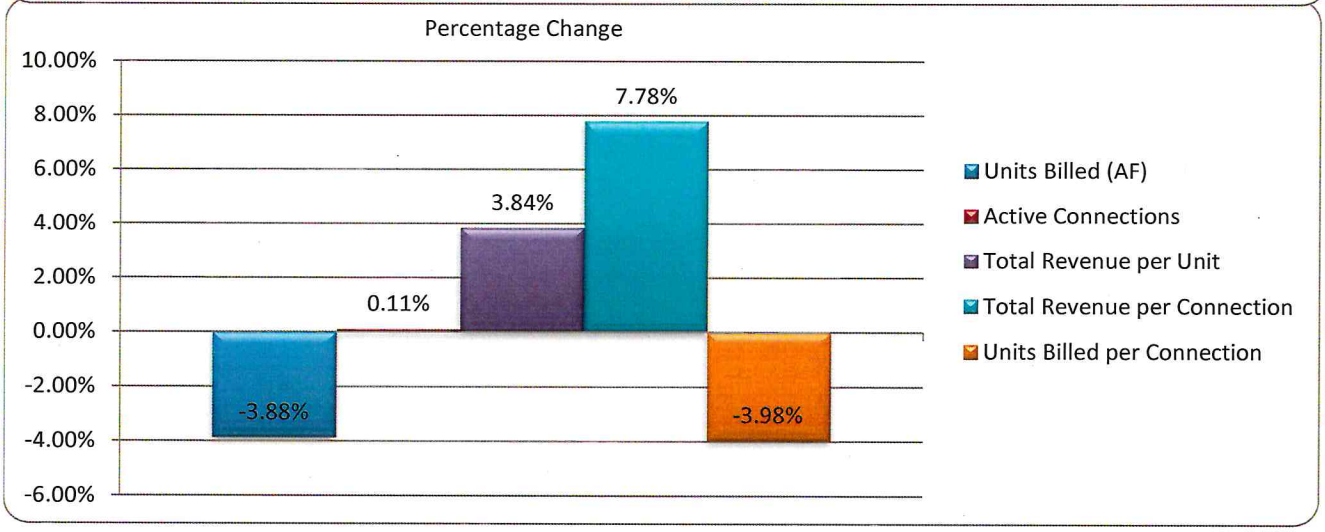
	2015 October	2017 October	Change	% Change
Operating Revenue:				
Wholesale Water	$ -	$ 135,310	$ 135,310	
Water Sales	605,208	805,536	200,329	33.10%
Meter Fees	969,762	1,040,850	71,088	7.33%
Water Quality Fees	84,962	77,720	(7,242)	-8.52%
Elevation Fees	35,079	33,260	(1,819)	-5.19%
Other	140,125	70,078	(70,047)	-49.99%
Drought Surcharge	119,443	-	(119,443)	
Total Operating Revenue	**$ 1,954,579**	**$ 2,162,754**	**$ 208,175**	**10.65%**
Cash Operating Expenses:				
Directors	$ 14,907	$ 12,633	$ (2,273)	-15.25%
Administration-Services	227,074	127,564	80,129	35.29%
Administration-District	-	179,638		
Engineering	84,302	114,797	30,495	36.17%
Facilities	470,382	448,857	(21,525)	-4.58%
Operations	199,652	263,411	63,759	31.94%
Finance	89,482	90,409	927	1.04%
Water Conservation	25,070	16,755	(8,314)	-33.16%
Human Resources	33,014	32,011	(1,003)	-3.04%
Information Technology	53,172	99,339	46,168	86.83%
Customer Care	101,646	90,878	(10,768)	-10.59%
Source of Supply-Purchased Water	7,794	2,022	(5,772)	-74.06%
Plant Expenditures	231,978	30,171	(201,807)	-86.99%
GAC Filter Media Replacement	-	-	-	
Total Cash Operating Expenses	**$ 1,538,470**	**$ 1,508,485**	**$ (29,985)**	**-1.95%**
Non-Cash Operating Expenses:				
Depreciation	$ 534,253	$ 439,904	$ (94,349)	-17.66%
OPEB Accrual Expense	183,580	182,900	(681)	-0.37%
Bad Debts	7,467	(67)	(7,534)	
Service Costs Construction	(8,149)	8,554	16,703	-204.97%
Capitalized Construction	(54,064)	(25,345)	28,719	-53.12%
Total Non-Cash Operating Expenses	**$ 663,087**	**$ 605,945**	**$ (57,142)**	**-8.62%**
Net Operating Profit/(Loss)	**$ (246,977)**	**$ 48,324**	**$ 295,302**	**-119.57%**
Non-Operating Revenues:				
Assessments (Debt Service)	$ 443,333	$ 427,833	$ (15,500)	-3.50%
Assessments (1%)	140,000	138,833	(1,167)	-0.83%
DWR Fixed Charge Recovery	74,953	76,317	1,364	1.82%
Interest	6,107	700	(5,407)	-88.54%
CIF - Infrastructure	10,106	288	(9,818)	
CIF - Water Supply	-	-		
Grants - State and Federal	-	-	-	
Other	(75)	3	78	-103.44%
Total Non-Operating Revenues	**$ 674,424**	**$ 643,974**	**$ (30,450)**	-4.51%
Non-Operating Expenses:				
Interest on Long-Term Debt	$ 186,950	$ 177,918	$ (9,032)	-4.83%
Amortization of SWP	172,877	216,741	43,864	25.37%
Change in Investments in PRWA	7,864	-	(7,864)	-100.00%
Water Conservation Programs	5,322	9,718	4,396	82.59%
Total Non-Operating Expenses	**$ 373,013**	**$ 404,376**	**$ 31,363**	8.41%
Net Earnings	**$ 54,433**	**$ 287,922**	**$ 233,489**	**428.95%**

Consumption Comparison

	2015	2017
Units Billed	609,947	647,869
Active	26,543	26,633
Vacant	847	762
Rev/unit	$ 3.20	$ 3.34
Rev/con	$ 63.86	$ 78.57
Unit/con	22.98	24.33

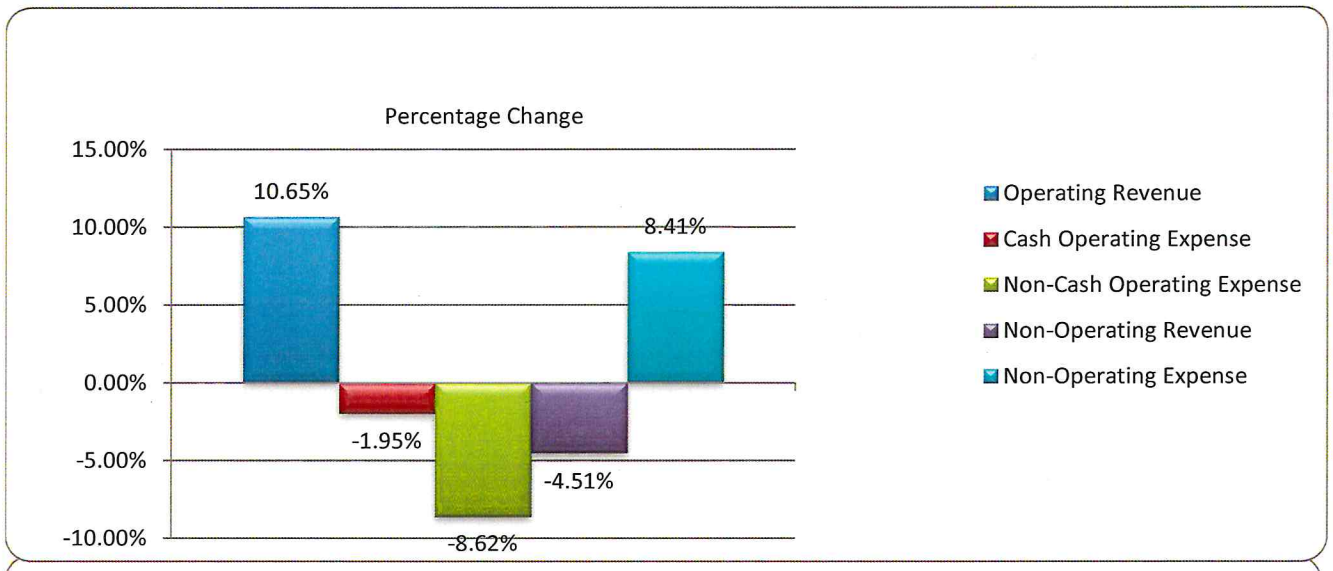
YEAR-TO-YEAR COMPARISON
October 2016 -To - October 2017

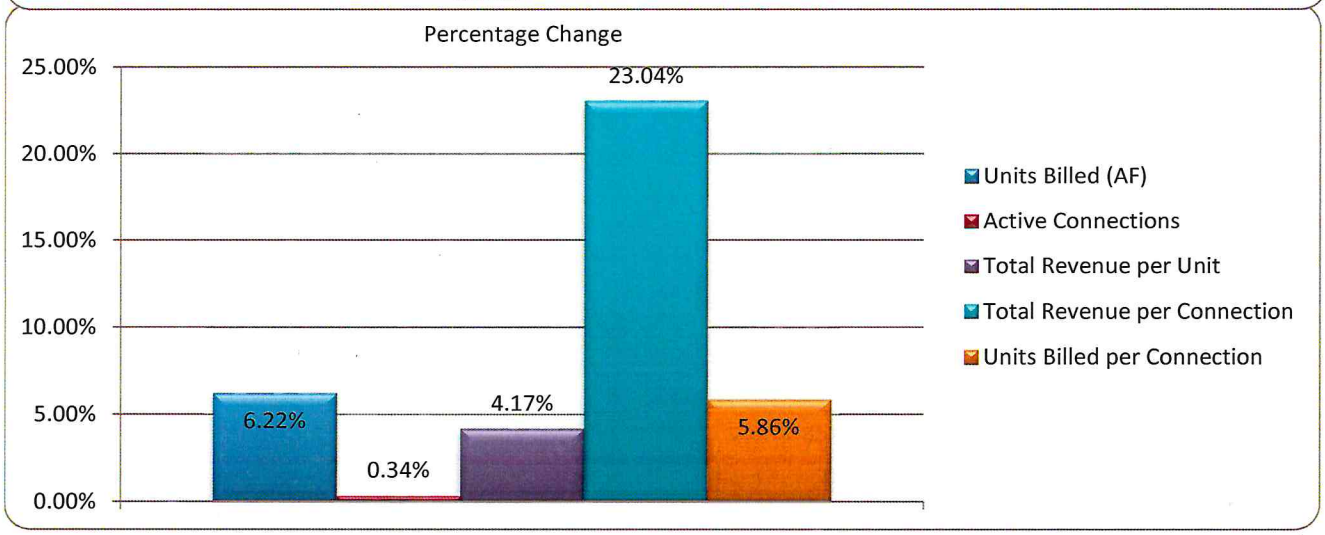




	2016	2017	Change	
Units Billed (AF)	1,547	1,487	-60	-3.88%
Active Connections	26,605	26,633	28	0.11%
Non-Active	802	762	-40	-4.99%
Total Revenue per Unit	$3.21	$3.34	$0.12	3.84%
Total Revenue per Connection	$72.90	$78.57	$5.67	7.78%
Units Billed per Connection	25.33	24.33	-1.01	-3.98%

YEAR-TO-YEAR COMPARISON
October 2015 -To - October 2017





	2015	2017	Change	
Units Billed (AF)	1,400	1,487	87	6.22%
Active Connections	26,543	26,633	90	0.34%
Non-Active	847	762	-85	-10.04%
Total Revenue per Unit	$3.20	$3.34	$0.13	4.17%
Total Revenue per Connection	$63.86	$78.57	$14.72	23.04%
Units Billed per Connection	22.98	24.33	1.35	5.86%

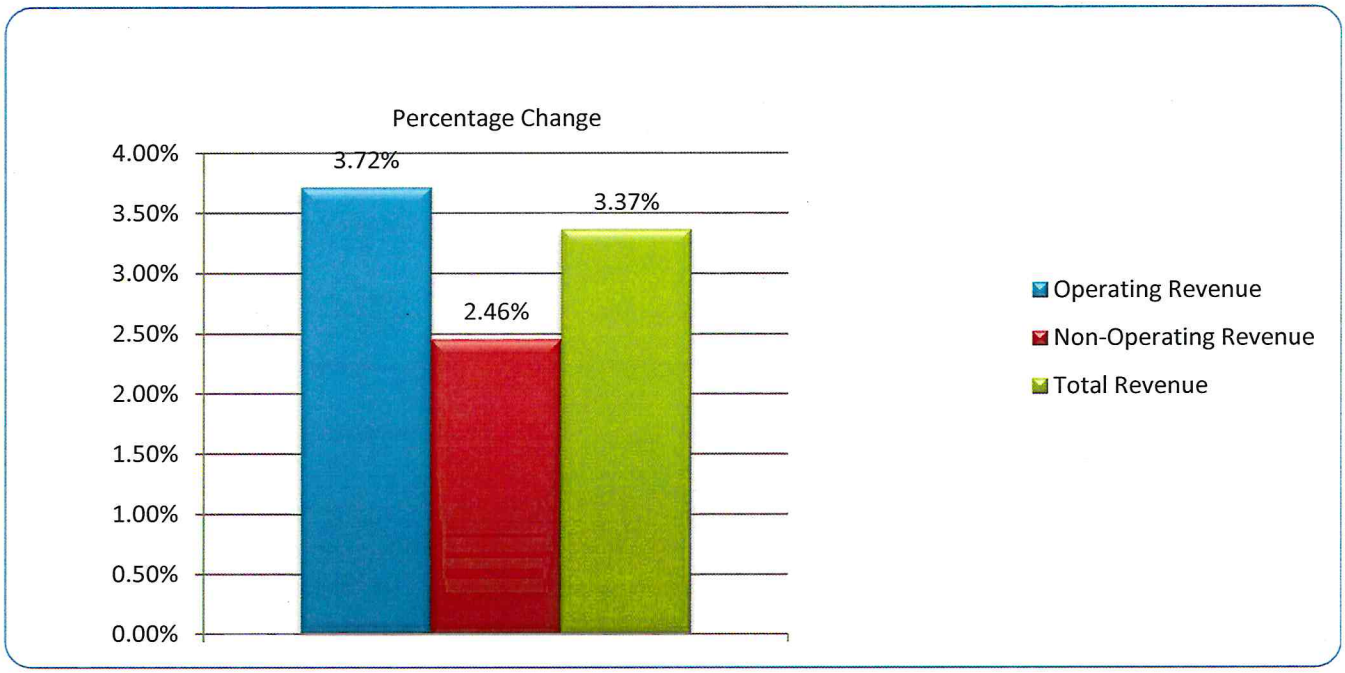
Palmdale Water District
Revenue Analysis
For the Ten Months Ending 10/31/2017

	2017 Thru September	2017 October	2017 Year-to-Date	2017 Adjusted Budget	2017 % of Budget	2016 to 2017 Comparison October	2016 to 2017 Comparison Year-to-Date	2016 to 2017 Comparison % Change
Operating Revenue:								
Wholesale Water	$ 161,514	$ 135,310	$ 296,825	$ 160,000	185.52%	$ 76,712	$ 116,229	64.36%
Water Sales	6,191,805	805,536	6,997,341	8,002,000	87.44%	64,823	1,191,625	20.53%
Meter Fees	9,510,102	1,040,850	10,550,952	12,475,500	84.57%	25,829	403,048	3.97%
Water Quality Fees	640,099	77,720	717,819	862,500	83.23%	(9,899)	(17,419)	-2.37%
Elevation Fees	278,544	33,260	311,804	340,000	91.71%	(4,330)	11,896	3.97%
Other	630,264	70,078	700,342	960,000	72.95%	(3,344)	50,698	7.80%
Drought Surcharge	66,226	-	66,226	-		(153,704)	(1,058,511)	-94.11%
Total Water Sales	**$ 17,478,554**	**$ 2,162,754**	**$ 19,641,309**	**$ 22,800,000**	**86.15%**	**$ (3,914)**	**$ 697,566**	**3.72%**
Non-Operating Revenues:								
Assessments (Debt Service)	$ 3,754,057	$ 427,833	$ 4,181,890	$ 5,000,000	83.64%	$ (12,583)	$ (260,027)	-5.85%
Assessments (1%)	1,611,033	138,833	1,749,866	1,957,500	89.39%	(4,083)	599	0.03%
DWR Fixed Charge Recovery	190,321	76,317	266,638	200,000	133.32%	(5,588)	(18,617)	-6.53%
Interest	60,914	700	61,614	60,000	102.69%	1,347	(4,657)	-7.03%
CIF - Infrastructure	194,992	288	195,280	73,000	267.51%	288	(39,179)	-16.71%
CIF - Water Supply	806,806	-	806,806	177,000	455.82%	-	806,806	
Grants - State and Federal	75,000	-	75,000	178,000	42.13%	-	(231,915)	-75.56%
Other	71,583	3	71,585	60,000	119.31%	12	(75,303)	-51.27%
Total Non-Operating Revenues	**$ 6,764,706**	**$ 643,974**	**$ 7,408,680**	**$ 7,705,500**	**96.15%**	**$ (20,608)**	**$ 177,707**	**2.46%**
Total Revenue	**$ 24,243,260**	**$ 2,806,728**	**$ 27,049,989**	**$ 30,505,500**	**88.67%**	**$ (24,522)**	**$ 875,273**	**3.37%**

	2016 Thru September	2016 October	2016 Year-to-Date	2016 Adjusted Budget	2016 % of Budget
Operating Revenue:					
Wholesale Water	$ 121,997	$ 58,599	$ 180,595	$ 160,000	112.87%
Water Sales	5,065,002	740,713	5,805,716	7,242,000	80.17%
Meter Fees	9,132,883	1,015,021	10,147,904	12,079,000	84.01%
Water Quality Fees	647,619	87,619	735,238	934,500	78.68%
Elevation Fees	262,317	37,590	299,908	400,000	74.98%
Other	576,222	73,422	649,644	860,000	75.54%
Drought Surcharge	971,033	153,704	1,124,737	-	
Total Water Sales	**$ 16,655,078**	**$ 2,108,070**	**$ 18,763,147**	**$ 21,515,500**	**87.21%**
Non-Operating Revenues:					
Assessments (Debt Service)	$ 4,001,500	$ 440,417	$ 4,441,917	$ 4,670,000	95.12%
Assessments (1%)	1,606,351	142,917	1,749,268	2,025,000	86.38%
DWR Fixed Charge Recovery	203,350	81,905	285,255	200,000	142.63%
Interest	66,918	(647)	66,271	35,000	189.35%
CIF - Infrastructure	234,459	-	234,459	50,000	468.92%
CIF - Water Supply	-	-	-	-	
Grants - State and Federal	306,915	-	306,915	485,000	63.28%
Other	146,898	(9)	146,888	120,000	122.41%
Total Non-Operating Revenues	**$ 6,566,391**	**$ 664,582**	**$ 7,230,973**	**$ 7,585,000**	**95.33%**
Total Revenue	**$ 23,221,469**	**$ 2,772,651**	**$ 25,994,120**	**$ 29,100,500**	**89.33%**

REVENUE COMPARISON YEAR-TO-DATE

October 2016-To- October 2017



Palmdale Water District
Operating Expense Analysis
For the Ten Months Ending 10/31/2017

	2017 Thru September	October	Year-to-Date	Adjusted Budget	% of Budget	2016 to 2017 Comparison October	Year-to-Date	% Change
Cash Operating Expenses:								
Directors	$ 79,466	$ 12,633	$ 92,099	$ 115,500	79.74%	$ (171)	$ (37,267)	-28.81%
Administration-Services	1,317,666	127,564	1,445,230	1,943,000	74.38%	(10,919)	108,364	8.11%
Administration-District	1,037,133	179,638	1,216,772	1,509,500	80.61%	76,098	598	0.05%
Engineering	1,083,173	114,797	1,197,969	1,451,500	82.53%	18,694	193,337	19.24%
Facilities	4,556,287	448,857	5,005,144	6,626,000	75.54%	18,669	(354,990)	-6.62%
Operations	2,266,972	263,411	2,530,384	2,546,250	99.38%	19,279	306,041	13.76%
Finance	910,712	90,409	1,001,120	1,246,500	80.31%	(4,250)	(2,499)	-0.25%
Water Conservation	162,207	16,755	178,963	228,000	78.49%	351	(26,651)	-12.96%
Human Resources	237,388	32,011	269,399	297,100	90.68%	(2,517)	(56,545)	-17.35%
Information Technology	484,362	99,339	583,701	804,750	72.53%	56,743	(18,055)	-3.00%
Customer Care	906,659	90,878	997,536	1,278,000	78.05%	3,671	(87,648)	-8.08%
Source of Supply-Purchased Water	1,866,737	2,022	1,868,759	2,190,000	85.33%	3,338	165,885	9.74%
Plant Expenditures	248,894	30,171	279,065	574,292	48.59%	(50,060)	(202,459)	-42.05%
GAC Filter Media Replacement	754,338	-	754,338	862,500	87.46%	-	233,274	44.77%
Total Cash Operating Expenses	**$ 15,911,995**	**$ 1,508,485**	**$ 17,420,479**	**$ 21,672,892**	**80.38%**	**$ 128,925**	**$ 221,385**	**1.27%**
Non-Cash Operating Expenses:								
Depreciation	$ 4,722,497	$ 439,904	$ 5,162,401	$ 6,000,000	86.04%	$ (15,003)	$ 469,298	10.00%
OPEB Accrual Expense	1,646,096	182,900	1,828,995	2,350,000	77.83%	(12,961)	(129,607)	-6.62%
Bad Debts	50,721	(67)	50,654	50,000	101.31%	(490)	(21,681)	-29.97%
Service Costs Construction	98,041	8,554	106,595	125,000	85.28%	12,463	27,063	34.03%
Capitalized Construction	(413,913)	(25,345)	(439,258)	(750,000)	58.57%	84,691	131,570	-23.05%
Total Non-Cash Operating Expenses	**$ 6,103,441**	**$ 605,945**	**$ 6,709,387**	**$ 7,775,000**	**86.29%**	**$ 68,701**	**$ 476,643**	**7.10%**
Non-Operating Expenses:								
Interest on Long-Term Debt	$ 1,629,969	$ 177,918	$ 1,807,887	$ 2,228,000	81.14%	$ (4,435)	$ (45,768)	-2.47%
Amortization of SWP	1,950,630	216,741	2,167,371	2,238,000	96.84%	19,841	198,391	10.08%
Change in Investments in PRWA	106,162	-	106,162	100,000	106.16%	-	846	0.80%
Water Conservation Programs	68,738	9,718	78,455	135,500	57.90%	2,281	36,378	86.45%
Total Non-Operating Expenses	**$ 3,755,499**	**$ 404,376**	**$ 4,159,876**	**$ 4,701,500**	**88.48%**	**$ 17,687**	**$ 189,847**	**4.78%**
Total Expenses	**$ 25,770,935**	**$ 2,518,807**	**$ 28,289,742**	**$ 34,149,392**	**82.84%**	**$ 215,313**	**$ 887,875**	**3.24%**

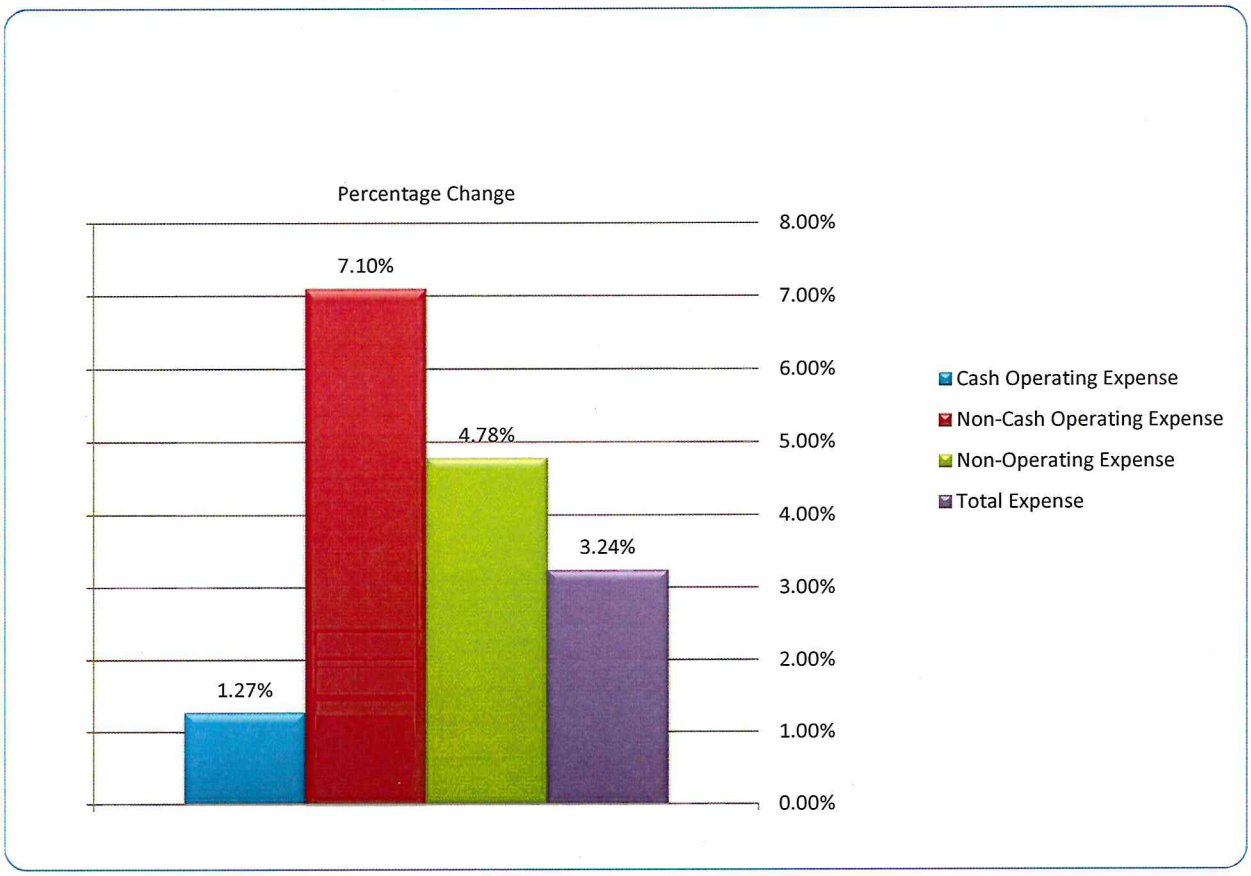
Palmdale Water District
Operating Expense Analysis
For the Ten Months Ending 10/31/2017

2016 to 2017 Comparison

	2016 Thru September	October	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	$ 116,562	$ 12,804	$ 129,366	$ 145,750	88.76%
Administration-Services	1,198,383	138,483	1,336,866	1,588,750	84.15%
Administration-District	1,112,633	103,540	1,216,174	1,612,750	75.41%
Engineering	908,530	96,103	1,004,633	1,279,250	78.53%
Facilities	4,929,945	430,188	5,360,133	6,513,750	82.29%
Operations	1,980,210	244,133	2,224,343	2,449,250	90.82%
Finance	908,961	94,658	1,003,619	1,168,250	85.91%
Water Conservation	189,209	16,405	205,614	239,250	85.94%
Human Resources	291,416	34,528	325,943	420,350	77.54%
Information Technology	559,160	42,596	601,757	867,750	69.35%
Customer Care	997,977	87,207	1,085,184	1,386,750	78.25%
Source of Supply-Purchased Water	1,704,190	(1,316)	1,702,874	1,725,000	98.72%
Plant Expenditures	401,293	80,231	481,524	-	
GAC Filter Media Replacement	521,064	-	521,064	934,500	55.76%
Total Cash Operating Expenses	**$ 15,819,535**	**$ 1,379,559**	**$ 17,199,094**	**$ 20,331,350**	**84.59%**
Non-Cash Operating Expenses:					
Depreciation	$ 4,238,196	$ 454,907	$ 4,693,103	$ 7,200,000	65.18%
OPEB Accrual Expense	1,762,742	195,860	1,958,602	2,250,000	87.05%
Bad Debts	71,912	423	72,335	50,000	144.67%
Service Costs Construction	83,441	(3,909)	79,532	125,000	63.63%
Capitalized Construction	(460,791)	(110,037)	(570,828)	(1,000,000)	57.08%
Total Non-Cash Operating Expenses	**$ 5,695,499**	**$ 537,244**	**$ 6,232,744**	**$ 8,625,000**	**72.26%**
Non-Operating Expenses:					
Interest on Long-Term Debt	$ 1,671,302	$ 182,353	$ 1,853,655	$ 2,228,000	83.20%
Amortization of SWP	1,772,080	196,900	1,968,980	2,238,000	87.98%
Change in Investments in PRWA	105,316	-	105,316	-	
Water Conservation Programs	34,641	7,437	42,078	126,500	33.26%
Total Non-Operating Expenses	**$ 3,583,339**	**$ 386,690**	**$ 3,970,029**	**$ 4,592,500**	**86.45%**
Total Expenses	**$ 25,098,373**	**$ 2,303,494**	**$ 27,401,867**	**$ 33,548,850**	**81.68%**

EXPENSE COMPARISON YEAR-TO-DATE

October 2016-To-October 2017



Palmdale Water District
2017 Directors Budget
For the Ten Months Ending Tuesday, October 31, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	$ -	$ -	$ -	$ -	
Employee Benefits					
1-01-4005-000 Payroll Taxes	3,970	5,500		1,530	72.19%
Subtotal (Benefits)	3,970	5,500	-	1,530	72.19%
Total Personnel Expenses	$ 3,970	$ 5,500	$ -	$ 1,530	72.19%
OPERATING EXPENSES:					
1-01-xxxx-007 Director Share - Alvarado, Robert	$ 15,921	$ 22,000		$ 6,079	72.37%
1-01-xxxx-008 Director Share - Mac Laren, Kathy	17,545	22,000		4,455	79.75%
1-01-xxxx-009 Director Share - Estes, Joe	21,674	22,000		326	98.52%
1-01-xxxx-010 Director Share - Dino, Vincent	17,791	22,000		4,209	80.87%
1-01-xxxx-011 Director Share - Henriquez, Marco	15,198	22,000		6,802	69.08%
Subtotal Operating Expenses	88,128	110,000	-	6,802	80.12%
Total O & M Expenses	$ 92,099	$ 115,500	$ -	$ 8,332	79.74%

Palmdale Water District
2017 Administration Services Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-02-4000-000	Salaries*	$ 873,407	$ 1,220,500	$ (16,000)	$ 331,093	72.51%
1-02-4000-100	Overtime	6,724	8,500		1,776	79.11%
	Subtotal (Salaries)	$ 880,132	$ 1,229,000	$ (16,000)	$ 332,868	72.56%
Employee Benefits						
1-02-4005-000	Payroll Taxes	$ 62,832	$ 87,000		24,168	72.22%
1-02-4010-000	Health Insurance	125,589	171,000		45,411	73.44%
1-02-4015-000	PERS	95,784	145,000		49,216	66.06%
	Subtotal (Benefits)	$ 284,204	$ 403,000	$ -	$ 118,796	70.52%
	Total Personnel Expenses	$ 1,164,336	$ 1,632,000	$ (16,000)	$ 451,664	72.05%
OPERATING EXPENSES:						
1-02-4050-000	Staff Travel	$ 15,105	$ 14,000	$ -	$ (1,105)	107.90%
1-02-4050-100	General Manager Travel	6,009	5,000		(1,009)	120.18%
1-02-4060-000	Staff Conferences & Seminars	1,363	6,000		4,637	22.72%
1-02-4060-100	General Manager Conferences & Seminars	3,306	4,000		695	82.64%
1-02-4130-000	Bank Charges	128,147	140,000		11,853	91.53%
1-02-4150-000	Accounting Services	23,715	27,500		3,785	86.24%
1-02-4175-000	Permits	11,196	17,500		6,304	63.98%
1-02-4180-000	Postage	10,920	25,000		14,080	43.68%
1-02-4190-100	Public Relations - Publications	20,479	30,000		9,521	68.26%
1-02-4190-700	Public Relations - General*	33,334	20,000	(2,000)	(15,334)	185.19%
1-02-4200-000	Advertising	1,868	4,000		2,132	46.70%
1-02-4205-000	Office Supplies	20,453	18,000		(2,453)	113.63%
1-02-4210-000	Office Furniture*	5,000	-	5,000	0	99.99%
	Subtotal Operating Expenses	$ 280,894	$ 311,000	$ 3,000	$ 33,106	89.46%
	Total Departmental Expenses	$ 1,445,230	$ 1,943,000	$ (13,000)	$ 484,770	74.88%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2017 Administration District Wide Budget
For the Ten Months Ending Tuesday, October 31, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	$ 57,772	$ 90,000		$ 32,228	64.19%
Subtotal (Salaries)	$ 57,772	$ 90,000	$ -	$ 32,228	64.19%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	$ 387,071	$ 472,000		84,929	82.01%
1-02-5070-003 Workers Compensation	189,902	185,000		(4,902)	102.65%
1-02-5070-004 Vacation Benefit Expense	(25,816)	35,000		60,816	-73.76%
1-02-5070-005 Life Insurance	5,265	7,500		2,235	70.19%
Subtotal (Benefits)	$ 556,421	$ 699,500	$ -	$ 143,079	79.55%
Total Personnel Expenses	$ 614,193	$ 789,500	$ -	$ 175,307	77.80%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	$ 29,504	$ 20,000		(9,504)	147.52%
1-02-5070-007 Consultants	51,071	70,000		18,929	72.96%
1-02-5070-008 Insurance	245,821	305,000		59,179	80.60%
1-02-5070-009 Groundwater Adjudication	74,095	50,000		(24,095)	148.19%
1-02-5070-010 Legal Services	76,988	150,000		73,012	51.33%
1-02-5070-011 Memberships/Subscriptions	89,495	125,000		35,505	71.60%
1-02-5070-099 100th Anniversary***	35,605	-	60,000	24,395	59.34%
Subtotal Operating Expenses	$ 602,579	$ 720,000	$ 60,000	$ 177,421	77.25%
Total Departmental Expenses	$ 1,216,772	$ 1,509,500	$ 60,000	$ 352,728	77.53%

*** Budget adjustments by Board action 07/05/17

Palmdale Water District
2017 Engineering Budget
For the Ten Months Ending Tuesday, October 31, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries**	$ 831,563	$ 983,500	$ 45,000	$ 196,937	80.85%
1-03-4000-100 Overtime	6,966	6,500		(466)	107.16%
Subtotal (Salaries)	$ 838,529	$ 990,000	$ 45,000	$ 196,471	84.70%
Employee Benefits					
1-03-4005-000 Payroll Taxes**	63,019	73,000	4,750	14,731	81.05%
1-03-4010-000 Health Insurance**	153,261	164,000	16,000	26,740	85.14%
1-03-4015-000 PERS**	88,804	104,500	3,000	18,696	82.61%
Subtotal (Benefits)	$ 305,083	$ 341,500	$ 23,750	$ 60,167	83.53%
Total Personnel Expenses	$ 1,143,612	$ 1,331,500	$ 68,750	$ 256,638	81.67%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	$ 3,095	$ 2,500		$ (595)	123.80%
1-03-4060-000 Staff Conferences & Seminars	3,895	2,500		(1,395)	155.80%
1-03-4155-000 Contracted Services	7,544	41,500		33,956	18.18%
1-03-4165-000 Memberships/Subscriptions	4,196	2,500		(1,696)	167.83%
1-03-4250-000 General Materials & Supplies	1,427	11,000		9,573	12.98%
1-03-8100-100 Computer Software - Maint. & Support	34,200	60,000		25,800	57.00%
Subtotal Operating Expenses	$ 54,357	$ 120,000	$ -	$ 65,643	45.30%
Total Departmental Expenses	$ 1,197,969	$ 1,451,500	$ 68,750	$ 322,281	78.80%

** Budget adjustments by Board action 04/12/17

Palmdale Water District
2017 Facilities Budget
For the Ten Months Ending Tuesday, October 31, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries**	$ 1,674,779	$ 2,096,000	$ (52,500)	$ 368,721	81.96%
1-04-4000-100 Overtime	102,562	100,000		(2,562)	102.56%
Subtotal (Salaries)	$ 1,777,341	$ 2,196,000	$ (52,500)	$ 366,159	82.92%
Employee Benefits					
1-04-4005-000 Payroll Taxes**	137,579	172,000	(4,750)	29,671	82.26%
1-04-4010-000 Health Insurance**	399,951	453,500	(8,500)	45,049	89.88%
1-04-4015-000 PERS**	167,509	258,000	(3,000)	87,491	65.69%
Subtotal (Benefits)	$ 705,039	$ 883,500	$ (16,250)	$ 162,211	81.30%
Total Personnel Expenses	$ 2,482,380	$ 3,079,500	$ (68,750)	$ 528,370	82.45%
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	$ 3,969	$ 3,000		$ (969)	132.31%
1-04-4060-000 Staff Confrences & Seminars	297	3,000		2,703	9.90%
1-04-4155-000 Contracted Services	476,729	491,500		14,771	96.99%
1-04-4175-000 Permits-Dams	-	25,000		25,000	0.00%
1-04-4215-100 Natural Gas - Wells & Boosters	139,689	225,000		85,311	62.08%
1-04-4215-200 Natural Gas - Buildings	4,515	9,000		4,485	50.16%
1-04-4220-100 Electricity - Wells & Boosters	914,620	1,320,000		405,380	69.29%
1-04-4220-200 Electricity - Buildings	63,302	88,000		24,698	71.93%
1-04-4225-000 Maint. & Repair - Vehicles	20,533	35,000		14,467	58.67%
1-04-4230-100 Maint. & Rep. Office Building	19,542	25,000		5,458	78.17%
1-04-4235-110 Maint. & Rep. Equipment	8,221	6,500		(1,721)	126.48%
1-04-4235-400 Maint. & Rep. Operations - Wells	51,581	100,000		48,419	51.58%
1-04-4235-405 Maint. & Rep. Operations - Boosters	24,170	80,000		55,830	30.21%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	16,997	10,000		(6,997)	169.97%
1-04-4235-415 Maint. & Rep. Operations - Facilities	14,334	15,000		666	95.56%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	261,996	250,000		(11,996)	104.80%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	1,607	15,000		13,393	10.72%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	4,070	7,500		3,430	54.26%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	3,007	10,000		6,993	30.07%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	26,479	20,000		(6,479)	132.39%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	2,125	5,000		2,875	42.50%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	1,247	10,000		8,753	12.47%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	37,361	45,000		7,639	83.03%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	176	5,000		4,824	3.51%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	112,022	250,000		137,978	44.81%
1-04-4270-300 Telecommunication - Other	4,732	4,000		(732)	118.29%
1-04-4300-100 Testing - Regulatory Compliance	1,187	20,000		18,813	5.94%
1-04-4300-200 Testing - Large Meters	7,377	12,500		5,123	59.02%
1-04-4300-300 Testing - Edison Testing	2,755	30,000		27,245	9.18%
1-04-5070-009 Groundwater Adjudication-Pumping Assessment	19,552	50,000		30,448	39.10%
1-04-6000-000 Waste Disposal	12,623	20,000		7,377	63.12%
1-04-6100-100 Fuel and Lube - Vehicle	75,290	105,000		29,710	71.70%
1-04-6100-200 Fuel and Lube - Machinery	14,978	40,000		25,022	37.44%
1-04-6200-000 Uniforms	17,862	28,000		10,138	63.79%
1-04-6300-100 Supplies - General	48,561	47,500		(1,061)	102.23%
1-04-6300-200 Supplies - Hypo Generators	3,340	7,500		4,160	44.53%
1-04-6300-300 Supplies - Electrical	1,772	3,000		1,228	59.08%
1-04-6300-400 Supplies - Telemetry	5,541	5,000		(541)	110.83%
1-04-6300-800 Supplies - Construction Materials*	27,914	40,000	(5,000)	7,086	79.75%
1-04-6400-000 Tools	22,353	25,000		2,647	89.41%
1-04-7000-100 Leases -Equipment	20,612	15,000		(5,612)	137.41%
1-04-7000-100 Leases -Vehicles	27,724	38,000		10,276	72.96%
Subtotal Operating Expenses	$ 2,522,764	$ 3,544,000	$ (5,000)	$ 1,016,236	71.28%
Total Departmental Expenses	$ 5,005,144	$ 6,623,500	$ (73,750)	$ 1,544,606	76.42%

* Budget adjustments by General Manager per Appendix A
** Budget adjustments by Board action 04/12/17

Palmdale Water District
2017 Operation Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-05-4000-000	Salaries	$ 778,652	$ 920,000		$ 141,348	84.64%
1-05-4000-100	Overtime	61,248	56,000		(5,248)	109.37%
	Subtotal (Salaries)	$ 839,900	$ 976,000	$ -	$ 136,100	86.06%
Employee Benefits						
1-05-4005-000	Payroll Taxes	64,629	67,000		2,371	96.46%
1-05-4010-000	Health Insurance	137,777	144,250		6,473	95.51%
1-05-4015-000	PERS	84,371	111,000		26,629	76.01%
	Subtotal (Benefits)	$ 286,777	$ 322,250	$ -	$ 35,473	88.99%
	Total Personnel Expenses	$ 1,126,678	$ 1,298,250	$ -	$ 171,572	86.78%
OPERATING EXPENSES:						
1-05-4050-000	Staff Travel	$ 1,670	$ 2,500		$ 830	66.80%
1-05-4060-000	Staff Conferences & Seminars	1,855	2,500		645	74.20%
1-05-4155-000	Contracted Services	75,864	88,000		12,136	86.21%
1-05-4175-000	Permits	67,407	40,000		(27,407)	168.52%
1-05-4215-200	Natural Gas - WTP	924	3,000		2,076	30.81%
1-05-4220-200	Electricity - WTP	262,035	125,000		(137,035)	209.63%
1-05-4230-110	Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110	Maint. & Rep. Operations - Equipment	11,364	20,000		8,636	56.82%
1-05-4235-410	Maint. & Rep. Operations - Shop Bldgs	1,298	6,000		4,702	21.63%
1-05-4235-415	Maint. & Rep. Operations - Facilities*	76,889	65,000	17,000	5,111	93.77%
1-05-4235-450	Maint. & Rep. Operations - Hypo Generator*	23,925	65,000	(17,000)	24,075	49.84%
1-05-4235-500	Maint. & Rep. Operations - Wind Turbine	575	30,000		29,425	1.92%
1-05-4236-000	Palmdale Lake Management	59,463	40,000		(19,463)	148.66%
1-05-6000-000	Waste Disposal	3,094	20,000		16,906	15.47%
1-05-6200-000	Uniforms	10,841	16,000		5,159	67.76%
1-05-6300-100	Supplies - General	13,000	15,000		2,000	86.67%
1-05-6300-600	Supplies - Lab	50,243	50,000		(243)	100.49%
1-05-6300-700	Outside Lab Work	44,500	60,000		15,500	74.17%
1-05-6400-000	Tools	4,472	6,500		2,028	68.80%
1-05-6500-000	Chemicals	675,939	560,000		(115,939)	120.70%
1-05-7000-100	Leases -Equipment	-	3,000		3,000	0.00%
3-05-4300-100	Filter Media Testing/Inspection	18,348	30,000		11,652	61.16%
	Subtotal Operating Expenses	$ 1,403,706	$ 1,248,000	$ -	$ (155,706)	112.48%
	Total Departmental Expenses	$ 2,530,384	$ 2,546,250	$ -	$ 15,866	99.38%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2017 Finance Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-06-4000-000	Salaries	$ 553,325	$ 683,500		$ 130,175	80.95%
1-06-4000-100	Overtime	1,719	4,000		2,281	42.96%
	Subtotal (Salaries)	$ 555,044	$ 687,500	$ -	$ 132,456	80.73%
Employee Benefits						
1-06-4005-000	Payroll Taxes	40,223	53,000		12,777	75.89%
1-06-4010-000	Health Insurance	75,028	88,500		13,472	84.78%
1-06-4015-000	PERS	61,771	87,000		25,229	71.00%
	Subtotal (Benefits)	$ 177,021	$ 228,500	$ -	$ 51,479	77.47%
	Total Personnel Expenses	$ 732,065	$ 916,000	$ -	$ 183,935	79.92%
OPERATING EXPENSES:						
1-06-4155-000	Contracted Services	$ 5,850	$ 6,000		$ 150	97.50%
1-06-4155-100	Contracted Services - Infosend	217,890	280,000		62,110	77.82%
1-06-4165-000	Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110	Maintenance & Repair - Office Equipment	-	500		500	0.00%
1-06-4250-000	General Material & Supplies	-	3,000		3,000	0.00%
1-06-4260-000	Business Forms	1,598	4,000		2,402	39.95%
1-06-4270-100	Telecommunication - Office	24,543	18,000		(6,543)	136.35%
1-06-4270-200	Telecommunication - Cellular Stipend	16,350	15,500		(850)	105.48%
1-06-7000-100	Leases - Equipment	2,605	3,000		395	86.82%
	Subtotal Operating Expenses	$ 269,055	$ 330,500	$ -	$ 61,445	81.41%
	Total Departmental Expenses	$ 1,001,120	$ 1,246,500	$ -	$ 245,380	80.31%

Palmdale Water District
2017 Water Conservation Budget
For the Ten Months Ending Tuesday, October 31, 2017

	YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-07-4000-000 Salaries	$ 115,855	$ 144,000		$ 28,145	80.45%
1-07-4000-100 Overtime	540	1,000		460	54.02%
Subtotal (Salaries)	$ 116,395	$ 145,000		$ 28,605	80.27%
Employee Benefits					
1-07-4005-000 Payroll Taxes	9,477	11,000		1,523	86.15%
1-07-4010-000 Health Insurance	30,366	36,500		6,134	83.19%
1-07-4015-000 PERS	13,937	18,500		4,563	75.33%
Subtotal (Benefits)	$ 53,779	$ 66,000	$ -	$ 12,221	81.48%
Total Personnel Expenses	$ 170,175	$ 211,000	$ -	$ 40,366	80.65%
OPERATING EXPENSES:					
1-07-4050-000 Staff Travel	$ 703	$ 1,000		$ 297	
1-07-4060-000 Staff Confrences & Seminar	470	1,500		1,030	
1-07-4190-300 Public Relations - Landscape Workshop/Training	124	1,000		876	12.43%
1-07-4190-400 Public Relations - Contests	-	1,000		1,000	0.00%
1-07-4190-500 Public Relations - Education Programs*	6,286	2,500	4,000	214	251.44%
1-07-4190-900 Public Relations - Other*	546	5,000	(2,000)	2,454	10.92%
1-07-6300-100 Supplies - Misc.	659	5,000		4,341	13.18%
Subtotal Operating Expenses	$ 8,788	$ 17,000	$ 2,000	$ 10,212	51.69%
Total Departmental Expenses	$ 178,963	$ 228,000	$ 2,000	$ 50,578	78.49%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2017 Human Resources Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-08-4000-000	Salaries	$ 100,849	$ 122,000		$ 21,151	82.66%
1-08-4000-200	Salaries - Intern Program*	6,236	-	16,000	9,764	38.98%
	Subtotal (Salaries)	$ 107,085	$ 122,000	$ 16,000	$ 30,915	87.77%
Employee Benefits						
1-08-4005-000	Payroll Taxes	8,242	9,500		1,258	86.76%
1-08-4010-000	Health Insurance	16,800	19,500		2,700	86.15%
1-08-4015-000	PERS	6,293	8,000		1,707	78.66%
	Subtotal (Benefits)	$ 31,334	$ 37,000	$ -	$ 5,666	84.69%
	Total Personnel Expenses	$ 138,420	$ 159,000	$ 16,000	$ 36,580	79.10%
OPERATING EXPENSES:						
1-08-4050-000	Staff Travel	$ 912	$ 1,500		$ 588	60.81%
1-08-4060-000	Staff Conferences & Seminars	749	1,500		751	49.93%
1-08-4070-000	Employee Expense	43,552	50,000		6,448	87.10%
1-08-4090-000	Temporary Staffing	14,547	-		(14,547)	
1-08-4095-000	Employee Recruitment	3,553	3,000		(553)	118.44%
1-08-4100-000	Employee Retention	423	5,000		4,577	8.46%
1-08-4105-000	Employee Relations	3,752	3,500		(252)	107.19%
1-08-4120-100	Training-Safety	23,460	35,000		11,540	67.03%
1-08-4120-200	Training-Speciality	11,812	15,000		3,188	78.75%
1-08-4121-000	Safety Program	-	1,000		1,000	0.00%
1-08-4165-000	Membership/Subscriptions	1,535	1,600		65	95.94%
1-08-4165-100	HR/Safety Publications	-	1,000		1,000	0.00%
1-08-6300-500	Supplies - Safety	26,684	20,000		(6,684)	133.42%
	Subtotal Operating Expenses	$ 130,979	$ 138,100	$ -	$ 7,121	94.84%
	Total Departmental Expenses	$ 269,399	$ 297,100	$ 16,000	$ 43,701	86.04%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2017 Information Technology Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-09-4000-000	Salaries	$ 144,347	$ 176,000		$ 31,653	82.02%
1-09-4000-100	Overtime	809	2,500		1,691	32.34%
	Subtotal (Salaries)	$ 145,156	$ 178,500		$ 33,344	81.32%
Employee Benefits						
1-09-4005-000	Payroll Taxes	11,036	18,250		7,214	60.47%
1-09-4010-000	Health Insurance	23,053	38,500		15,447	59.88%
1-09-4015-000	PERS	15,231	22,750		7,519	66.95%
	Subtotal (Benefits)	$ 49,320	$ 79,500	$ -	$ 30,180	62.04%
	Total Personnel Expenses	$ 194,475	$ 258,000	$ -	$ 61,833	75.38%
OPERATING EXPENSES:						
1-09-4050-000	Staff Travel	$ 610	$ 3,000		$ 2,390	20.35%
1-09-4060-000	Staff Confrences & Seminars	6,433	3,500		(2,933)	183.80%
1-09-4155-000	Contracted Services*	68,823	101,500	(15,000)	17,677	79.56%
1-09-4165-000	Memberships/Subscriptions	459	2,000		1,541	22.95%
1-09-4270-000	Telecommunications	72,034	87,250		15,216	82.56%
1-09-8000-100	Computer Equipment - Computers	30,040	45,000		14,960	66.75%
1-09-8000-200	Computer Equipment - Laptops	12,232	45,000		32,768	27.18%
1-09-8000-300	Computer Equipment - Monitors	859	2,000		1,141	42.93%
1-09-8000-400	Computer Equipment - Printers	-	5,000		5,000	0.00%
1-09-8000-500	Computer Equipment - Toner Cartridges	159	3,000		2,841	5.31%
1-09-8000-550	Computer Equipment - Telephony	840	2,500		1,660	33.59%
1-09-8000-600	Computer Equipment - Other	22,959	40,000		17,041	57.40%
1-09-8100-100	Computer Software - Maint. and Support*	146,339	60,000	15,000	(71,339)	195.12%
1-09-8100-150	Computer Software - Dynamics GP Support	13,175	60,000		46,825	21.96%
1-09-8100-200	Computer Software - Software and Upgrades	14,265	15,000		735	95.10%
	Subtotal Operating Expenses	$ 389,226	$ 474,750	$ -	$ 85,524	81.99%
	Total Departmental Expenses	$ 583,701	$ 732,750	$ -	$ 147,357	79.66%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2017 Customer Care Budget
For the Ten Months Ending Tuesday, October 31, 2017

		YTD ACTUAL 2017	ORIGINAL BUDGET 2017	ADJUSTMENTS 2017	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:						
1-10-4000-000	Salaries	$ 683,103	$ 886,000		$ 202,897	77.10%
1-10-4000-100	Overtime	4,272	10,000		5,728	42.72%
	Subtotal (Salaries)	$ 687,375	$ 896,000	$ -	$ 208,625	76.72%
Employee Benefits						
1-10-4005-000	Payroll Taxes	52,233	65,500		13,267	79.75%
1-10-4010-000	Health Insurance	152,437	166,000		13,563	91.83%
1-10-4015-000	PERS	77,329	113,500		36,171	68.13%
	Subtotal (Benefits)	$ 282,000	$ 345,000	$ -	$ 63,000	81.74%
	Total Personnel Expenses	$ 969,375	$ 1,241,000	$ -	$ 271,625	78.11%
OPERATING EXPENSES:						
1-10-4050-000	Staff Travel	$ 1,759	$ 1,000		$ (759)	175.92%
1-10-4060-000	Staff Conferences & Seminars	2,090	2,000		(90)	104.50%
1-10-4155-000	Contracted Services	17,292	22,000		4,708	78.60%
1-10-4230-110	Maintenance & Repair-Office Equipment	-	500		500	0.00%
1-10-4250-000	General Material & Supplies	7,021	7,500		479	93.61%
1-10-4260-000	Business Forms	-	4,000		4,000	0.00%
	Subtotal Operating Expenses	$ 28,162	$ 37,000	$ -	$ 8,838	76.11%
	Total Departmental Expenses	$ 997,536	$ 1,278,000	$ -	$ 280,464	78.05%

AGENDA ITEM NO. 4.4

Palmdale Water District
2017 Capital Projects - Contractual Commitments and Needs

New and Replacement Capital Projects

Budget Year	Work Order	Project Title	Contractor	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2017 Total	2018 Carryover
2017	14-603	Upper Amargosa Recharge Project	City of Palmdale	$ 1,250,000	12/04/2013	$ 129,215	$ 1,120,785	**129,215**													-	
2017	16-408	Water Meter Replacement Projects (Spec 1602) - Purchase	Inland Water Works	439,419	10/10/2016	431,459	7,960		**113,859**	**231,921**	**80,893**		**4,786**								431,459	
2017	12-609	Ave. Q-1, Q-2, Q-3 Water Main Replacement (Spec 1211)	Bob O Const.	57,500	10/12/2016	57,500	-	**42,750**	**9,975**		**1,900**	**2,875**									14,750	
2017	16-408	Water Meter Replacement Projects (Spec 1602) - Installation	Bob O Const.	144,443	10/12/2016	132,826	11,617				**40,472**	**37,251**		**48,461**	**6,641**						132,826	
2017	15-615	Well No. 15 Rehabilitation - Water Quality	Layne	114,826	10/26/2016	114,826	-			**114,826**											114,826	
2017	16-609	Board Room Video Upgrades	CWI/Backyard Images	60,000	10/26/2016	57,016	2,984	**28,508**	**28,508**											*2,984*	31,492	
2017	16-415	El Camino Underground Booster - 40hp	Roadrunner Pump	16,196	11/01/2016	13,834	2,362	**10,531**	**3,303**												3,303	
2017	16-610	Well No. 18 Rehabilitation	Roadrunner Pump	17,418	11/02/2016	14,687	-		**12,342**		**2,344**										14,687	
2017	17-364	75 hp - Underground Booster Station	Roadrunner Pump	5,665	01/25/2017	5,665	-			**5,665**											5,665	
2017	15-612	El Camino Watermain Replacement - Paving	ANM	36,700	01/31/2017	36,700	-			**36,700**											36,700	
2017	16-612	Well No. 8A Rehabilitation - Emergency	Best Drilling & Pump, Inc.	141,180	01/23/2017	139,535	1,645			**14,820**	**44,265**	**74,452**	**1,389**	**4,608**							139,535	
2017	17-269	Washwater Return Pump Replacement	Rockwell/Electric Motors	20,802	02/15/2017	15,599	5,203				**15,599**										15,599	
2017	17-269	Washwater Return Pump Replacement	Surface Pumps	20,140		20,139	1					**20,139**									20,139	
2017	17-286	3600' Back-up Booster Pump	Roadrunner Pump			1,871	(1,871)			**1,871**											1,871	
2017	17-260	Wind Turbine Interconnection Repairs	Hot-Line	13,107	02/01/2017	12,591	516			**43,148**	**16,095**	**8,601**	**13,720**	**(68,973)**							12,591	
2017	17-605	Wind Turbine Generator Rebuild/Repairs (Reclassed from 17-260)	Worldwind Services, Inc.	68,973	02/01/2017	68,973	-							**68,973**							68,973	
2017	17-601	Well 10 Emergency Rehabilitation	Roadrunner Pump	39,469	03/23/2017	43,775	(4,306)									**27,625**		**16,150**	**22,099**		65,875	
2017	16-411	Clearwell 2950' Discharge Piping and Valve	Southwest Valve & Equip.	36,961	03/01/2017	61,320	(24,359)						**33,907**	**27,413**					**16,025**		77,344	
2017	16-607	2800' Booster No. 1 and 3 Repair	Best Drilling & Pump, Inc.	114,295		63,740	50,555									**63,740**				*63,440*	127,180	
2017	17-603	WTP Control Room Upgrades	Kuhnhofer	30,458	03/27/2017	19,708	10,750						**6,898**	**12,810**							19,708	
2017	12-400	PRGRRP - Construction of Monitoring Wells / Test Basin	Environmental Const.	427,490	04/26/2017	-	427,490												**66,657**	*200,000*	266,657	*160,833*
2017	15-611	Camares and Avenue S-14 Water Main Replacement (Spec 1502)				-	-														-	*110,000*
2017	15-613	Avenue V-5 Water Main Replacement (Spec 1504)				-	-														-	*45,000*
2017	16-608	Ave. Q-1, Q-2, Q-3, Q-4, and Q-5 @ 5th St. E. Water Main Repl. (Spec 1603)				-	-														-	*25,000*
2017		Water Meter Replacement Program for 2017				-	-														-	*300,000*
2017		Parking Lot Resurfacing				-	-														-	*110,000*
2017		Well No. 6A Rehabilitation				-	-														-	*75,000*
2017		Well No. 29 Rehabilitation				-	-														-	*60,000*
2017		Well No. 35 Rehabilitation				-	-														-	*60,000*
2017	16-611	CL2 Monitoring @ Well Sites				-	-														-	*110,000*
2017	15-614	Drainage Improvements @ WTP				-	-														-	*80,000*
2017	16-605	Additional Brine Tank @ WTP				-	-														-	*90,000*
2017	17-600	Entry Buildings @ Filter and GAC Pipe Gallery Entrance				-	-														-	
2018	12-611	Avenue P-8 Water Main Replacement				-	-														-	
2018	16-602	Avenue P and 25th Water Main Replacement (Spec 1601)				-	-														-	
2018	17-602	13th Street East and Avenue R Water Main Replacement (Spec 1703)				-	-														-	
2018		Ave. P-12, Division, 2nd, 3rd, Stanridge Water Main Repl.				-	-														-	
2018		Sierra Hwy. Tie-In and Abandonment				-	-														-	
2018		Ave. Q-14 and 17th Street East Water Main Replacement				-	-														-	
2018		Ave. Q-10 and 12th Street East Water Main Replacement				-	-														-	
2018		Protective Coatings on WTP Structures				-	-														-	
2018		WTP Infrastructure and Process/Equipment Repairs				-	-														-	
2018	17-606	Electric Car Charging Station				-	-											**3,752**	**2,341**		6,093	
2018-2020		Replacement of Structural Support Beams - WTP Sed. Basins				-	-														-	
						-	-														-	
						-	-														-	
						-	-														-	
						-	-														-	
2017		Ancillary costs related to all project over and above the main contractor	Various Vendors			-	-		**7,119**	**1,325**	**6,645**	**5,702**	**6,602**	**9,994**	**2,738**	**9,628**	**5,644**	**7,717**	**12,812**		75,927	
				$ 3,055,041		$ 1,440,978	$ 1,611,332	211,004	175,106	450,276	208,214	149,021	67,301	103,287	9,380	100,993	5,644	27,619	119,934	266,424	1,683,198	1,225,833

Updated: 12/5/2017

Palmdale Water District
2017 Capital Projects - Contractual Commitments and Needs

Consulting and Engineering Support

Budget Year	Work Order	Project Title	Consultant	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2017 Total	2018 Carryover
2017	12-400	PRGRRP - CEQA, Permitting, Pre-Design, and Pilot	Kennedy/Jenks	$ 1,627,000	05/12/2016	$ 1,516,389	$ 110,611	1,293,991	**2,581**	**39,889**		**19,546**	**70,147**	**26,806**		**46,387**	**10,090**	**6,952**			222,398	*110,611*
2017	16-412	Well CT Study	Carollo	9,700	09/14/2016	9,700	-	**8,245**										**1,455**			1,455	
2017	14-603	Upper Amargosa Recharge Project	City of Palmdale	$ 1,250,000	12/04/2013	136,561	$ 1,113,439	**129,215**							**7,346**						7,346	
2017	04-501	Littlerock Sediment Removal Project (EIR/EIS/Permitting)	Aspen	869,023	09/14/2016	841,883	27,140	671,136	**19,873**	**10,988**	**39,137**	**41,337**		**20,137**	**15,089**	**7,590**		**16,596**			170,747	*16,539*
		Paid by General Fund	Aspen			37,159								**12,192**		**12,682**	**12,285**			*7,380*	44,540	*55,460*
2017	04-501	Littlerock Sediment Removal (Cost Recovery Agreement)	Forest Service	100,000	04/26/2017	100,000	-									**100,000**					100,000	
2017	15-403	Water Mangement Information System Database	DCSE	12,060	10/26/2016	12,060	-					**12,060**									12,060	*116,069*
2017	14-404	Water System Master Plan - CEQA	ESA	174,715	11/09/2016	122,910	51,805			**2,230**	**4,323**		**10,571**	**50,504**		**19,822**	**22,179**	**5,222**	**8,060**	*7,500*	130,410	
2017	17-405	WTP Process Evaluation (As-Needed)	Carollo	35,000	01/11/2017	31,500	3,500						**17,500**					**14,000**			31,500	
2017	04-501	Littlerock Sediment Removal Project - Design Grade Control Structure		-		-	-														-	*40,000*
2017		Sanitary Survey Update		-		-	-														-	
2018		System Valuation Study		-		-	-														-	
2018		Electrical Engineering (As-Needed)		-		-	-														-	
2018		Energy Storage - Feasibility and Pilot Study		-		-	-														-	
				$ 4,077,498		$ 2,808,162	$ 1,306,495	2,102,587	22,454	53,107	43,460	72,943	98,218	109,638	22,435	186,481	44,554	44,225	8,060	14,880	720,456	338,680

New and Replacement Equipment

Budget Year	Work Order	Project Title	Vendor/Supplier	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2017 Total	2018 Carryover
2017	16-413	CIS Software Replacement (Holman Capital Financed)	TruePoint	$ 475,000	09/14/2016	$ 425,000	$ 50,000	**50,000**	**78,284**	**48,593**	**42,405**	**39,858**	**44,220**	**94,177**	**18,563**			**58,900**			425,000	
2017	17-402	Security Improvements @ WTP (Holman Capital Financed) Spec. No. 1702	Siemens	225,674	02/08/2017	214,390	11,284					**75,801**		**68,457**	**56,050**			**14,082**			214,390	
2017	N/A	Increased Data Storage to Support CMS and Growth (Holman Capital Financed)		98,000	01/26/2017	64,825	33,175											**64,825**		*33,175*	98,000	
2017	N/A	IVR (Holman Capital Financed)	PALITTO	16,000	01/26/2017	15,594	406			**7,797**							**7,797**				15,594	
2017	N/A	Payment Kiosk for Customer Care Lobby (Holman Capital Financed)	ADCOMP	21,000	01/26/2017	20,947	53			**20,425**							**522**				20,947	
2017	N/A	LIMS - Laboratory Information Management System (Holman Capital Financed)	Promium	40,600	02/08/2017	40,731	(131)					**11,406**	**9,775**		**9,775**	**5,865**	**3,910**				40,731	
2018		Water Meter Calibration Bench		-		-	-														-	
2017		Power Broom Attachment		-		-	-														-	
2018		Online Forms		-		-	-														-	
2018		Customer Texting / Mass Communication - Everbridge		-		-	-														-	
2018		Conference Bridge - Shoretel		-		-	-														-	
2018		Data Center UPS - Whole Room UPS		-		-	-														-	
				$ 876,274		$ 781,487	$ 94,787	50,000	78,284	76,815	42,405	127,066	53,995	162,634	84,388	5,865	12,229	137,807	-	33,175	814,662	-

Water Quality Fee Funded Projects

Year	Order	Project Title	Vendor/Supplier	Contract Amount	Approval	Approved to	Contract Balance	Dec. 2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2017 Total
2017	17-401	GAC Replacements @ WTP	Calgon Carbon	$ 549,477	07/09/2014	$ 508,431	$ 41,046				**169,477**					**169,477**		**169,477**			*508,431*
2017	17-402	GAC Replacement @ Underground Booster Station	Evoqua	250,000	03/10/2017	245,907	4,093						**91,409**	**91,462**			**63,036**				*245,907*
2017	17-403	Filter Media Testing/Inspection	ERS	18,348	02/10/2017	18,348	-					**18,348**									*18,348*
2017	17-404	Replacement Lab Equipment - GCMS/Autosampler	Agilent	125,042	01/11/2017	125,042	-			**121,780**		**3,262**									*125,042*
				$ 942,867		$ 897,728	$ 45,139			121,780	169,477	21,610	91,409	91,462	-	169,477	63,036	169,477	-	-	*897,728*

= Projects that originated from 2013 WRB Funds

= Project payments made by the 2013 WRB Funds

= General O&M Project that will be re-classed in the near future to capital expenditure.

= Project is now deemed complete with no further expense.

Summary (W/O GAC)	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2017 Total
Total Approved Contracts to Date	$ 8,008,813													
Total Payments on Approved Contracts to Date	5,030,627													
Total Contract Balance to Date	3,012,614													
Non-Operating Capital Expenditures (Committed)	2,472,561	253,390	529,321	254,941	288,147	149,368	328,617	93,767	287,474	125,197	143,092	200,653	356,304	2,472,561
Non-Operating Capital Expenditures (Paid)		175,106	452,506	212,536	161,081	95,373	165,982							
Non-Operating Capital Expenditures (Projected)	(75,000)	-	-	-	-	-	-	-	-	-	-	-	(75,000)	(75,000)
Funding Through Series 2013A WRB (Remaining)	403,920	(22,454)	(50,877)	(39,137)	(60,883)	(70,147)	(46,943)	(22,435)	(53,976)	(10,090)	(23,548)			(400,491)
Funding Through Holman Capital (Remaining)	41,513	(78,284)	(76,815)	(42,405)	(127,066)	(53,995)	(162,634)	(84,388)	(5,865)	(12,229)	(137,807)	-		(781,487)
Funding Available Through Water Supply Fees	629,380	-	(133,286)	-	(178,810)	(24,683)	-	(277,954)	(192,074)					(806,806)

Water Revenue Bond - Series 2013A

Updated: November 30, 2017

Project	Work Order	Description	Allocated Based on Bond	Contractual Commitment	Payout to Date	Grant Funds/Operating Budget	Uncommitted Bond $
Spec. 1204	603-12	Ave. Q - Q-3, Division and Sumac	$ 725,000	$ 765,085	$ 765,085	$ -	$ (40,085)
Spec. 1201	606-11	20th, Puerta, Sweetbriar, and 22nd St. E.	1,450,000	1,487,261	1,487,261	-	(37,261)
Spec. 1205	605-12	Frontier, 31st St. E., etc. between Ave. Q and Q-4	1,200,000	1,291,539	1,291,539		(91,539)
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	1,400,000	1,327,806	1,327,806	-	72,194
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	975,000	869,023	821,961	-	105,977
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	1,500,000	769,891	769,891	-	730,109
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	1,250,000	1,250,000	136,561	1,153,589	-
Spec. 0905	601-09	15th St. E. between Ave. P and Ave. Q (Material)	-	362,984	362,984	-	(362,984)
PRGRRP	400-12	Palmdale Regional Recharge and Recovery (Permits)	-	1,530,000	1,513,807		(1,530,000)
		Issuance Costs and Interest Earned thru October 31	-	-	18,675	-	-
Totals:			**$ 8,500,000**	**$ 9,653,589**	**$ 8,495,571**	**$ 1,153,589**	**$ (1,153,589)**
2013 Water Revenue Bonds - Remaining Funds:					**$ 4,429**		

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
2	Issuance Costs	Jul 8, 2013	N/A	WRB	$ 24,815.84
3	BV Construction - Progress Payment #1	Jul 9, 2013	1	Spec. 1204	$ 98,552.53
4	JT Eng. - Design Progress Payment	Jul 17, 2013	5187	Spec. 1207	$ 9,108.00
5	BV Construction - Progress Payment #2	Aug 5, 2013	2	Spec. 1204	$ 145,175.44
6	BV Construction - Progress Payment #3-4	Sep 4, 2013	3 and 4	Spec. 1204	$ 167,790.43
7	Aspen - EIR/EIS Progress Payment	Sep 30, 2013	1116.002-01	LRDSR	$ 18,499.60
8	BV Construction - Progress Payment #5	Sep 30, 2013	5	Spec. 1204	$ 46,862.08
9	BV Construction - Progress Payment #6	Oct 24, 2013	6	Spec. 1204	$ 51,052.05
10	Aspen - EIR/EIS Progress Payment	Oct 24, 2013	1116.002-02	LRDSR	$ 8,410.32
11	BV Construction - Progress Payment #7	Nov 7, 2013	7	Spec. 1204	$ 87,960.50
12	BV Construction - Progress Payment #8	Dec 4, 2013	8	Spec. 1204	$ 70,650.08
13	Aspen - EIR/EIS Progress Payment	Dec 4, 2013	1116.002-03	LRDSR	$ 11,054.97
14	Kennedy/Jenks - Progress Payment	Jan 2, 2014	78236	LCGRRP	$ 24,066.25
14	BV Construction - Progress Payment #1	Jan 2, 2014	1	Spec. 1201	$ 29,925.00
14	BV Construction - Progress Payment #9	Jan 2, 2014	9	Spec. 1204	$ 58,787.84
14	Aspen - EIR/EIS Progress Payment	Jan 2, 2014	1116.002-04	LRDSR	$ 36,178.95
14	JT Eng. - Design Progress Payment	Jan 2, 2014	5200	Spec. 1207	$ 9,518.00
15	BV Construction - Progress Payment #2 & #3	Jan 21, 2014	2 & 3	Spec. 1201	$ 114,095.00
16	Aspen - EIR/EIS Progress Payment	Feb 24, 2014	1116.002-05	LRDSR	$ 4,917.47
16	BV Construction - Progress Payment #4 & #5	Feb 24, 2014	4 & 5	Spec. 1201	$ 131,743.15
17	BV Construction - Retention Payment	Mar 3, 2014	10	Spec. 1204	$ 38,254.26
17	Kennedy/Jenks - Progress Payment	Mar 3, 2014	79010 & 80391	LCGRRP	$ 113,652.66
18	BV Construction - Progress Payment #6	Mar 31, 2014	6	Spec. 1201	$ 126,834.50
18	Aspen - EIR/EIS Progress Payment	Mar 31, 2014	1116.002-06 and 07	LRDSR	$ 17,080.04
19	Kennedy/Jenks - Progress Payment	Apr 16, 2014	78236	LCGRRP	$ 28,228.60
19	BV Construction - Progress Payment #7	Apr 16, 2014	7	Spec. 1201	$ 252,741.80
20	BV Construction - Progress Payment #8	May 15, 2014	8	Spec. 1201	$ 69,825.00
20	Aspen - EIR/EIS Progress Payment	May 15, 2014	1116.002-08	LRDSR	$ 33,388.96
20	Kennedy/Jenks - Progress Payment	May 15, 2014	82422 & 80900	LCGRRP	$ 135,858.74
21	BV Construction - Progress Payment #9	Jun 4, 2014	9	Spec. 1201	$ 67,260.00
21	Aspen - EIR/EIS Progress Payment	Jun 4, 2014	1116.002-09	LRDSR	$ 31,845.93
22	BV Construction - Progress Payment #10	Jun 30, 2014	10	Spec. 1201	$ 139,498.00
23	Kennedy/Jenks - Progress Payment	Jun 30, 2014	83735	LCGRRP	$ 30,172.21
23	Aspen - EIR/EIS Progress Payment	Jun 30, 2014	1116.002-10	LRDSR	$ 10,672.32
24	BV Construction - Progress Payment #11	Jul 21, 2014	11	Spec. 1201	$ 141,217.50
24	Kennedy/Jenks - Progress Payment	Jul 21, 2014	84147	LCGRRP	$ 26,431.83
24	Aspen - EIR/EIS Progress Payment	Jul 21, 2014	1116.002-11	LRDSR	$ 6,274.20
25	BV Construction - Progress Payment #12	Aug 19, 2014	12	Spec. 1201	$ 84,386.60
25	Aspen - EIR/EIS Progress Payment	Aug 19, 2014	1116.002-12	LRDSR	$ 11,115.51
26	BV Construction - Progress Payment #13	Sept 10, 2014	13	Spec. 1201	$ 47,654.85
26	Aspen - EIR/EIS Progress Payment	Sept 10, 2014	1116.002-13	LRDSR	$ 37,715.30
27	BV Construction - Progress Payment #14	Sept 29, 2014	14	Spec. 1201	$ 122,741.90
27	PWD - Reimbursement	Sept 29, 2014	N/A	Spec. 0905	$ 260,611.31
28	Cedro Construction - Progress Payment #1	Oct 14, 2014	1	Spec. 1207	$ 310,752.41
28	City of Palmdale - Recharge Project	Oct 14, 2014	PWD-2014	UAR	$ 38,402.47
29	Aspen - EIR/EIS Progress Payment	Oct 23, 2014	1116.002-14	LRDSR	$ 56,223.72
29	Kennedy/Jenks - Progress Payment	Oct 23, 2014	87036	LCGRRP	$ 80,732.32
30	BV Construction - Progress Payment #15	Nov 12, 2014	15	Spec. 1201	$ 84,974.65
30	Aspen - Bio and Cultural Report	Nov 12, 2014	3277.001-01	Spec. 1205	$ 10,608.08
30	Cedro Construction - Progress Payment #2	Nov 12, 2014	2	Spec. 1207	$ 195,802.84

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
31	ANM Construction - Paving	Nov 17, 2014	011115-1	Spec. 0905	$ 102,373.00
32	Aspen - Bio and Cultural Report	Nov 26, 2014	3277.001-02	Spec. 1205	$ 1,147.81
32	Aspen - EIR/EIS Progress Payment	Nov 26, 2014	1116.002-15	LRDSR	$ 76,161.79
33	Kennedy/Jenks - Progress Payment	Dec 29, 2014	88741	LCGRRP	$ 71,831.14
33	BV Construction - Progress Payment #16 (Retention)	Dec 29, 2014	16 - Retention	Spec. 1201	$ 74,363.05
33	Aspen - EIR/EIS Progress Payment	Dec 29, 2014	1116.002-16	LRDSR	$ 6,136.99
34	Cedro Construction - Progress Payment #3	Jan 7, 2015	3	Spec. 1207	$ 294,189.21
35	BV Construction - Progress Payment #1	Jan 26, 2015	1	Spec. 1205	$ 152,445.08
35	Aspen - EIR/EIS Progress Payment	Jan 26, 2015	1116.002-17	LRDSR	$ 13,105.63
36	Kennedy/Jenks - Progress Payment	Feb 2, 2015	89538	LCGRRP	$ 78,066.17
37	BV Construction - Progress Payments #2 and #3	Feb 19, 2015	2 and 3	Spec. 1205	$ 195,962.20
37	Aspen - EIR/EIS Progress Payment	Feb 19, 2015	1116.002-18	LRDSR	$ 8,814.60
38	BV Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1205	$ 123,500.00
38	Cedro Construction - Progress Payment #4	Mar 9, 2015	4	Spec. 1207	$ 70,371.25
39	BV Construction - Progress Payment #5	Mar 31, 2015	5	Spec. 1205	$ 144,210.00
39	Aspen - EIR/EIS Progress Payment	Mar 31, 2015	1116.002-19	LRDSR	$ 12,057.52
39	Kennedy/Jenks - Progress Payment	Mar 31, 2015	90983	LCGRRP	$ 134,407.47
40	Cedro Construction - Progress Payment #5	Apr 13, 2015	5	Spec. 1207	$ 116,680.99
41	BV Construction - Progress Payment #6	Apr 27, 2015	6	Spec. 1205	$ 125,003.43
41	Aspen - EIR/EIS Progress Payment	Apr 27, 2015	1116.002-20	LRDSR	$ 7,540.62
42	Cedro Construction - Progress Payment #6	May 19, 2015	6	Spec. 1207	$ 103,592.13
43	BV Construction - Progress Payment #7	Jun 8, 2015	7	Spec. 1205	$ 72,296.90
43	Aspen - Native American Monitoring	Jun 8, 2015	3277.001-03	Spec. 1205	$ 7,702.52
43	Aspen - EIR/EIS Progress Payment	Jun 8, 2015	1116.002-21	LRDSR	$ 44,109.14
44	Aspen - EIR/EIS Progress Payment	Jun 23, 2015	1116.002-22	LRDSR	$ 34,285.59
44	Cedro Construction - Progress Payment #7	Jun 23, 2015	7	Spec. 1207	$ 60,299.73
45	BV Construction - Progress Payment #8	Jul 15, 2015	8	Spec. 1205	$ 111,492.00
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93555	LCGRRP	$ 46,443.99
45	Kennedy/Jenks - Progress Payment	Jul 15, 2015	93556	PRGRRP	$ 251,714.21
46	Aspen - EIR/EIS Progress Payment	Jul 21, 2015	1116.002-23	LRDSR	$ 16,484.80
46	Aspen - Native American Monitoring	Jul 21, 2015	3277.001-04	Spec. 1205	$ 4,152.75
46	City of Palmdale - Recharge Project	Jul 21, 2015	PWD-2015	UAR	$ 54,977.18
47	BV Construction - Progress Payment #9	Aug 11, 2015	9	Spec. 1205	$ 107,542.76
47	Kennedy/Jenks - Progress Payment	Aug 11, 2015	94435	PRGRRP	$ 238,422.35
48	Aspen - EIR/EIS Progress Payment	Sept 14, 2015	1116.002-24	LRDSR	$ 9,024.21
48	Cedro Construction - Final Payment/Retention	Sept 14, 2015	Final Retention	Spec. 1207	$ 157,491.76
49	Aspen - EIR/EIS Progress Payment	Sept 28, 2015	1116.002-25	LRDSR	$ 1,034.50
49	Kennedy/Jenks - Progress Payment	Sept 28, 2015	95632	PRGRRP	$ 190,705.91
50	Aspen - Native American Monitoring	Oct. 12, 2015	3277.001-05	Spec. 1205	$ 5,581.50
50	BV Construction - Progress Payment #10	Oct. 12, 2015	10	Spec. 1205	$ 92,241.20
51	Aspen - Native American Monitoring	Nov. 4, 2015	3277.001-06	Spec. 1205	$ 4,707.50
51	Kennedy/Jenks - Progress Payment	Nov. 4, 2015	96460	PRGRRP	$ 129,704.49
52	Aspen - Native American Monitoring	Dec. 28, 2015	96461	Spec. 1205	$ 3,013.50
52	Kennedy/Jenks - Progress Payment	Dec. 28, 2015	97775	PRGRRP	$ 159,241.36
53	Kennedy/Jenks - Progress Payment	Jan. 21, 2016	98545	PRGRRP	$ 67,612.54
53	Aspen - EIR/EIS Progress Payment	Jan. 21, 2016	1116.002-25 & 27	LRDSR	$ 3,751.40
54	BV Construction - Progress Payment #11	Feb. 3, 2016	11	Spec. 1205	$ 67,200.17
55	BV Construction - Retention Payment	Feb. 23, 2016	Retention	Spec. 1205	$ 62,731.78
55	Kennedy/Jenks - Progress Payment	Feb. 23, 2016	99318	PRGRRP	$ 58,537.45
56	Aspen - EIR/EIS Progress Payment	Mar. 28, 2016	1116.003-01	LRDSR	$ 33,898.64
56	Kennedy/Jenks - Progress Payment	Mar. 28, 2016	99918	PRGRRP	$ 57,193.72
57	Kennedy/Jenks - Progress Payment	Apr. 19, 2016	100572	PRGRRP	$ 7,364.72
58	Aspen - EIR/EIS Progress Payment	May 23, 2016	1116.003-02	LRDSR	$ 5,535.88
58	Kennedy/Jenks - Progress Payment	May 23, 2016	101354	PRGRRP	$ 26,258.21
59	Aspen - EIR/EIS Progress Payment	Jun 20, 2016	1116.003-03	LRDSR	$ 37,001.22
59	Kennedy/Jenks - Progress Payment	Jun 20, 2016	102083	PRGRRP	$ 5,389.60
60	Aspen - EIR/EIS Progress Payment	Jul 21, 2016	1116.003-05 & 05	LRDSR	$ 43,122.23
60	Kennedy/Jenks - Progress Payment	Jul 21, 2016	103204	PRGRRP	$ 21,078.38
61	City of Palmdale - Recharge Project	Jul 27, 2016	PWD-2016	UAR	$ 35,834.85
62	Aspen - EIR/EIS Progress Payment	Sept 6, 2016	1116.003-06	LRDSR	$ 3,097.87
62	Kennedy/Jenks - Progress Payment	Sept 6, 2016	104354	PRGRRP	$ 32,202.76
63	Kennedy/Jenks - Progress Payment	Sept 19, 2016	104792	PRGRRP	$ 25,142.44
64	Aspen - EIR/EIS Progress Payment	Oct. 31, 2016	1116.003-07	LRDSR	$ 4,298.50
64	Kennedy/Jenks - Progress Payment	Oct. 31, 2016	105451	PRGRRP	$ 6,899.35
65	Aspen - EIR/EIS Progress Payment	Nov. 15, 2016	1116.003-08 1110.004-01	LRDSR	$ 8,375.36
65	Kennedy/Jenks - Progress Payment	Nov. 15, 2016	106216	PRGRRP	$ 13,942.29
66	Aspen - EIR/EIS Progress Payment	Jan. 2, 2017	1116.004-02 & 03	LRDSR	$ 19,872.98
66	Kennedy/Jenks - Progress Payment	Jan. 2, 2017	107221	PRGRRP	$ 2,581.18

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
67	Aspen - EIR/EIS Progress Payment	Feb. 6, 2017	1116.004-04	LRDSR	$ 10,988.25
68	Kennedy/Jenks - Progress Payment	Feb. 14, 2017	109065	PRGRRP	$ 39,889.11
69	Aspen - EIR/EIS Progress Payment	Mar. 2, 2017	1116.004-05	LRDSR	$ 39,137.36
70	Aspen - EIR/EIS Progress Payment	Apr. 5, 2017	1116.004-06	LRDSR	$ 20,798.62
70	Kennedy/Jenks - Progress Payment	Apr. 5, 2017	110286	PRGRRP	$ 19,546.10
71	Aspen - EIR/EIS Progress Payment	Apr. 24, 2017	1116.004-07	LRDSR	$ 20,538.81
72	Kennedy/Jenks - Progress Payment	May 25, 2017	111972	PRGRRP	$ 70,146.59
73	Kennedy/Jenks - Progress Payment	June 12, 2017	112500	PRGRRP	$ 12,790.00
74	Aspen EIR/EIS - Progress Payment	June 21, 2017	1116.004-09	LRDSR	$ 20,137.00
74	Kennedy/Jenks - Progress Payment	June 21, 2017	110996	PRGRRP	$ 14,016.00
75	Aspen EIR/EIS - Progress Payment	July 25, 2017	1116.004-10	LRDSR	$ 15,088.81
75	City of Palmdale - Recharge Project	July 25, 2017	PWD-1663	UAR	$ 7,346.24
76	Kennedy/Jenks - Progress Payment	August 29, 2017	114884	PRGRRP	$ 46,386.56
76	Aspen EIR/EIS - Progress Payment	August 29, 2017	1116.004-11	LRDSR	$ 7,589.57
77	Kennedy/Jenks - Progress Payment	September 18, 2017	115312	PRGRRP	$ 10,090.00
78	Aspen EIR/EIS - Progress Payment	August 29, 2017	1116.004-12	LRDSR	$ 9,648.46
79	Aspen EIR/EIS - Progress Payment	October 24, 2017	1116.004-13	LRDSR	$ 6,947.25
79	Kennedy/Jenks - Progress Payment	October 24, 2017	116247	PRGRRP	$ 6,952.11

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE: December 5, 2017 **December 11, 2017**

TO: FINANCE COMMITTEE **Committee Meeting**

FROM: Mr. Bob Egan, Financial Advisor

RE: ***AGENDA ITEM NO. 4.6 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 17-26 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT ESTABLISHING ITS INVESTMENT POLICY. (FINANCIAL ADVISOR EGAN/FINANCE MANAGER WILLIAMS)***

Recommendation:

It is recommended that the Finance Committee approve Resolution No. 17-26 Establishing the Palmdale Water District's Investment Policy and that Resolution No. 17-26 be presented to the full Board for consideration at the December 13, 2017 meeting.

Alternative Options:

There is no alternative option.

Impact of Taking No Action:

The District will not have a current Investment Policy in effect.

Background:

It is required by law for the District to adopt an annual Investment Policy. The Policy is to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds with the primary objectives of the investment activities being safety, liquidity, and return on investments.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 4 – Financial Health and Stability.
This item directly relates to the District's Mission Statement.

Budget:

There is no budget impact from this item.

Supporting Documents:

- Resolution No. 17-26 – A Resolution of the Board of Directors of the Palmdale Water District Establishing its Investment Policy.

RESOLUTION NO. 17-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT ESTABLISHING ITS INVESTMENT POLICY

1.0 POLICY

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

WHEREAS; the Deputy Treasurer of the Palmdale Water District ("District") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, and report same to the Finance Committee, and it shall be considered by the Board of Directors at a public meeting;

NOW THEREFORE; it shall be the policy of the District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds.

2.0 SCOPE

This investment policy applies to all financial assets of the District. These funds are accounted for in the annual district audit.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

The authority to invest public funds is expressly delegated to the Board of Directors. The Board re-delegates the investment function to the Board President or Vice President and the Deputy Treasurer. The Board President or Vice President designate the District's Financial Advisor as the Deputy Treasurer who shall have the authority to act on behalf of the District with the concurrence of the Board Finance Committee.

The investment of the District's monies is annually delegated by the Board of Directors to the Board President or Vice President and Deputy Treasurer (District Financial Advisor) who shall thereafter assume full responsibility for those transactions until the delegation is revoked or expires. The Board President or Vice President shall delegate the day-to-day operations of investing to the Deputy Treasurer, but not the responsibility for the overall investment program. All transactions will be reviewed by the Finance Committee on a monthly basis to assure compliance with the Investment Policy. (California Government Code Section 53607.)

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Deputy Treasurer will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the District shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the Financial Industry Regulatory Authority (FINRA) or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Deputy Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the District's account with that firm has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of the Investment Policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The District is empowered by California Government Code 53601 et seq. to invest in the following:

a. Bonds issued by the District.

b. United States Treasury Bills, Notes and Bonds.

c. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

d. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 40% of the District’s money which may be invested pursuant to this policy.

e. Monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease

installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

f. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

The District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

9.0 COLLATERALIZATION

All certificates of deposit must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code 53601(j)(2).

10.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the District shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement.

11.0 DIVERSIFICATION

The District will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

Diversification strategies shall be reviewed and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

b. Maturities selected shall provide for stability of income and liquidity.

c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

12.0 REPORTING

The Deputy Treasurer, after review by the Finance Committee, shall submit to each member of the Board of Directors an investment report at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for District by third party contracted managers. The report will also include the source of the portfolio valuation. For funds which are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months. The Deputy Treasurer shall maintain a complete and timely record of all investment transactions.

13.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the District. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Directors of Palmdale Water District held on December 13, 2017. Resolution No. 17-26 was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

_____
President, Board of Directors
Palmdale Water District

ATTEST:

_____
Secretary of the Board of Directors

APPROVED AS TO FORM:

_____
Aleshire & Wynder, General Counsel

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, Joe Estes, Secretary of the Palmdale Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. 17-26 of the Board of Directors of Palmdale Water District adopted at a Regular Meeting held on December 13, 2017 and that the same has not been amended or repealed.

Secretary, Board of Directors
Palmdale Water District

DATED: December 13, 2017

(S E A L)

UBS

UBS Financial Services Inc.
515 S Flower St Suite 50
Los Angeles, CA 90071
www.ubs.com/fs

Tel: 213-972-1457

Finance Committee
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

November 28, 2017

Dear Sirs:

This letter certifies that I have read and understand the Palmdale Water District Investment Policy. I will present investment recommendations and transactions that are appropriate under its terms and conditions.

Sincerely,

Michael Giordano, CIMA ®
Senior Wealth Strategy Associate

James Giordano, CFP ®, CRPS ®
Senior Vice President – Wealth Management

UBS Financial Services Inc. is a subsidiary of UBS AG

PALMDALE WATER DISTRICT

Debt Service Coverage ($000s)

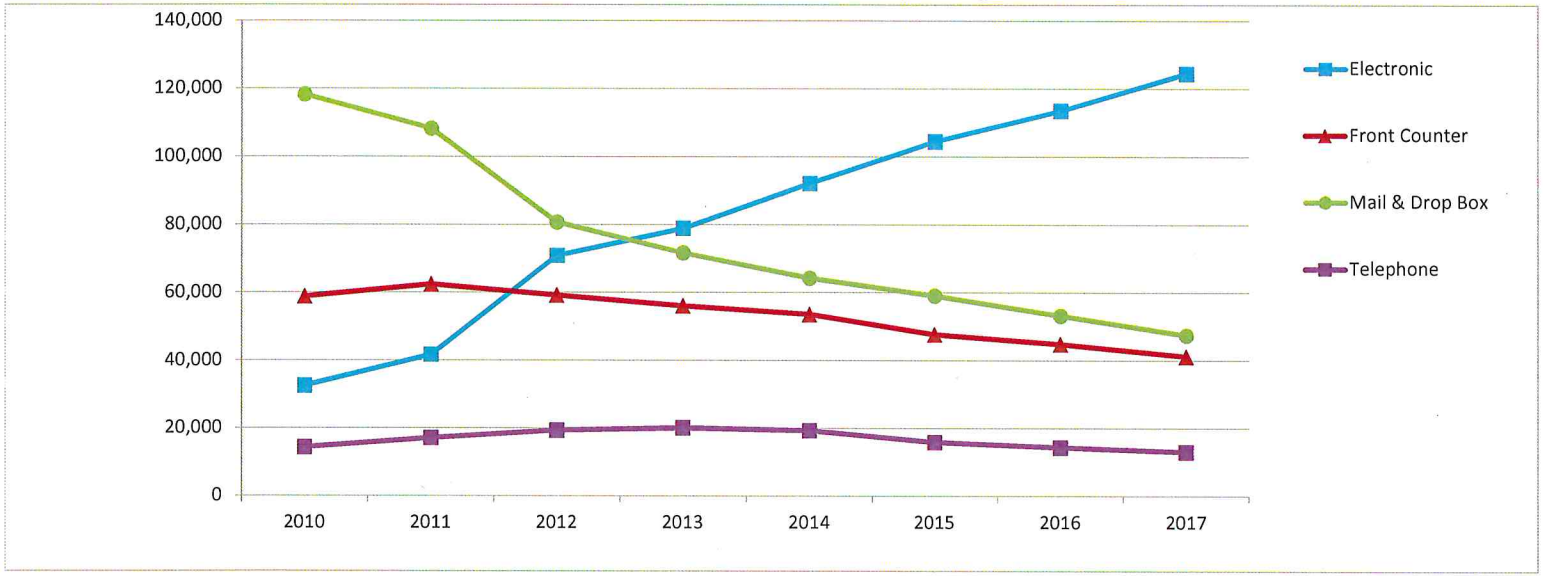
Fiscal Year Ending September 30	Audited 2012	Audited 2013	Audited 2014	Audited 2015	Audited 2016	Sep 2016 - Aug 2017	Oct 2016 - Sep 2017	Nov 2016 - Oct 2017
OPERATING REVENUES	22,597	24,125	23,342	21,248	22,587	23,337	23,294	23,290
Rate Stabilization Fund		(480)						
	22,597	23,645	23,342	21,248	22,587	23,337	23,294	23,290
OPERATING EXPENSES								
Gross operating expenses	22,216	20,665	22,405	20,974	22,704	20,413	20,581	20,679
Overhead adjustment	(43)	(217)	(509)	(26)	(153)			
SWP Fixed operations and maint	(915)	(720)	(363)	(126)	(126)	(65)	(55)	(46)
Non-Cash Related OPEB Expense	(1,565)	(1,455)	(1,786)	(1,828)	(1,872)			
Capital portion included above								
TOTAL EXPENSES	19,693	18,273	19,748	18,994	20,553	20,348	20,526	20,634
NET OPERATING REVENUES	2,904	5,372	3,594	2,254	2,033	2,989	2,768	2,656
NON-OPERATING REVENUE								
Ad valorem property taxes	1,704	2,573	2,132	2,146	2,189	2,261	2,257	2,253
Interest income	25	44	45	43	43	137	137	140
Capital improvement fees	1,258	245	14	367	235	194	195	196
Other income	843	421	306	768	403	326	344	339
TOTAL NON-OPERATING INCOME	3,830	3,284	2,497	3,324	2,870	2,918	2,933	2,927
NET REV AVAILABLE FOR DEBT SERVICE	6,734	8,655	6,091	5,578	4,903	5,907	5,701	5,584
NET DEBT SERVICE								
1998 Certificates of Participation	1,507							
2004A Certificates of Participation	2,127	1,373	1,373					
2012 Issue - Bank of Nevada				1,372	1,372	1,373	1,373	1,373
2013A Water Revenue Bond		2,247	2,344	2,350	2,350	2,339	2,339	2,339
2012 Capital Lease		190	190	190	190	218	218	218
TOTAL DEBT SERVICE	3,634	3,810	3,908	3,912	3,912	3,930	3,930	3,930
DEBT SERVICE COVERAGE	**1.85**	**2.27**	**1.56**	**1.43**	**1.25**	**1.50**	**1.45**	**1.42**
NET REV AVAILABLE AFTER D/S	3,100	4,846	2,183	1,665	991	1,978	1,772	1,654

AGENDA ITEM NO. 5.1

Payment Type Data Update

AGENDA ITEM NO. 5.3

Payment Transactions By Types January - September



Payment Type	2010	2011	2012	2013	2014	2015	2016	2017
Electronic	32,493	41,672	70,829	78,883	92,120	104,439	113,505	124,495
Front Counter	58,771	62,384	59,151	56,063	53,534	47,638	44,744	41,184
Mail & Drop Box	118,208	108,224	80,621	71,693	64,199	59,069	53,206	47,457
Telephone	14,364	17,142	19,397	20,088	19,308	15,890	14,390	13,041
Total	**223,834**	**229,422**	**229,998**	**226,727**	**229,161**	**227,036**	**225,845**	**226,177**

Detail of Electronic Payments	2010	2011	2012	2013	2014	2015	2016	2017
META - ACH Pymt	5,840	6,022	5,629	5,831	2,312	2,456	1,212	1,281
WES - ACH Pymt	162	630	676	771	744	733	752	775
INF - Website Pymts	26,491	34,549	47,704	52,103	54,925	57,784	60,620	67,205
IVR - Automated Pay ##	0	0	0	0	8,367	17,015	21,212	24,344
KIOSK - Automated Pay $$	0	0	0	0	0	127	1,054	848
PNM - Automated Pay %%	0	0	0	0	0	0	324	1,997
VAN - ACH Pymt &&	0	471	16,820	20,178	25,772	26,324	28,331	28,045
Total	**32,493**	**41,672**	**70,829**	**78,883**	**92,120**	**104,439**	**113,505**	**124,495**

##- IVR service started March 13, 2014
$$ - Kiosk service started July 1, 2015
%% - PNM - Pay Near Me service started June 9, 2016
&& - Vanco ACH service started Sept 2011



PayNearMe

A brand of HANDLE financial

BUSINESS REVIEW FOR PALMDALE WATER DISTRICT

OCTOBER 2017

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Agenda

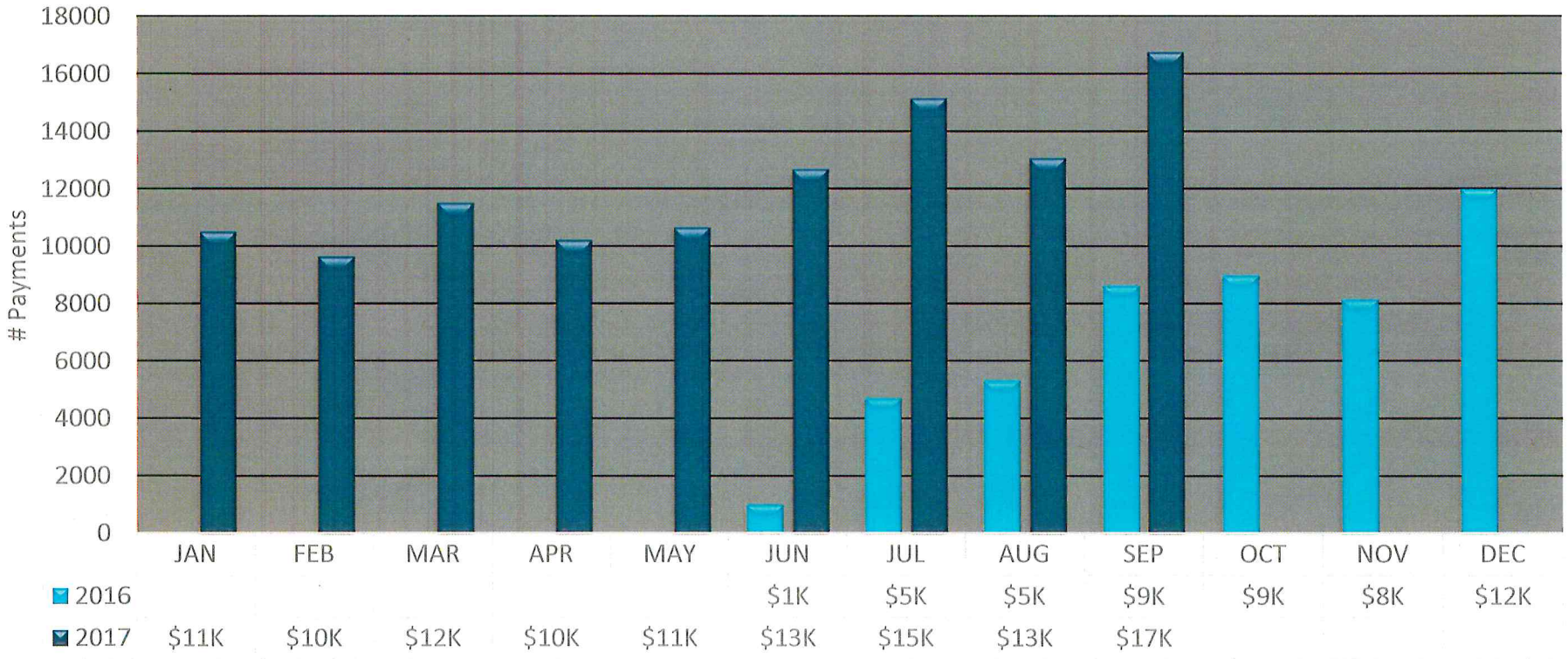
- Payments data
  - dollars processed
  - number of payments
  - number of new & returning customers
- Token methods breakdown
- Retailer breakdown
- Geographical distribution of payments
- Discussion

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Payments data: dollars processed

Notes & Observations:

1. Total dollars processed in September 2017 are up 30% when compared to December 2016.

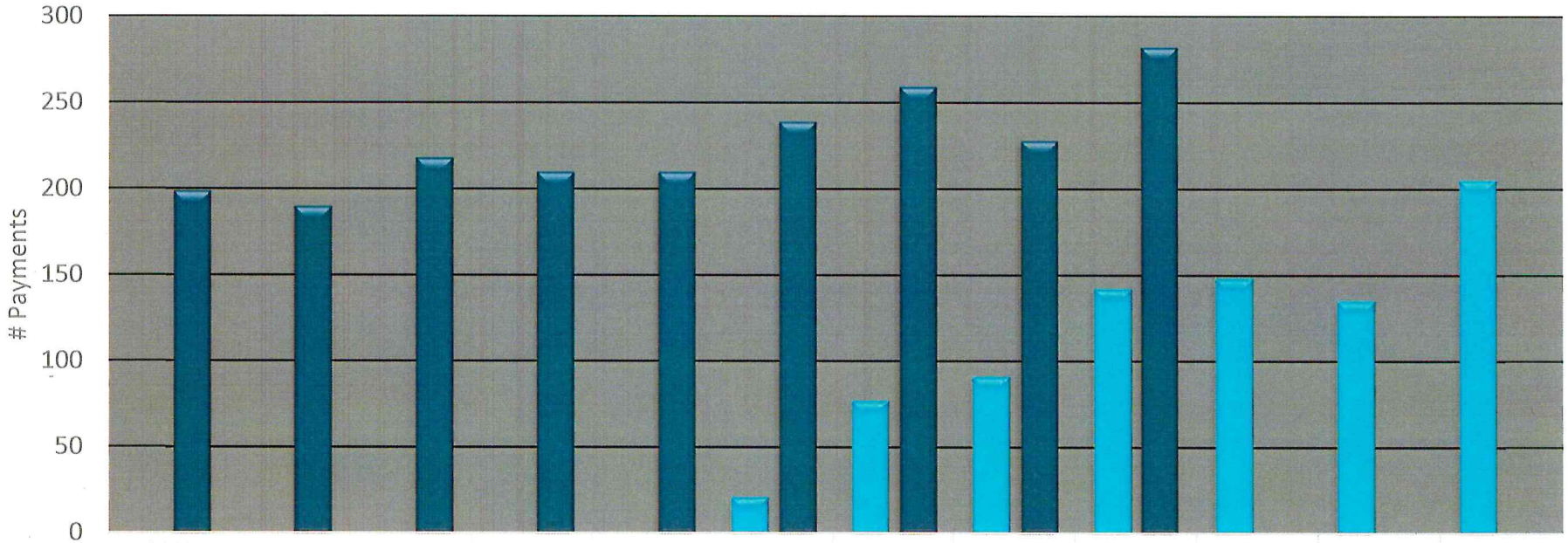


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Payments data: number of payments

Notes & Observations:

1. Total payments processed in September 2017 are up 29% when compared to December 2016.



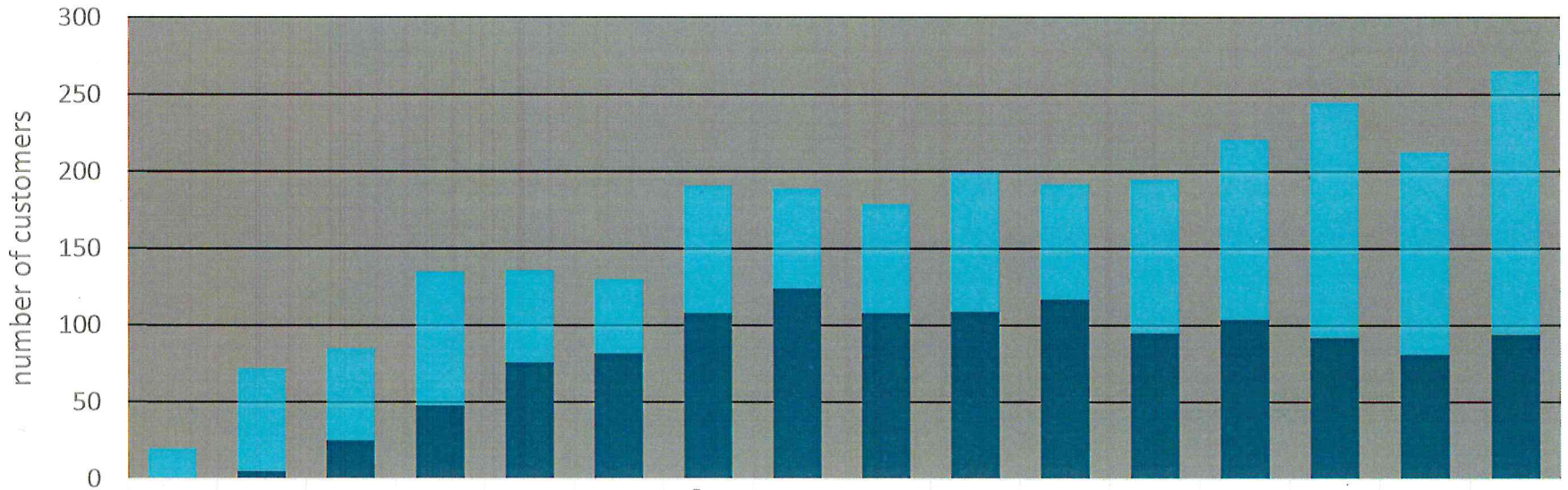
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2016						21	77	91	142	148	135	205
2017	199	190	218	210	210	239	259	228	282			

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Payments data: number of new & returning customers

Notes & Observations:

1. PWD has over 90 returning customers, and 172 new customers in September 2017.



	June	Jul	Aug	Sep	Oct	Nov	Dec 2016	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept
New	20	67	60	87	60	48	83	65	71	91	75	100	117	153	132	172
Returning	0	5	25	48	76	82	108	124	108	109	117	95	104	92	81	94
TOTAL	20	72	85	135	136	130	191	189	179	200	192	195	221	245	213	266
% New	100%	93%	71%	64%	44%	37%	43%	34%	40%	46%	39%	51%	53%	62%	62%	65%

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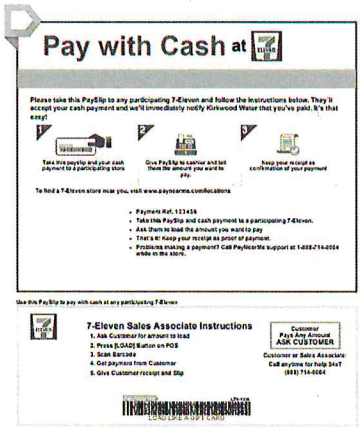
Token methods breakdown

Payments – Jan through Sept 2017

Payments Token Type	Payments Count	Payments Total Net Due to Site Amount	% of Pmts	% of TPV	Avg. Load
slip	2,011	$108,474.95	98.82%	98.52%	$53.94
mobile	24	$1,629.04	1.18%	1.48%	$67.88
Total	2,035	$110,103.99	--	--	--

Notes & Observations:

1. The majority of PWD customers are using their barcode on their bill to make payments.





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Retailer breakdown

2017 Payments

	Retailers Name	Payments Count	Payments Total Net Due to Site Amount	% of Pmts	% of TPV	Avg. Load
1	7-Eleven	1,499	$82,113.58	73.66%	74.58%	$54.78
2	Family Dollar	536	$27,990.41	26.34%	25.42%	$52.22
Total		2,035	$110,103.99	--	--	--

Notes & Observations:

1. Two-thirds of your customers choose to make their payments at 7-Eleven.

Retailer Locations Street	Retailer Locations City	Payments Count
2873 E. Ave R (7-11)	Palmdale	546
3157 E. Palmdale Blvd (FD)	Palmdale	523
703 E. Palmdale Blvd (7-11)	Palmdale	401
1868 E. Palmdale Blvd (7-11)	Palmdale	396
8338 Pearblossom Highway (FD)	Littlerock	16
3210 W. Ave L (7-11)	Lancaster	13
15544 San Fernando Mission Blvd	Mission Hills	10
8416 Lankershim Blvd	Sun Valley	10
844 E. Ave J	Lancaster	9
44011 N. Sierra Hwy	Lancaster	7

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