MINUTES OF SPECIAL MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, NOVEMBER 7, 2018:

A special meeting of the Finance Committee of the Palmdale Water District was held Wednesday, November 7, 2018, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Henriquez called the meeting to order at 4:30 p.m. and stated that this special meeting is being held to clarify any confusion regarding the 2019 Budget and for the Committee to consider a recommendation on the 2019 Budget.

1) Roll Call.

Attendance:	**Others Present:**
Finance Committee:	Dennis LaMoreaux, General Manager
Marco Henriquez, Chair	Adam Ly, Assistant General Manager
Robert Alvarado, Committee Member	Don Wilson, PWD Director-elect
	Mike Williams, Finance Manager
	Judy Shay, Public Affairs Director
	Bob Egan, Financial Advisor
	Dennis Hoffmeyer, Accounting Supervisor
	Dawn Deans, Executive Assistant
	0 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

3) Public Comments.

Chair Henriquez congratulated Director-elect Wilson on his recent victory for the Palmdale Water District Division 2 seat and welcomed him to the meeting.

There were no public comments.

4) Action Items:

4.1) Consideration and Possible Action on 2019 Annual Budget. (Finance Manager Williams)

The Committee thanked staff for their extensive work on meeting deadlines for the 2019 Budget after which Finance Manager Williams provided a detailed overview of the 2019 Budget, including the number of draft budgets prepared and reductions made of nearly $3 million from the first to the fourth draft budget, including to personnel costs, operating expenses, and the amount available for capital projects by General Manager LaMoreaux, Assistant General Manager Ly, and Department Managers.

After a further discussion of removal of the sediment from Littlerock Reservoir, of the requirement to meet debt service coverage, of the need to maintain reserves, of projected 2019 year-end cash, and of approving water rates as recommended in the upcoming Water Rate Study for a five-year period rather than annually, it was moved by Committee Member Alvarado, seconded by Chair Henriquez, and unanimously carried by all members of the Committee present at the meeting to recommend approving the 2019 annual Budget as a package with the understanding that any additional changes would be to simply reduce expenses, including, but not limited to, Director expenses.

5) Board Members' Requests for Future Agenda Items.

Finance Manager Williams stated that financial reports through September 2018 will be presented at the December 6, 2018 Finance Committee meeting and to the full Board at the December 10, 2018 Regular Board meeting.

There were no further requests for future agenda items.

6) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:24 p.m.



Chair