

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE  
WATER DISTRICT, OCTOBER 24, 2011:**

*A meeting of the Finance Committee of the Palmdale Water District was held Monday, October 24, 2011, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Godin called the meeting to order.*

**1) Roll Call.**

**Attendance:**

Finance Committee:  
Linda Godin, Chair  
Gordon Dexter, Committee  
Member

**Others Present:**

Dennis LaMoreaux, General Manager  
Mike Williams, Finance Manager  
Dennis Hoffmeyer, Senior Accountant  
Dawn Deans, Executive Assistant  
1 member of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Dexter, seconded by Chair Godin, and unanimously carried to adopt the agenda, as written.

**3) Public Comments.**

There were no public comments.

**4) Action Items:**

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held September 26, 2011.**

It was moved by Committee Member Dexter, seconded by Chair Godin, and unanimously carried to approve the minutes of the meeting held September 26, 2011, as written.

**4.2) Discussion of Status Report on Cash Report at September 30, 2011 and Cash Flow Report Through December 31, 2011. (Financial Advisor Egan)**

In Financial Advisor Egan's absence, Finance Manager Williams reviewed the investment funds report and cash flow report for September 30, 2011 and stated that cash at September 30, 2011 was \$6,350,000.00 and year-end projections indicate \$7,058,000.00 at December 31, 2011.

**4.3) Discussion of Status Report on Financial Statements and Departmental Budget Reports for September, 2011. (Finance Manager Williams)**

Finance Manager Williams reviewed the balance sheet, profit and loss statement, year-to-year and month-to-month revenue and expense analysis, and individual departmental reports through September 2011, along with the graphs for these reports, and stated that the target expenditure percentage should be at or below 75%; that departments are at or below this expenditure; and then reviewed specific detail for these reports.

Payments related to adjudication matters were then discussed.

Ms. Joan Guyer, Ana Verde Rural Association, inquired about fluctuations to revenues resulting from water bill credits after which Finance Manager Williams stated that credits from June 2009 through March 2010 are approximately \$195,000.00.

All departments were then commended for keeping operating expenditures down.

**4.4) Discussion of Status Report on Engineering Department Contractual Commitments and Projected Payout Schedule. (Finance Manager Williams)**

Finance Manager Williams reviewed the updated Contractual Commitments and Projected Payout Schedule and stated that the Avenue Q project will be removed from next month's report as final payment has been made.

General Manager LaMoreaux then informed the Committee that next month's Schedule will also reflect only \$50,000.00 budgeted for water treatment plant security as this project has been placed on hold.

**4.5) Status Report on 2012 Budget. (Finance Manager Williams)**

Finance Manager Williams reviewed the timeline for the 2012 Budget after which Senior Accountant Hoffmeyer reviewed draft 2012 Budget summary pages for revenue and expenditures, projections for 2011 department year-end budgets, projections for 2012 department budgets, and how water purchases are invoiced followed by discussion of electronic payment processing.

Ms. Guyer then inquired about the employee benefits package and was informed that the Personnel Committee has received updates from the Human Resources Department on the employee benefits package and continue discussions.

**5) Information Items.**

General Manager LaMoreaux distributed a memo from Financial Advisor Egan regarding proposals for auditing services and stated that this matter will be placed on the next agenda for consideration.

He then informed the Committee that Mr. Paul Novak, Executive Director for LAFCO, informed him earlier today that he will direct GEI Consultants, who are conducting the Municipal Service Review for the District and two other water districts, to conduct the Review for the other two water districts first; that LAFCO will wait on the District's Review until after January 1 to see how much the District can contribute towards the cost of the Review as this cost will be considered through the 2012 budget process; and that he has requested Mr. Novak contact GEI Consultants regarding in-kind services to help reduce the District's cost for the Review.

There were no further information items to discuss.

**6) Board Members' Requests for Future Agenda Items.**


Chair Godin stated that "Consideration and possible action on proposals received for preparation of the District's audit" and "Consideration and possible action on draft 2012 Budget" will be placed on the next agenda along with standing agenda items.

There were no further requests for future agenda items.

The next Finance Committee meeting was then scheduled for November 21, 2011 at 5:15 p.m.

**7) Adjournment.**

There being no further business to come before the Finance Committee the meeting was adjourned.

  
Chair