



# PALMDALE WATER DISTRICT

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[www.palmdalewater.org](http://www.palmdalewater.org)

## Board of Directors

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LAGERLOF, SENECAL, GOSNEY & KRUSE LLP  
Attorneys



March 7, 2013

*Agenda for a Meeting  
of the Finance Committee of the Palmdale Water District  
Committee Members: Gloria Dizmang-Chair, Steve Cordova  
to be held at the District's office at 2029 East Avenue Q, Palmdale*

*Wednesday, March 13, 2013*

*5:00 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. 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.

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.
- 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.)

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

- 4.1) Consideration and possible action on approval of minutes of meeting held October 23, 2012.
- 4.2) Discussion and overview of Cash Flow Statement and Current Cash Balances as of January 31, 2013. (Financial Advisor Egan)
- 4.3) Discussion and overview of Financial Statements, Revenue and Expense and Departmental Budget Reports for January 31, 2013. (Finance Manager Williams)
- 4.4) Discussion and overview of committed contracts issued. (Engineering Manager Knudson)
- 4.5) Discussion and overview on project financing options. (Financial Consultant Egan/Finance Manager Williams)
- 5) Information items.
- 6) Board members' requests for future agenda items.
- 7) Adjournment.

  
DENNIS D. LaMOREAUX,  
General Manager

DDL /dd

**PALMDALE  
WATER DISTRICT  
BOARD MEMORANDUM**

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<b>DATE:</b>	March 6, 2013	March 13, 2013
<b>TO:</b>	FINANCE COMMITTEE	Committee Meeting
<b>FROM:</b>	Mr. Bob Egan, Financial Advisor	
<b>RE:</b>	<i>AGENDA ITEM NO. 4.2 – DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF JANUARY 31, 2013</i>	

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Attached is the Investment Funds Report and current cash balance as of January, 2013. The reports will be reviewed in detail at the Finance Committee meeting.

PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT

				January 31, 2013				
DESCR							January-13	December-12
A/C #							VALUE	VALUE
CASH								
0-0103	Citizens/US Bank - Checking						339,401.89	192,858.38
0-0104	Citizens- Merchant						84,170.54	65,737.68
						Bank cash	423,572.43	258,596.06
0-0119	PETTY CASH						300.00	300.00
0-0120	CASH ON HAND						3,400.00	3,400.00
	TOTAL CASH						427,272.43	262,296.06
INVESTMENTS								
0-0110	UBS ACCOUNT SS 11469 GG							
	UBS RMA Government Portfolio						4,253,373.99	4,633,135.02
	UBS Bank USA Dep acct						250,000.00	250,000.00
	1998 Debt Reserve Fund							
	FHLB par 1.4Mil matures 10/18/13 3.625% interest						1,434,188.00	1,438,038.00
	Accrued interest						14,520.10	10,290.98
							5,952,082.09	6,331,464.00
0-1110	UBS ACCOUNT SS 11475 GG							
	UBS Bank USA Dep acct						83,942.45	83,939.57
	UBS RMA Government Portfolio						0.00	0.00
							83,942.45	83,939.57
0-0115	LAIF						11,682.45	11,672.98
0-0111	UBS ACCOUNT SS 11432 GG							
	UBS Bank USA Dep acct						47,151.28	0.00
	UBS RMA Government Portfolio						0.00	47,882.27
	Accrued interest						4,708.65	5,406.60
	US GOVERNMENT SECURITIES:							
		ISSUE		EXPIR			MARKET	MARKET
		DATE	ISSUER	DATE	RATE	PAR	VALUE	VALUE
			FNMA	10/26/15	1.625	500,000	516,485.00	517,255.00
			FNMA	06/28/17	1.125	500,000	501,470.00	502,040.00
			FNMA	07/17/17	1.2	500,000	501,760.00	502,115.00
			FNMA	08/22/17	0.625	500,000	500,170.00	500,395.00
			FHLB	12/28/17	0.95	500,000	496,900.00	499,285.00
						2,500,000.00	2,516,785.00	2,521,090.00
	TOTAL MANAGED ACCOUNT						2,568,644.93	2,574,378.87
	TOTAL INVESTMENTS						8,616,351.92	9,001,455.42
	GRAND TOTAL CASH AND RESTRICTED CASH						9,043,624.35	9,263,751.48
						Incr (Decr)	(220,127.13)	
			Checking		427,272			
			UBS MM		6,036,025			
			LAIF		11,682			
			UBS Investment		2,568,645			
			Restricted		0			
			Total		9,043,624			

REVISED 03/06/13	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Water Sales	1,650,519	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	23,255,819
	1,650,519	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	
Beginning Balance	9,001,455	9,043,624	8,847,796	6,430,003	7,767,103	8,526,403	8,371,803	8,735,303	9,193,703	7,664,064	7,413,714	7,645,514	
Water Receipts	2,428,492	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	24,033,792
Other													
Total Operating Revenue	2,428,492	1,467,300	1,591,900	1,530,000	1,686,200	2,048,500	2,340,300	2,454,000	2,452,200	2,221,000	2,054,200	1,759,700	
Operating Expenses:													
Total Operating Expenses excl GAC	1,965,762	1,808,900	1,799,900	1,198,900	1,108,100	1,718,600	1,729,200	1,776,600	1,725,700	1,839,550	1,794,100	2,255,100	20,720,412
													2,535,407
Non-Operating Revenue Expenses:													
Assessments, net	620,213	287,572	7,800	1,470,300	684,500	2,800	394,200	143,000			113,500	2,383,600	6,107,485
Special Avek CIF Payment													0
Interest	(5,316)	2,100	2,100	2,100	2,100	2,100	2,100	1,900	2,100	2,100	2,100	2,100	17,584
Grant Re-imbursement					485,000								485,000
Capital Improvement Fees	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
													0
DWR Refund													0
Other /Palmdale Redevel Agency	9,828												9,828
Total Non-Operating Revenues	637,224	302,172	22,400	1,484,900	1,184,100	17,400	408,800	157,400	14,600	14,600	128,100	2,398,200	6,769,896
Capital Expenditures	(194,434)		(174,455)	(72,500)	(17,500)	(322,500)			(12,000)				(793,389)
GAC	(233,893)		(23,000)	(250,000)	(339,000)	(23,000)		(220,000)	(220,000)				(1,308,893)
SWP Capitalized	(629,459)	(156,400)	(180,600)	(156,400)	(156,400)	(156,400)	(656,400)	(156,400)	(184,600)	(156,400)	(156,400)	(156,400)	(2,902,259)
Prepaid Insurance (paid) refunded													0
Bond Payments Interest			(798,603)						(798,603)				(1,597,205)
Principal			(1,055,536)						(1,055,536)				(2,111,072)
System Work for AVEK													0
Butte payments					(490,000)					(490,000)			(980,000)
Capital leases													0
Legal adjudication fees													0
Total Cash Ending Balance	9,043,624	8,847,796	6,430,003	7,767,103	8,526,403	8,371,803	8,735,303	9,193,703	7,664,064	7,413,714	7,645,514	9,391,914	(9,692,818)
											Budget	8,193,078	(387,515)
											diff	1,198,836	

The report for this item will be hand-delivered prior to the Committee meeting.

# Engineering Department Projected Payout Schedule

## March - 2013

### AGENDA ITEM NO. 4.4

Project Title	2013 Budget	Budget No.	Payee	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Litterock Dam Sediment Removal	\$ 270,000	NCP02	Aspen	\$ 1,874		\$ 8,955	\$ 2,500	\$ 2,500	\$ 2,500						
Acquisition of Tax Defaulted Property	\$ 18,000	NCC03	LA County			\$ 18,000						\$ 12,000			
Annual Tank Maint. (Year 1 of 5)	\$ 315,000	RCP04	TBD						\$ 315,000						
Spec. No. 0902 - Ave. Q-3, Division, Sumac	\$ 125,000	RCP03	BV Const.	\$ 192,560		\$ 60,000	\$ 65,000								
3600' Hydro-Pneumatic Tank Replacement	\$ 80,000	N/A	Superior Tank			\$ 79,000									
2012 Redistricting	\$ 10,000	PL01	NDC			\$ 8,500									
Water Supply Fee Policy	\$ 25,000	PL06	TBD				\$ 5,000	\$ 15,000	\$ 5,000						
Total Projected Payout:				\$ 194,434	\$ -	\$ 174,455	\$ 72,500	\$ 17,500	\$ 322,500	\$ -	\$ -	\$ 12,000	\$ -	\$ -	\$ -

Water Quality Fund	2013 Budget	Budget No.	Payee	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
2013 Granular Activated Carbon Supply	\$ 1,388,000	N/A	Calgon			\$ 23,000	\$ 220,000	\$ 220,000	\$ 13,000		\$ 220,000	\$ 220,000			
2013 Change-Outs			Prominent			\$ 30,000	\$ 65,000	\$ 10,000							
GAC @ Underground Booster Station - Vessel			TBD												
GAC @ Underground Booster Station - Misc.															
Total Water Quality Projected Payout:				\$ -	\$ -	\$ 23,000	\$ 250,000	\$ 339,000	\$ 23,000	\$ -	\$ 220,000	\$ 220,000	\$ -	\$ -	\$ -

Approved for Payment