

# PALMDALE WATER DISTRICT

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## Board of Directors

ROBERT E. ALVARADO  
Division 1

JOE ESTES  
Division 2

GLORIA DIZMANG  
Division 3

KATHY MAC LAREN  
Division 4

VINCENT DINO  
Division 5



January 30, 2014

***Agenda for a Meeting  
of the Finance Committee of the Palmdale Water District  
Committee Members: Gloria Dizmang-Chair, Vincent Dino  
to be held at the District's office at 2029 East Avenue Q, Palmdale  
Monday, February 3, 2014  
9:30 a.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.

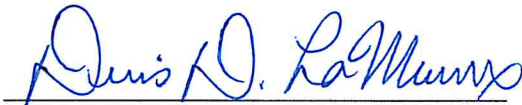
Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

**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.)

- 4.1) Consideration and possible action on approval of minutes of meeting held November 13, 2013.
- 4.2) Discussion and possible action on:
  - a) Committee goals
  - b) Committee actions in support of the Strategic Plan.
- 4.3) Discussion and overview of Cash Flow Statement and Current Cash Balances as of December 31, 2013. (Financial Advisor Egan)
- 4.4) Discussion and overview of Financial Statements, Revenue and Expense and Departmental Budget Reports for December 31, 2013. (Finance Manager Williams)
- 4.5) Discussion and overview of committed contracts issued. (Engineering Manager Knudson)
- 4.6) Consideration and possible action on Request for Proposals for preparing a rate study. (General Manager LaMoreaux)
- 4.7) Discussion and possible action on budget development and approval process. (General Manager LaMoreaux)
- 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>	January 30, 2014	February 3, 2014
<b>TO:</b>	FINANCE COMMITTEE	Committee Meeting
<b>FROM:</b>	Mr. Bob Egan, Financial Advisor	
<b>RE:</b>	<i><b>AGENDA ITEM NO. 4.3 – DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF DECEMBER 31, 2013</b></i>	

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Attached is the Investment Funds Report and current cash balance as of December 31, 2013. The reports will be reviewed in detail at the Finance Committee meeting.

PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT

			December 31, 2013			December-13	November-13
	DESCR						
<b>CASH</b>							
0-0103	Citizens/US Bank - Checking					1,258,328.82	1,317,792.71
0-0104	Citizens- Merchant					120,156.09	84,736.36
					Bank cash	1,378,484.91	1,402,529.07
0-0119	PETTY CASH					300.00	300.00
0-0120	CASH ON HAND					3,400.00	3,400.00
	<b>TOTAL CASH</b>					<b>1,382,184.91</b>	<b>1,406,229.07</b>
<b>INVESTMENTS</b>							
0-0110	UBS ACCOUNT SS 11469 GG						
	UBS RMA Government Portfolio					5,582,976.73	3,485,141.90
	UBS Bank USA Dep acct					250,000.00	250,000.00
						5,832,976.73	3,735,141.90
0-1110	UBS ACCOUNT SS 11475 GG						
	UBS Bank USA Dep acct					250,000.00	207,955.25
	UBS RMA Government Portfolio					200,393.18	0.00
						450,393.18	207,955.25
0-0115	LAIF					11,705.26	11,705.26
0-0111	UBS ACCOUNT SS 11432 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					74,557.54	69,362.30
	Accrued interest					6,741.98	8,245.14
<b>US GOVERNMENT SECURITIES:</b>							
	ISSUE		EXPIR			MARKET	MARKET
	DATE	ISSUER	DATE	RATE	PAR	VALUE	VALUE
		FNMA	10/26/15	1.625	500,000	510,925.00	512,300.00
		FNMA	06/28/17	1.125	500,000	499,480.00	499,025.00
		FNMA	07/17/17	1.2	500,000	496,055.00	499,580.00
		FHLB	12/28/17	0.95	500,000	488,525.00	493,665.00
					2,000,000	1,994,985.00	2,004,570.00
<b>CD'S</b>							
	1	Bank of India	05/07/14	0.50	240,000	239,997.60	239,973.60
	2	Bank of Baroda	11/12/14	0.45	240,000	239,604.00	239,476.80
	3	GE Capital Bank	05/01/15	0.60	64,000	63,861.12	63,836.16
	4	Ally Bank	05/06/15	0.60	240,000	239,464.80	239,368.80
	5	Sallie Mae Bank	11/06/15	0.85	240,000	239,611.20	239,433.60
	6	Goldman Sachs Bk	11/07/16	1.00	240,000	239,124.00	238,857.60
	7	CIT Bank	11/06/17	1.60	240,000	239,150.40	238,826.40
	8	BMW Bank	11/15/18	2.00	240,000	238,903.20	238,492.80
					1,744,000	1,739,716	1,738,266
<b>TOTAL MANAGED ACCOUNT</b>						<b>4,066,000.84</b>	<b>4,070,443.20</b>
<b>TOTAL INVESTMENTS</b>						<b>10,361,076.01</b>	<b>8,025,245.61</b>
<b>UBS ACCOUNT SS 24016</b>						<b>480,000.00</b>	<b>0</b>
<b>Rate Stabilization Fund</b>							
<b>GRAND TOTAL CASH AND INVESTMENTS</b>						<b>12,223,260.92</b>	<b>9,431,474.68</b>
	Summary:						
	Checking		1,382,185		Incr (Decr)	2,791,786.24	
	UBS MM		6,283,370				
	LAIF		11,705				
	UBS Investment		4,066,001				
	Rate Stab fund		480,000		BNY Mellon		
	Total		12,223,261		Construction	7,772,070.99	7,842,526.34

	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Water Sales	1,650,519	1,596,949	1,675,412	1,839,852	1,983,700	2,140,418	2,277,708	2,431,328	2,478,205	2,263,903	2,054,348	1,747,768	24,140,110
	1,650,519	1,596,949	1,675,412	1,839,852	1,983,700	2,140,418	2,277,708	2,431,328	2,478,205	2,263,903	2,054,348	1,747,768	
Beginning Balance	9,001,455	9,043,624	9,364,314	7,809,930	10,211,620	10,779,452	11,006,048	10,019,343	10,128,644	8,592,553	8,740,940	9,431,475	
Water Receipts	2,428,492	1,596,949	1,905,179	1,839,852	1,931,246	2,072,882	2,277,708	2,270,293	2,513,011	2,612,051	2,146,417	2,087,657	25,681,737
Other													
Total Operating Revenue	2,428,492	1,596,949	1,905,179	1,839,852	1,931,246	2,072,882	2,277,708	2,270,293	2,513,011	2,612,051	2,146,417	2,087,657	
Operating Expenses:													
Total Operating Expenses excl GAC	1,953,262	1,477,034	1,514,430	1,096,787	1,588,065	1,618,182	1,764,877	1,781,171	1,771,481	1,843,317	1,417,193	1,371,310	19,197,109
													4,943,001
Non-Operating Revenue Expenses:													
Assessments, net	620,213	287,572	2,234	1,883,965	585,806	5,790	287,658	134,539			219,711	2,449,327	6,476,815
Special Avek CIF Payment													0
Interest	(5,316)	(6,054)	1,396	(424)	835	5,250	(66)	8,950	7,332	5,399	3,104	5,194	25,600
Mkt adj					(16,104)	(16,532)	7,269	(15,534)	12,994	3,896	(5,239)	(9,638)	(38,887)
Grant Re-imbursement													0
Capital Improvement Fees		44,176	(116,241)	0	48,031	0	0	22,053		1,470	2,877	242,583	244,949
													0
DWR Refund/( payment )				59,514	35,285		(436,485)			138,392	642		(202,652)
Other /Palmdale Redevel Agency	9,828	54,653	6,774	13,488	16,165	9,849	41,835		16,344	7,734	12,600	135,986	325,257
Total Non-Operating Revenues	624,724	380,347	(105,836)	1,956,543	670,018	4,358	(99,789)	150,008	36,670	156,891	233,695	2,823,452	6,831,081
Capital Expenditures	(194,434)		(61,168)	(103,645)	(54,481)	(52,617)	(82,411)	(99,088)	(49,900)	(4,443)	(92,541)	(16,580)	(811,308)
GAC	(233,893)				(216,776)		(216,829)	(216,829)		(435,781)		(43,583)	(1,363,691)
SWP Capitalized	(629,459)	(156,354)	(180,606)	(156,354)	(156,354)	(156,354)	(575,348)	(156,281)	(156,281)	(156,352)	(156,352)	(156,352)	(2,792,447)
Prepaid Insurance (paid) refunded			(65,835)					(34,140)		(162,907)			(262,882)
Bond Payments Interest			(1,010,820)						(829,635)				(1,840,455)
Principal			(517,540)						(1,261,179)				(1,778,719)
System Work for AVEK													0
Butte payments							(507,402)					(507,402)	(1,014,804)
Capital leases		(23,218)	(3,327)	(37,919)	(17,756)	(23,491)	(17,756)	(23,491)	(17,296)	(17,756)	(23,491)	(24,096)	(229,597)
Legal adjudication fees													0
Total Cash Ending Balance	9,043,624	9,364,314	7,809,930	10,211,620	10,779,452	11,006,048	10,019,343	10,128,644	8,592,553	8,740,940	9,431,475	12,223,261	(10,093,903)
											Budget	8,193,078	1,680,179
											diff	4,030,183	