



PALMDALE WATER DISTRICT

2029 East Avenue Q • Palmdale, California 93550 • Telephone (661) 947-4111
Fax (661) 947-8604
www.palmdalewater.org

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

ALESHIRE & WYNDER LLP
Attorneys



January 8, 2015

*Agenda for Regular Meeting
of the Board of Directors of the Palmdale Water District
to be held at the District's office at 2029 East Avenue Q, Palmdale*

Wednesday, January 14, 2015

6:00 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.

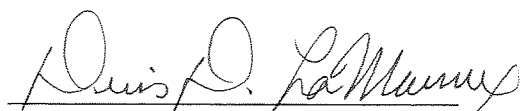
PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix CC, 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) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Public comments for non-agenda items.
- 5) Presentations:
 - 5.1) Introduction of Palmdale Water District interns and presentation of Certificates of Completion. (Human Resources Director Emery)
 - 5.2) Recess to 7:00 p.m. (President Mac Laren)

- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 6.1) Approval of minutes of regular meeting held December 10, 2014.
 - 6.2) Ratification of payment of bills for December 24, 2014.
 - 6.3) Payment of bills for January 14, 2015.
 - 6.4) Receive and file Semi-Annual Employee Reimbursement Report for the period covering July 1, 2014 through December 31, 2014. (Finance Manager Williams)
 - 6.5) Approval of reappointment of Helen Velador to Palmdale Recycled Water Authority Board. (General Manager LaMoreaux)
 - 6.6) Approval of Resolution No. 15-1 being a Resolution for Employer Paid Member Contributions for CalPERS. (Human Resources Director Emery)
 - 6.7) Approval of Resolution No. 15-2 being a Resolution Approving Employee Work Schedules. (Human Resources Director Emery)
 - 6.8) Ratification of Addendum No. 1 to Employment Contract for General Manager of Palmdale Water District. (General Counsel Quilizapa)
- 7) Action Items - Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 7.1) Consideration and possible action on reorganization of the Board of Directors. (President Mac Laren)
 - 7.2) Status report on Cash Flow Statement and Current Cash Balances as of November 30, 2014. (Financial Advisor Egan/Finance Committee)
 - 7.3) Status report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for November 30, 2014. (Finance Manager Williams/Finance Committee)
 - 7.4) Status report on committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson/Finance Committee)
 - 7.5) Consideration and possible action on proposal received from The Pun Group LLP for auditing services for the fiscal year ending December 31, 2014. (\$18,000.00 – Budgeted – Financial Advisor Egan/Finance Committee)
 - 7.6) Consideration and possible action on revision to Employee Handbook regarding the holiday schedule. (Human Resources Director Emery)
 - 7.7) Consideration and possible action on District policy regarding monitoring and coverage of Fin and Feather Club meetings by District employees. (Ad Hoc Fin & Feather Committee-Director Alvarado/Director Dino)
 - 7.8) Consideration and possible action on Board and staff attendance at conferences, seminars, and training sessions as follows:

- a) Antelope Valley Board of Trade 2015 Business Outlook Conference to be held February 27, 2015 in Lancaster.
 - b) American Water College Public Utilities and Waterworks Management Institute to be held March 10 – 12, 2015 in Palmdale at the District.
- 8) Information Items:
- 8.1) Reports of Directors:
 - a) Meetings/General Report.
 - b) Standing Committee/Assignment Reports (Chair):
 - 1) Finance Committee
 - 8.2) Report of General Manager.
 - 8.3) Report of Attorney.
- 9) Public comments on closed session agenda matters.
- 10) Closed session under:
- 10.1) Conference with Legal Counsel – Existing Litigation: A closed session will be held, pursuant to Government Code §54956.9 (d)(1), to confer with legal counsel regarding pending litigation to which the District is a party. The title of such litigation is as follows: *Antelope Valley Ground Water Cases*.
 - 10.2) Conference with Legal Counsel – Personnel: A closed session will be held, pursuant to Government Code §54957, to conduct an employee evaluation for the position of General Manager.
 - 10.3) Conference with Legal Counsel – Employment Contract Negotiations: A closed session will be held, pursuant to Government Code §54957.6, with District General Counsel regarding employment contract negotiations with District General Manager.
- 11) Public report of any action taken in closed session.
- 12) Action Item – Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.) - Consideration and possible action on 360 degree evaluation of the General Manager. (Director Dizmang)
- 13) Board members' requests for future agenda items.
- 14) Adjournment.


DENNIS D. LaMOREAUX,
General Manager

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 6, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.5 – APPROVAL OF REAPPOINTMENT OF HELEN VELADOR TO PALMDALE RECYCLED WATER AUTHORITY BOARD***

Recommendation:

Staff recommends the Board reappoint Helen Velador to the Palmdale Recycled Water Authority Board as the fifth Board member.

Background:

The Palmdale Recycled Water Authority was formed by the Palmdale Water District and the City of Palmdale via the "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" in September, 2012. That Agreement provides for the joint appointment by those two entities of a fifth Director in addition to two Directors from each of their respective Boards. All Authority Directors are appointed to serve one-year terms that may be renewed annually.

Helen Velador has served as the fifth Director of the Palmdale Recycled Water Authority since 2013. The Palmdale City Council will be considering her reappointment at their January 14, 2015 City Council meeting.

Strategic Plan Initiative:

This work is part of Strategic Initiative No. 4 – Regional Leadership.

Budget:

This item will not affect the budget.

Supporting Documents:

None.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 6, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Jennifer Emery, Human Resources Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.6 - APPROVAL OF RESOLUTION NO. 15-1
BEING A RESOLUTION FOR EMPLOYER PAID MEMBER
CONTRIBUTIONS FOR CALPERS***

Recommendation:

Staff recommends that a Resolution be signed reflecting the Board's decision to have an amount equal to the 2015 COLA increase be paid by employees toward the employee contribution of CalPERS. This amount will be 1.67% paid by the employees.

Alternative Options:

If there is no Resolution, then CalPERS will not allow the payroll deductions.

Background:

This was voted on at the November 21, 2014 Budget Workshop.

Strategic Plan Initiative:

This work is part of Strategic Initiative No. 2 – Increased Efficiency.

Budget:

This item will not affect the budget.

Supporting Documents:

- Resolution No. 15-1

RESOLUTION NO. 15-1

RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the Palmdale Water District has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Palmdale Water District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Palmdale Water District of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Palmdale Water District has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the Palmdale Water District.
- This benefit shall consist of paying 5.33 percent of the normal member contributions as EPMC.
- The effective date of this Resolution shall be January 1, 2015.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Palmdale Water District elects to pay EPMC, as set forth above.

BY:

Name of Official

President, Board of Directors

Title

January 14, 2014

Date adopted and approved

APPROVED AS TO FORM:

BY: _____

ALESHIRE & WYNDER, General Counsel

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 6, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Jennifer Emery, Human Resources Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 6.7 – APPROVAL OF RESOLUTION NO. 15-2
BEING A RESOLUTION APPROVING EMPLOYEE WORK
SCHEDULES.*

Recommendation:

Staff recommends that a Resolution be signed reflecting the Board's decision to have alternative work schedules at the District.

Alternative Options:

If the resolution is not signed, the District's work schedules will not align with the Board's decision to alter the office hours of the District.

Background:

The change in office hours was voted on at the December 10, 2014 Board Meeting.

Strategic Plan Initiative:

This work is part of Strategic Initiative No. 2 – Increased Efficiency.

Budget:

This item will not affect the Budget.

Supporting Documents:

- Resolution No. 15-2

RESOLUTION NO. 15-2

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PALMDALE WATER DISTRICT
APPROVING EMPLOYEE WORK SCHEDULES**

WHEREAS, the Board of Directors of the Palmdale Water District has adopted an Alternative Work Schedule policy in order to gain the maximum efficiency for the District and to allow employees additional opportunities to enjoy their non-work hours; and

WHEREAS, eligibility to participate in the Alternative Work Schedule program is subject at all times to the needs of the District and may be modified as those needs dictate.

NOW, THEREFORE, BE IT RESOLVED that a 5/8 workweek schedule, which consists of five/eight-hour workdays Monday – Friday, has been approved as part of the Alternative Work Schedule.

BE IT FURTHER RESOLVED that a 9/80 workweek schedule, which consists of eight nine-hour workdays and one eight-hour workday Monday – Friday, has been approved as part of the Alternative Work Schedule.

BE IT FURTHER RESOLVED that a 3/12 workweek schedule, which consists of three twelve-hour workdays, has been approved as part of the Alternative Work Schedule.

BE IT FURTHER RESOLVED that a 4/10 workweek schedule, which consists of four ten-hour workdays Monday – Thursday, has been approved as part of the Alternative Work Schedule.

BE IT FURTHER RESOLVED that beginning March 1, 2014, all District offices and departments, with the exception of the water treatment plant, will be closed on Friday.

PASSED AND ADOPTED this 14th day of January, 2015.

President, Board of Directors

Secretary, Board of Directors

APPROVED AS TO FORM:

BY: _____
ALESHIRE & WYNDER, General Counsel



**ALESHIRE &
WYNDER** LLP
ATTORNEYS AT LAW

TO: Honorable President & Board Members,
Palmdale Water District

FROM: Patty Quilizapa,
General Counsel

SUBJECT: *Addendum to Employment Contract for General Manager of Palmdale Water District*

I. SUMMARY

The Board of Directors is requested to consider whether it wishes to approve the attached Addendum to Employment Contract for General Manager of Palmdale Water District, pursuant to the action it took on December 10, 2014 to extend the General Manager's Employment Agreement for six months. The Board of Directors is in the process of performing a performance evaluation of the General Manager and in the process of negotiating any extensions to the General Manager's employment agreement. The General Manager's current employment agreement expires January 29, 2015. On December 10, 2014 the Board of Directors approved a six-month extension of the term of the employment agreement such that it would expire July 29, 2015. The General Manager has agreed to extend the term of the employment agreement through July 29, 2015. The attached Addendum to Employment Contract for General Manager of Palmdale Water District extends the term of the General Manager's employment agreement to July 29, 2015 and leaves the remaining terms of the General Manager's employment agreement unchanged, with the exception that an additional review is not required by July 29, 2015.

II. RECOMMENDATION

CONSIDER taking the following actions:

1. CONSIDER the Addendum to Employment Contract for General Manager of Palmdale Water District.
2. If it is acceptable to the majority of the Board of Directors, APPROVE the Addendum to Employment Contract on behalf of the Board of Directors.

III. FISCAL IMPACT

The Addendum to Employment Contract for General Manager of Palmdale Water District continues the existing compensation and benefits pursuant to the current employment agreement with the General Manager and the amendments thereto.

**ADDENDUM TO
EMPLOYMENT CONTRACT FOR GENERAL MANAGER
OF PALMDALE WATER DISTRICT**

This Addendum to Employment Contract for General Manager of Palmdale Water District (“Agreement”) is made, entered into, and effective as of January 14, 2015, by and between Palmdale Water District, an irrigation district organized and existing under Division 11 of the California Water Code (hereafter referred to as the “District”), and Dennis D. LaMoreaux (hereafter referred to as “LaMoreaux” or as “General Manager”).

RECITALS

- A. By the Agreement, LaMoreaux was employed by the District as its General Manager.
- B. The Board of Directors of the District is in the process of performing a performance evaluation of the General Manager and in the process of negotiating any extensions to the Agreement under Paragraphs 7 and 9, respectively.
- C. Under Paragraph 1 of the Agreement, the current term of the Agreement is from January 29, 2010 through January 29, 2015.
- D. On December 10, 2014, the Board of Directors of the District approved an extension of the term of the Agreement through July 29, 2015.
- E. The General Manager has agreed to extend the term of the Agreement through July 29, 2015.

AGREEMENTS

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH BELOW, the parties agree as follows:

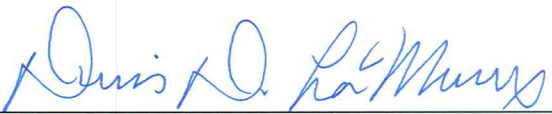
- 1. The above Recitals are true and correct.
- 2. Through this Addendum, the term of the Agreement at Paragraph 1 is extended to July 29, 2015.
- 3. The provisions of the Agreement at Paragraphs 2 through 6, 8, and 10 remain effective and unchanged for the extended term of the Agreement. Accordingly, pursuant to this Addendum, the duties, obligations, rights, and benefits of the agreement continue uninterrupted through the end of the extended term of the Agreement.
- 4. The provision of the Agreement at Paragraph 7 remains effective and unchanged only through the end of the original term of the Agreement of January 29, 2015. Accordingly, after the semi-annual review scheduled for January 29, 2015, the

Board of Directors of the District has no obligation to conduct any additional reviews pursuant to the Agreement or this Addendum.

5. The provision of the Agreement at Paragraph 9 remains effective through the end of the extended term of the Agreement and the parties agree that prior to July 29, 2015, provided LaMoreaux is employed as General Manager at that time, they will meet and confer in good faith to negotiate the terms and conditions of any extensions to the Agreement.

IN WITNESS WHEREOF, the parties have entered into this Addendum No. 1 as of the day and year first written above.

Date: 1/8/15


Dennis D. LaMoreaux, General Manager

PALMDALE WATER DISTRICT

Date: _____

Kathy MacLaren, President

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION
ON REORGANIZATION OF THE BOARD OF DIRECTORS.***

Attached is a copy of Article 4 of the District's Rules and Regulations, Section 4.04: Officers of the Board and Section 4.05: Duties of Officers.

Supporting Documents:

- Rules and Regulations Article 4 Section 4.04
- Rules and Regulations Article 4 Section 4.05

4.03.2 SPECIAL MEETINGS OF THE BOARD

Special meetings of the Board shall be held at a time and place as may be designated by the presiding officer or by a 3/5ths majority of the members of the Board. Written notice of such a meeting is to be mailed to and received by, or personally delivered to, each Board member at least 24 hours prior to such special meeting.

4.03.3 EMERGENCY MEETINGS OF THE BOARD

In case of an emergency involving matters upon which prompt action is necessary due to disruption or threatened disruption of public facilities, an emergency meeting of the Board may be held at a time and place as may be designated by the presiding officer without complying with the 24 hour prior notice requirement. All other meeting requirements must nonetheless be met. The minutes of such an emergency meeting shall list those persons notified or who were attempted to be notified. A copy of the roll call vote on any action taken must be posted for at least 10 days as soon after the meeting as possible.

4.03.4 QUORUM

The quorum consists of three Board Members. A quorum must be present for the Board to take action on any matter. A 3/5 Board majority is required for any action by the Board, except for a motion to adjourn or a motion to adjourn for a stated time.

4.04: OFFICERS OF THE BOARD

The officers of the Board shall be:

President, Vice President, Treasurer and Secretary.

The Board may reorganize from time to time upon a 3/5 majority vote of the Board or annually when called for by the President.

4.05: DUTIES OF OFFICERS

4.05.1 DUTIES AND OBLIGATIONS IN GENERAL

In addition to such duties and obligations imposed by law or by action of the Board of Directors, the duties of each officer of the District are as follows:

4.05.1.1 President

Preside over and conduct all meetings of the BoD and carry out the resolutions and orders of the Board. Exercise other powers and perform other duties as prescribed by the Board. Approve Board meeting agendas. Form or disband standing and ad hoc committees. Appoint committee members and the Chair of said committees. Write and/or sign correspondence in behalf of the BoD and PWD.

4.05.1.2 Vice President

Exercise the duties of the President in the absence of, when the President stands down or when the President is unable to continue in his/her duties due to any other reason.

4.05.1.3 Treasurer

Sign financial instruments as required and serve as the Finance Committee Chair. The Treasurer acts on behalf of the President in the event the President and Vice President are unable to do so.

4.05.1.4 Secretary

Certify or attest to the actions taken by the Board. Sign the minutes of the Board meeting following their approval.

4.06: BOARD OF DIRECTORS COMPENSATION (Revised 12-11-09)

The Board of Directors shall be compensated for attendance at regular and special meetings of the Board, including committee meetings, and other functions as approved in advance by the Board of Directors, at a rate of \$150.00 per day up to the maximum number of days per month and the maximum annual compensation allowable by law. In addition, Directors shall

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 January 14, 2014
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Bob Egan, Financial Advisor
RE: *AGENDA ITEM NO. 7.2 – STATUS REPORT ON CASH FLOW STATEMENT
AND CURRENT CASH BALANCES AS OF OCTOBER 31, 2014*

Attached is the Investment Funds Report and current cash balance as of November 30, 2014.
The reports will be reviewed in detail at the Board meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT

		December 31, 2014				December-14	November-14
DESCR							
CASH							
0-0103	Citizens/US Bank - Checking					193,438.55	480,656.76
0-0104	Citizens- Merchant					97,085.52	102,160.48
						Bank cash	582,817.24
						290,524.07	
0-0119	PETTY CASH					300.00	300.00
0-0120	CASH ON HAND					3,400.00	3,400.00
	TOTAL CASH					294,224.07	586,517.24
INVESTMENTS							
0-0110	UBS ACCOUNT SS 11469 GG						
	UBS RMA Government Portfolio					7,205,927.27	3,398,374.94
	UBS Bank USA Dep acct					416,949.19	250,000.00
						Accrued interest	1,702.79
						7,622,876.46	3,650,077.73
		<u>CD'S</u>	<u>Due</u>	<u>Rate</u>	<u>Face Value</u>		
	1	Homestreet Bk WA	12/08/14	2.00	240,000	0.00	239,992.80
	2	Discover Bk DE	12/11/14	0.25	240,000	0.00	239,990.40
	3	Bk of China NY US	12/11/14	0.25	240,000	0.00	239,990.40
	4	Berkshire Bk MA	12/12/14	0.25	240,000	0.00	239,983.20
	5	First B & T IL	12/15/14	0.15	240,000	0.00	239,980.80
	6	1st Niagra Bk NY	12/15/14	0.25	240,000	0.00	239,983.20
	7	Comentity Bk DE	12/18/14	0.30	200,000	0.00	199,524.00
	8	Peoples United CT	12/18/14	0.25	120,000	0.00	119,990.40
	9	Citizens Bk PA	12/18/14	0.30	240,000	0.00	239,985.60
					2,000,000	0.00	1,999,420.80
					Total acct	7,622,876.46	5,649,498.53
0-1110	UBS ACCOUNT SS 11475 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					218,783.85	218,920.41
						Total acct	468,783.85
						468,783.85	468,920.41
0-0115	LAIF					Total acct	11,733.06
						11,733.06	11,733.06
0-0111	UBS ACCOUNT SS 11432 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					92,846.20	88,586.42
						Accrued interest	6,674.73
						6,674.73	7,503.17
	US GOVERNMENT SECURITIES:						
	<u>ISSUE</u>	<u>EXPIR</u>			<u>MARKET</u>	<u>MARKET</u>	
	<u>DATE</u>	<u>ISSUER</u>	<u>DATE</u>	<u>RATE</u>	<u>PAR</u>	<u>VALUE</u>	
		FNMA	10/26/15	1.625	500,000	505,690.00	
		FFCB	06/02/16	0.375	1,000,000	997,530.00	
		FNMA	07/17/17	1.2	500,000	499,400.00	
		FHLB	12/28/17	0.95	500,000	495,275.00	
					2,500,000	2,497,895.00	
					2,497,895.00	2,499,495.00	
		<u>CD'S</u>	<u>Due</u>	<u>Rate</u>	<u>Face Value</u>		
	1	Bank of Baroda	11/12/14	0.45	240,000		
	2	GE Capital Bank	05/01/15	0.60	64,000	64,030.08	64,033.28
	3	Ally Bank	05/06/15	0.60	240,000	240,115.20	240,124.80
	4	Sallie Mae Bank	11/06/15	0.85	240,000	240,520.80	240,489.60
	5	Goldman Sachs Bk	11/07/16	1.00	240,000	239,666.40	240,076.80
	6	CIT Bank	11/06/17	1.60	240,000	240,117.60	240,261.60
	7	BMW Bank	11/15/18	2.00	240,000	239,668.80	241,951.20
	8						
					1,504,000	1,264,118.88	1,266,937
					TOTAL MANAGED ACCOUNT	4,111,534.81	4,112,521.87
	TOTAL INVESTMENTS					12,214,928.18	10,242,673.87
	UBS ACCOUNT SS 24016					UBS USA	250,000.00
						Rate Stabilization Fund	230,174.46
						UBS AG	480,205.98
						480,174.46	480,205.98
	GRAND TOTAL CASH AND INVESTMENTS					12,989,326.71	11,309,397.09
	Summary:						
	Checking					294,224	Incr (Decr) 1,679,929.62
	UBS MM					8,091,660	
	LAIF					11,733	
	UBS Investment					4,111,535	
	Rate Stab fund					480,174	BNY Mellon
	Total					12,989,327	Construction 4,410,779.22
							4,410,779.22

01/07/15	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	YTD
	January	February	March	April	May	June	July	August	September	October	November	December		
Water Sales	1,649,955	1,630,351	1,685,802	1,701,439	1,914,996	2,081,078	2,314,930	2,355,478	2,171,057	2,081,921	1,806,443	1,789,479		23,182,927
	1,649,955	1,630,351	1,685,802	1,701,439	1,914,996	2,081,078	2,314,930	2,355,478	2,171,057	2,081,921	1,806,443	1,789,479		
Beginning Balance	12,223,261	12,094,245	12,669,343	10,569,481	12,638,008	13,351,585	13,193,464	13,000,265	13,412,680	12,005,534	11,394,805	11,309,397		
Water Receipts	1,955,377	1,805,677	1,780,736	1,691,040	1,777,997	2,046,064	2,312,079	2,273,386	2,381,041	2,150,544	2,066,836	1,789,479		24,030,256
Other							278,100			260,651		0		538,751
Total Operating Revenue	1,955,377	1,805,677	1,780,736	1,691,040	1,777,997	2,046,064	2,590,179	2,273,386	2,381,041	2,411,195	2,066,836	1,789,479		
Operating Expenses:														
Total Operating Expenses excl GAC	2,060,493	1,418,735	1,720,101	1,345,880	1,547,374	1,502,338	2,169,377	1,831,058	1,725,909	1,900,913	1,898,497	1,633,748		20,754,422
														2,428,505
Non-Operating Revenue Expenses:														
Assessments, net	636,921	291,389	7,906	1,958,367	720,021	7,737	80,205	170,055			142,869	2,808,240		6,823,710
Special Avek CIF Payment														0
Interest	3,782	3,457	3,899	3,224	3,195	3,676	3,967	3,699	4,051	3,835	3,490	5,044		45,320
Mkt adj	10,554	1,203	(4,828)	6,915	2,763	(6,882)	(1,425)	3,151	(4,041)	2,926	4,360	(5,642)		9,055
Grant Re-imburement														0
Capital Improvement Fees		9,889				0			3,370					13,259
														0
DWR Refund/(payment)					133,539						88,039			221,578
Other /Palmdale Redevel Agency	10,079	52,154	16,438	10,677	298,812	12,623	14,145	14,145	18,318	14,811	12,742	181,949		656,894
Total Non-Operating Revenues	661,336	358,093	23,415	1,979,183	1,158,329	17,154	96,893	191,050	21,698	21,573	251,500	2,989,592		7,769,816
Capital Expenditures	(106,595)	(13,862)	(321,802)	(119,918)	(533,132)	(104,335)	(61,504)	(79,180)	(19,276)	(21,810)	(65,509)	(530,987)		(1,977,911)
GAC									(300,438)	(298,604)	(297,955)	(298,050)		(1,195,047)
SWP Capitalized	(578,181)	(118,142)	(142,503)	(118,142)	(118,141)	(118,140)	(578,178)	(118,140)	(146,976)	(118,140)	(118,140)	(118,139)		(2,390,962)
Prepaid Insurance (paid) refunded			(67,580)				(36,620)		(197,480)					(301,680)
Bond Payments Interest			(1,126,124)						(944,336)	(173,933)				(2,244,393)
Principal			(504,974)						(455,000)	(512,800)				(1,472,774)
System Work for AVEK														0
Butte payments						(492,805)						(502,348)		(995,153)
Capital leases	(460)	(37,933)	(20,929)	(17,756)	(24,103)	(3,720)	(34,592)	(23,643)	(20,470)	(17,296)	(23,644)	(15,868)		(240,414)
Legal adjudication fees														0
Total Cash Ending Balance	12,094,245	12,669,343	10,569,481	12,638,008	13,351,585	13,193,464	13,000,265	13,412,680	12,005,534	11,394,805	11,309,397	12,989,327		(10,818,334)
												Budget	10,756,000	(620,014)
												diff	2,233,327	

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: *AGENDA ITEM 7.3 – STATUS REPORT ON FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR NOVEMBER 30, 2014*

Discussion:

Presented here are Balance Sheet and Profit/Loss Statement for the period ending November 30, 2014. 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 November, 2014.

This is the eleventh month of the District's Budget Year 2014. The target percentage is 92%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on November 30, 2014.
- There is no real significant change from October, except to mention our current assets have dropped about \$500K. But that's expected during the months of October and November.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on November 30, 2014.
- Operating revenue is at 88% of budget.
- Water Sales are at 85% of budget. This is due to reduced consumption.
- Cash operating expense is at 87% of budget.
- There are three departments above the target of 92%. I will review those in more detail later.
- Page 3-1 is a listing of other revenues. This is down about \$25K from average due to a decrease in collection activity. Door tag fees are down \$15K and late fees down \$10K. The reduced activity is attributed to unavailable staffing and holiday.
- Page 6 is showing the distribution of expense between labor and operations. Now that GAC costs are back up to approximately \$1.2MM, the percentage of labor costs are only 43% as a whole with salaries being only 29%.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of November, 2013 to November, 2014.
- Total operating revenue is down \$250K, or 12%. This is due to reduced consumption for the month.

- Operating expenditures are up by \$713K, or 52%. The increase is due to plant expenditures and GAC purchase.
- Page 8 is a graphic presentation of the water consumption comparison. Units billed in acre feet were down by 250, or 16%. Total revenue per unit sold is up \$0.13, or 4%, total revenue per connection is down \$8.27, or 11%, and units billed per connection is down 4.2, or 16%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through November, 2014 is down \$1MM, or 4.5%.
- Retail water sales from all areas are down by \$681K from last year. That's shown by the combined green highlighted area. Water sales alone are down \$718K YTD.
- Total revenue is down \$1.2MM.
- Operating revenue through November, 2014 is at 88% of budget; last year we were at 98% of budget.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through November, 2014 are up by \$3MM, or 14.5%, compared to 2013 due to plant expenditures and the Wood settlement payment under Administration. Facilities and Operations have higher operating budgets this year than last.
- Total Expenses are up \$2.8MM, or 10%, for the same reasons.

Departments:

- Pages 14 is the Directors detail budget. The department is over budget due to all 5 Directors being more active on committees and in education/training than past experience has shown.
- Page 18 is Operations detail budget. The department is operating above target due to the higher operation of wells and boosters during the drought. This is reflected in higher energy costs.
- Page 19 is Finance detail budget. This department continues to operate over budget due to the ever increasing number of meter exchanges and repair of large meters throughout the District.

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.

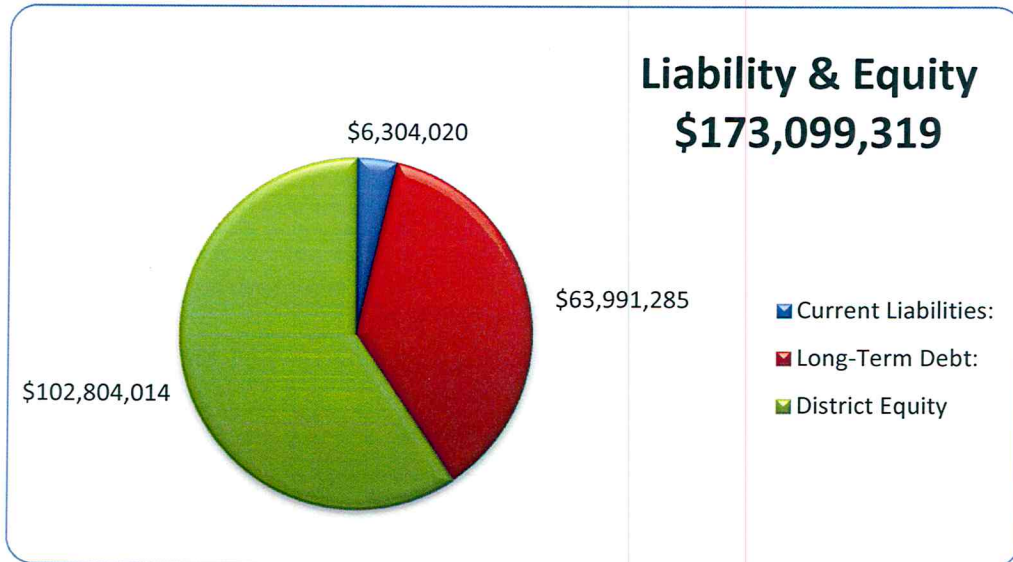
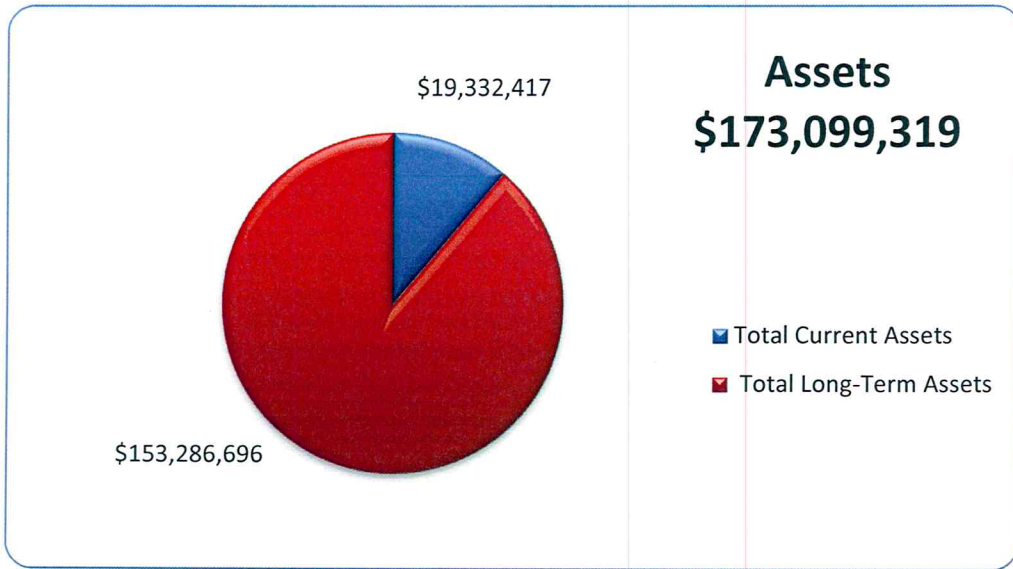
Service Cost Construction: The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

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

Palmdale Water District
Balance Sheet Report
For the Eleven Months Ending 11/30/2014

	November 2014	October 2014
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 586,517	\$ 322,507
Investments	10,242,674	10,592,113
2013A Bonds - Project Funds	4,640,299	5,033,920
	\$ 15,469,490	\$ 15,948,540
Receivables:		
Accounts Receivables - Water Sales	\$ 1,851,995	\$ 1,984,890
Accounts Receivables - Miscellaneous	31,867	31,700
Allowance for Uncollected Accounts	(214,349)	(214,349)
	\$ 1,669,513	\$ 1,802,240
Interest Receivable	\$ -	\$ -
Assessments Receivables	1,176,110	1,318,979
Meters, Materials and Supplies	805,797	794,146
Prepaid Expenses	211,507	236,647
Total Current Assets	\$ 19,332,417	\$ 20,100,551
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 113,289,721	\$ 113,327,727
Participation Rights in State Water Project, net	39,766,422	39,779,843
2013A Bonds - Insurance & Surety Bond	230,553	231,219
	\$ 153,286,696	\$ 153,338,790
Restricted Cash:		
Rate Stabilization Fund	480,206	480,186
Total Long-Term Assets & Restricted Cash	\$ 153,766,902	\$ 153,818,976
Total Assets	\$ 173,099,319	\$ 173,919,527
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ 367,034	\$ 183,518
Current Principal Installment of Long-term Debt	640,198	640,198
Accounts Payable and Accrued Expenses	5,812,259	5,803,415
Deferred Assessments	(515,471)	(372,602)
Total Current Liabilities	\$ 6,304,020	\$ 6,254,529
Long-Term Debt:		
Pension-Related Debt	\$ 1,084,487	\$ 1,084,487
OPEB Liability	9,120,158	8,970,018
2013A Water Revenue Bonds	43,463,724	43,465,974
2012 - Certificates of Participation	10,069,738	10,062,940
2011 - Capital Lease Payable	253,178	253,178
Total Long-Term Liabilities	\$ 63,991,285	\$ 63,836,598
Total Liabilities	\$ 70,295,305	\$ 70,091,127
District Equity		
Revenue from Operations	\$ (5,868,155)	\$ (4,843,769)
Retained Earnings	108,672,169	108,672,169
Total Liabilities and District Equity	\$ 173,099,319	\$ 173,919,527

BALANCE SHEET AS OF NOVEMBER 30, 2014



Palmdale Water District
Consolidated Profit and Loss Statement
For the Eleven Months Ending 11/30/2014

	Thru October	November	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 194,229	\$ 23	\$ 194,252		\$ 225,000	86.33%
Water Sales	7,060,317	669,950	7,730,267		9,053,000	85.39%
Meter Fees	9,421,966	908,878	10,330,844		11,255,000	91.79%
Water Quality Fees	1,355,842	115,273	1,471,115		1,638,000	89.81%
Elevation Fees	416,349	32,843	449,192		525,000	85.56%
Other	1,137,969	79,476	1,217,445		1,700,000	71.61%
Total Operating Revenue	\$ 19,586,674	\$ 1,806,443	\$ 21,393,116	\$ -	\$ 24,396,000	87.69%
Cash Operating Expenses:						
Directors	\$ 120,964	\$ 7,742	\$ 128,706		\$ 114,500	112.41%
Administration*(+)++	2,770,941	175,152	2,946,094	61,000	3,551,000	82.97%
Engineering	880,807	81,057	961,864		1,079,800	89.08%
Facilities*(+)++	2,699,128	291,758	2,990,886	220,690	3,629,190	82.41%
Operations*(+)++	4,636,188	350,106	4,986,294	(284,990)	5,168,510	96.47%
Finance	2,524,470	219,230	2,743,700	(96,700)	2,872,050	95.53%
Water Conservation	126,177	23,791	149,968		270,000	55.54%
Human Resources*	192,846	27,340	220,187	30,000	245,300	89.76%
Information Technology*	618,380	87,160	705,540	70,000	898,600	78.52%
Water Purchases	2,271,070	80,522	2,351,592		2,400,000	97.98%
Water Purchases-Prior Year OAP	683	-	683		250,000	0.27%
Water Recovery	(418,631)	(8,888)	(427,519)		(100,000)	427.52%
Plant Expenditures	1,627,955	439,204	2,067,158		2,143,500	96.44%
GAC Filter Media Replacement	906,872	298,050	1,204,922		1,638,000	73.56%
Total Cash Operating Expenses	\$ 18,957,850	\$ 2,072,225	\$ 21,030,074	\$ -	\$ 24,160,450	87.04%
Non-Cash Operating Expenses:						
Depreciation	\$ 6,050,512	\$ 548,512	\$ 6,599,024		\$ 7,350,000	89.78%
OPEB Accrual Expense	1,668,749	166,875	1,835,624		2,000,000	91.78%
Bad Debts	30,665	-	30,665		100,000	30.67%
Service Costs Construction	(85,053)	8,102	(76,951)		125,000	-61.56%
Capitalized Construction	(1,249,115)	(111,533)	(1,360,648)		(1,000,000)	136.06%
Total Non-Cash Operating Expenses	\$ 6,415,759	\$ 611,956	\$ 7,027,715	\$ -	\$ 8,575,000	81.96%
Net Operating Profit/(Loss)	\$ (5,786,935)	\$ (877,738)	\$ (6,664,672)	\$ -	\$ (8,339,450)	79.92%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 2,905,627	\$ 108,586	\$ 3,014,213		\$ 4,400,000	68.50%
Assessments (1%)	1,215,099	34,283	1,249,382		1,800,000	69.41%
DWR Fixed Charge Recovery	133,539	88,039	221,578		100,000	221.58%
Interest	43,208	7,851	51,059		25,000	204.24%
Capital Improvement Fees	13,259	-	13,259		150,000	8.84%
State Grants	-	-	-		485,000	0.00%
Other	210,201	12,742	222,942		185,000	120.51%
Total Non-Operating Revenues	\$ 4,520,933	\$ 251,500	\$ 4,772,433	\$ -	\$ 7,145,000	66.79%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 1,935,803	\$ 188,730	\$ 2,124,533		\$ 2,111,000	100.64%
Amortization of SWP	1,595,100	131,561	1,726,661		1,679,000	102.84%
Water Conservation Programs	106,869	17,853	124,722		143,000	87.22%
Total Non-Operating Expenses	\$ 3,637,772	\$ 338,144	\$ 3,975,916	\$ -	\$ 3,933,000	101.09%
Net Earnings	\$ (4,903,774)	\$ (964,381)	\$ (5,868,155)	\$ -	\$ (5,127,450)	114.45%

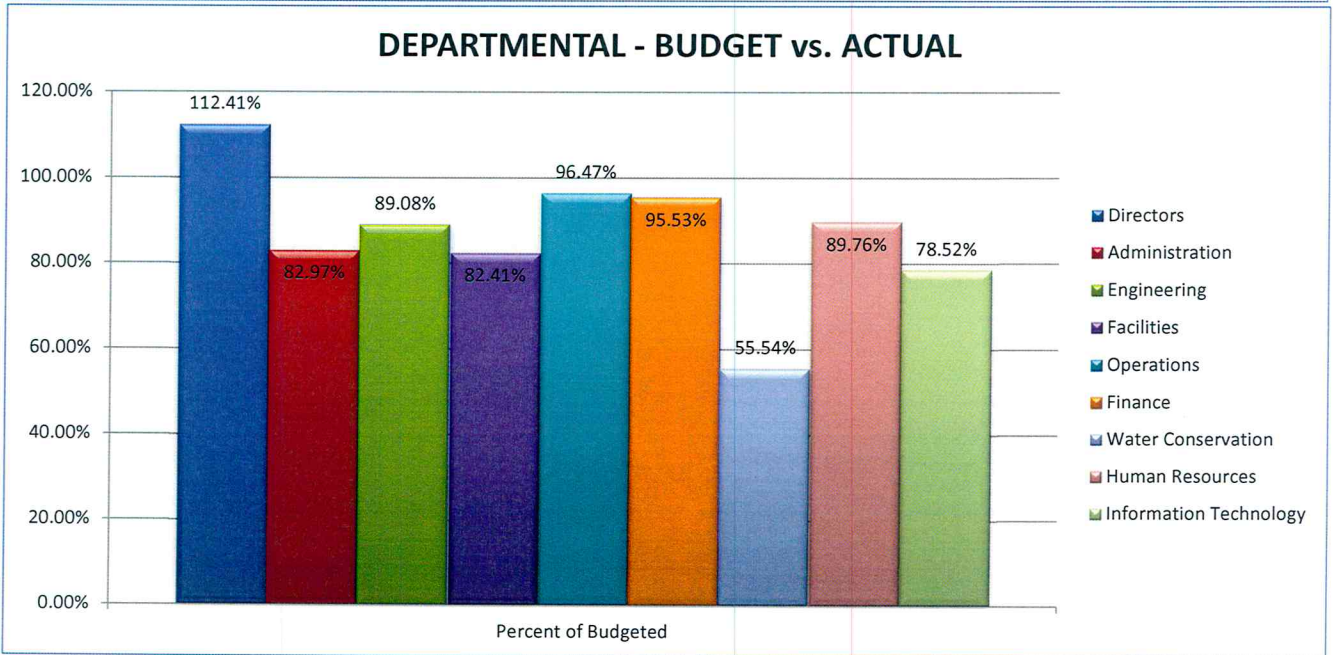
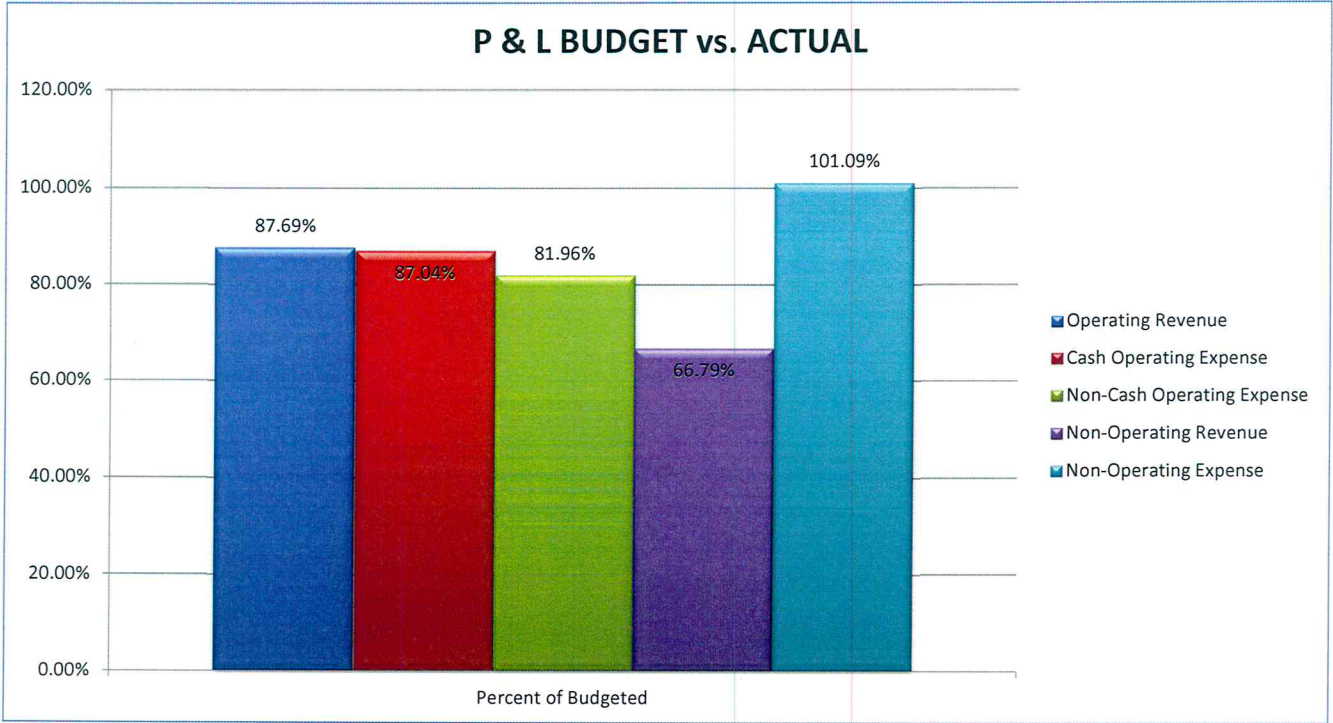
* Budget adjustments by General Manager per Appendix A

+ Amended by Board 10/27/14

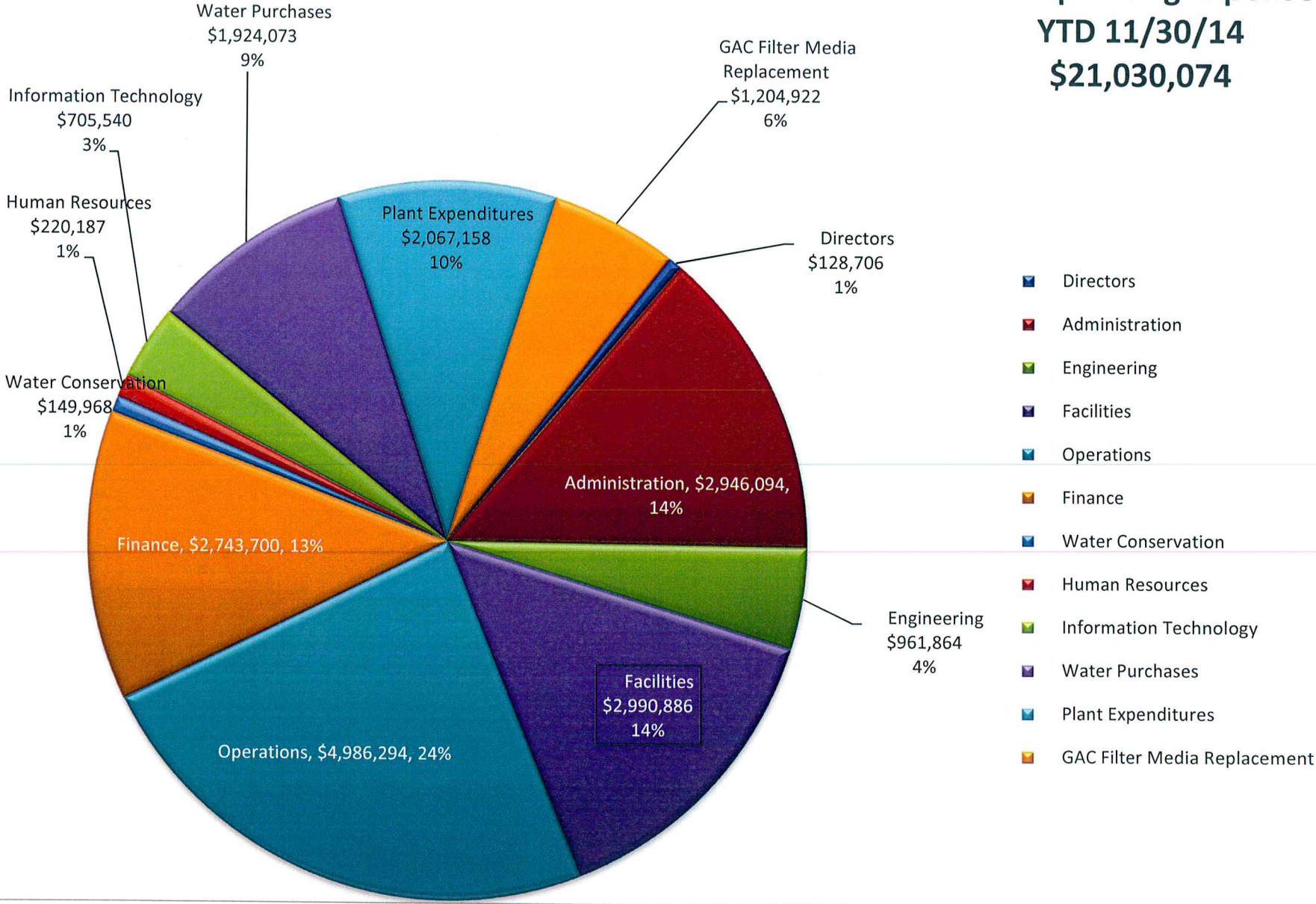
++ Amended by Board 08/13/14

OTHER OPERATING REVENUE	
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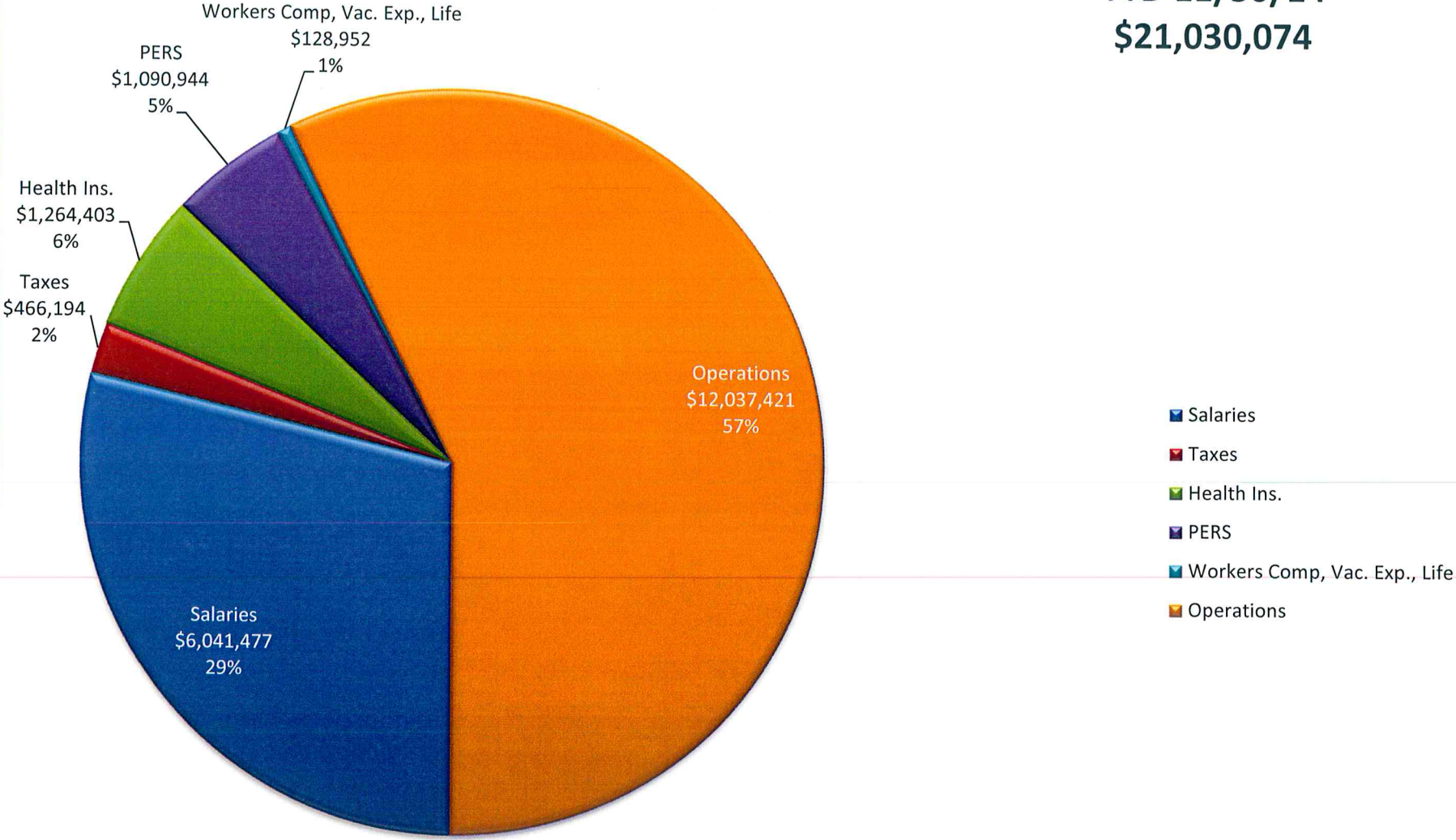
Account Setup Charge(\$25)	\$1,675.00
Account Setup Charge/CC (\$35)	\$1,995.00
After Hours Service Call	\$160.00
Construction Meter Install(\$250)	\$1,000.00
Credit Check(\$10)	\$10.00
Door Tag Fee(\$20)	\$19,540.00
Lock Broken or Missing(\$15)	\$30.00
Pulled Meter Service Charge(\$60)	\$180.00
Repair Angle Stop(\$440.00)	\$880.00
Shut-Off Charge(\$30)	\$2,850.00
Shut-Off Processing Fee(\$20)	\$120.00
Standard Trip Charge(\$15)	\$150.00
Unauthorized Use of Water(\$1000)	\$1,000.00
Late Fees	\$44,066.39
NSF Fee	\$450.00
	<hr/>
	\$74,106.39



Cash Operating Expenses YTD 11/30/14 \$21,030,074



**Personnel to Operations Exp
YTD 11/30/14
\$21,030,074**

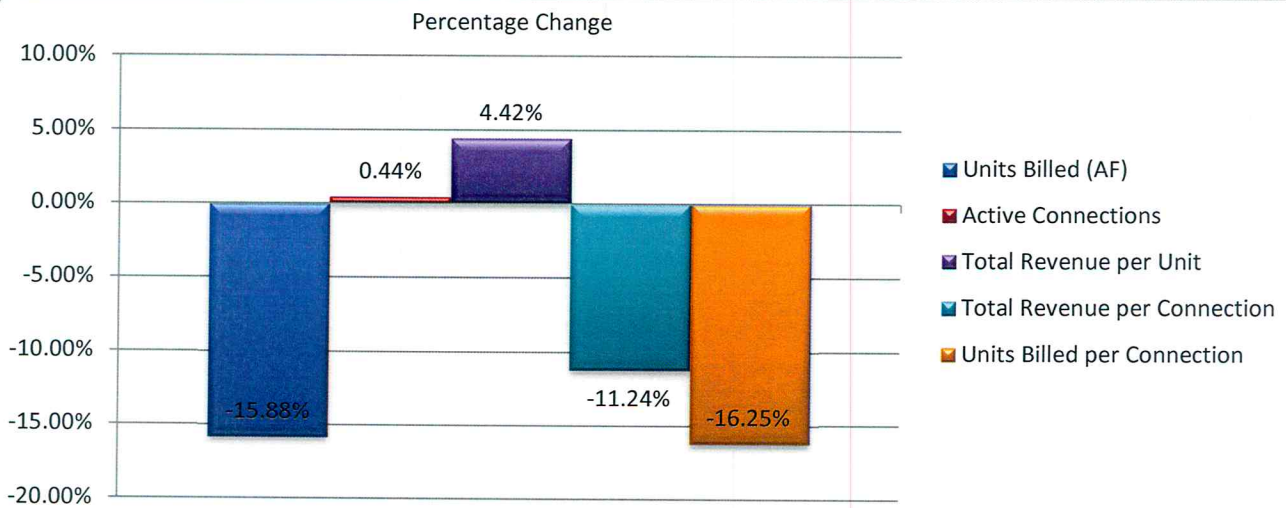
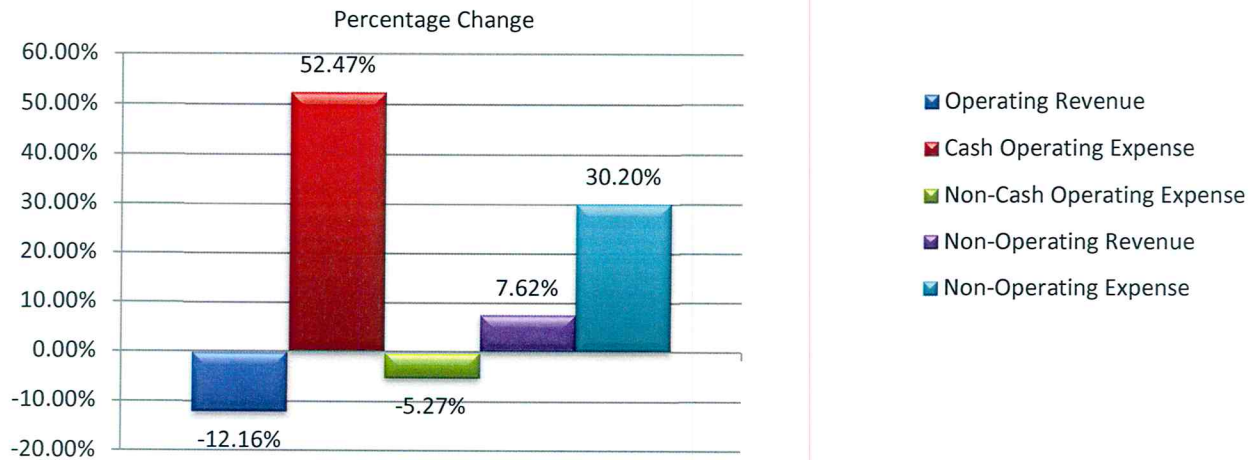


Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - November

	2013		2014		Consumption Comparison		
	November	November	Change	% Change	Units Billed	2013	2014
Operating Revenue:							
Wholesale Water	\$ 131	\$ 23	\$ (108)	-82.35%	Active	26,345	26,460
Water Sales	836,479	669,950	(166,529)	-19.91%	Vacant	1,008	913
Meter Fees	920,391	908,878	(11,513)	-1.25%			
Water Quality Fees	135,492	115,273	(20,219)	-14.92%			
Elevation Fees	44,779	32,843	(11,936)	-26.66%	Rev/unit	\$ 3.00	\$ 3.13
Other	119,323	79,476	(39,847)	-33.39%	Rev/con	\$ 73.53	\$ 65.27
Total Operating Revenue	\$ 2,056,594	\$ 1,806,443	\$ (250,151)	-12.16%	Unit/con	26.06	21.83
Cash Operating Expenses:							
Directors	\$ 8,520	\$ 7,742	\$ (778)	-9.13%			
Administration	169,411	175,152	5,741	3.39%			
Engineering	99,029	81,057	(17,972)	-18.15%			
Facilities	238,224	291,758	53,534	22.47%			
Operations	405,760	350,106	(55,654)	-13.72%			
Finance	248,156	219,230	(28,926)	-11.66%			
Water Conservation	19,057	23,791	4,734	24.84%			
Human Resources	19,378	27,340	7,962	41.09%			
Information Technology	54,688	87,160	32,472	59.38%			
Water Purchases	74,870	80,522	5,652	7.55%			
Water Purchases-Prior Year OAP	-	-	-				
Water Recovery	(474)	(8,888)	(8,414)				
Plant Expenditures	22,516	439,204	416,688	1850.64%			
GAC Filter Media Replacement	-	298,050	298,050				
Total Cash Operating Expenses	\$ 1,359,135	\$ 2,072,225	\$ 713,090	52.47%			
Non-Cash Operating Expenses:							
Depreciation	\$ 556,651	\$ 548,512	\$ (8,139)	-1.46%			
OPEB Accrual Expense	165,223	166,875	1,652	1.00%			
Bad Debts	6,403	-	(6,403)				
Service Costs Construction	(25)	8,102	8,127				
Capitalized Construction	(82,229)	(111,533)	(29,304)	35.64%			
Total Non-Cash Operating Expenses	\$ 646,023	\$ 611,956	\$ (34,067)	-5.27%			
Net Operating Profit/(Loss)	\$ 51,436	\$ (877,738)	\$ (929,173)	-1806.48%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 188,423	\$ 108,586	\$ (79,837)	-42.37%			
Assessments (1%)	31,287	34,283	2,996	9.57%			
DWR Fixed Charge Recovery	642	88,039	87,397				
Interest	(2,135)	7,851	9,986	-467.72%			
Capital Improvement Fees	2,877	-	(2,877)	-100.00%			
State Grants	-	-	-				
Other	12,600	12,742	141	1.12%			
Total Non-Operating Revenues	\$ 233,695	\$ 251,500	\$ 17,805	7.62%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 116,554	\$ 188,730	\$ 72,175	61.92%			
Amortization of SWP	131,561	131,561	-	0.00%			
Water Conservation Programs	11,594	17,853	6,260	53.99%			
Total Non-Operating Expenses	\$ 259,709	\$ 338,144	\$ 78,435	30.20%			
Net Earnings	\$ 25,422	\$ (964,381)	\$ (989,803)	-3893.55%			

YEAR-TO-YEAR COMPARISON

November '13 -To - November '14



	2013	2014	Change	
Units Billed (AF)	1,576	1,326	-250	-15.88%
Active Connections	26,345	26,460	115	0.44%
Non-Active	1,008	913	-95	-9.42%
Total Revenue per Unit	\$3.00	\$3.13	\$0.13	4.42%
Total Revenue per Connection	\$73.53	\$65.27	-\$8.27	-11.24%
Units Billed per Connection	26.06	21.83	-4.23	-16.25%

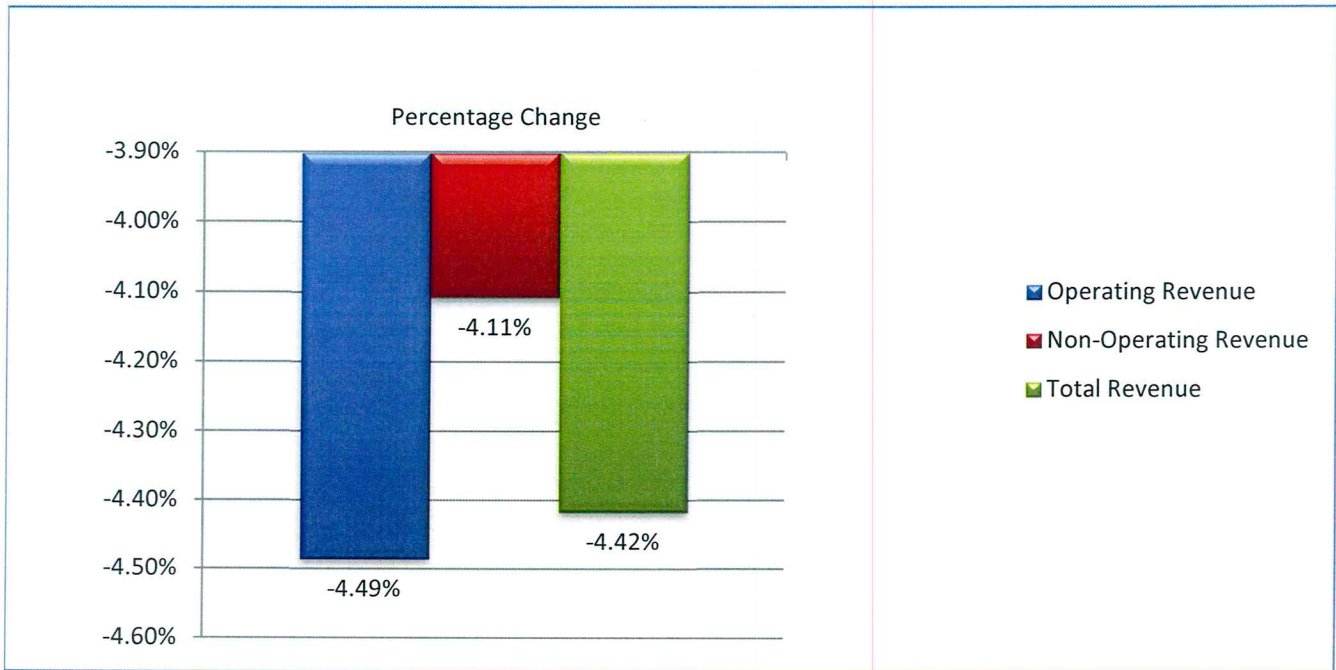
Palmdale Water District
Revenue Analysis
For the Eleven Months Ending 11/30/2014

	2014					2013 to 2014 Comparison			
	Thru October	November	Year-to-Date	Adjusted Budget	% of Budget	Thru October	November	Year-to-Date	% Change
Operating Revenue:									
Wholesale Water	\$ 194,229	\$ 23	\$ 194,252	\$ 225,000	86.33%	\$ 194,229	(108)	29,015	17.56%
Water Sales	7,060,317	669,950	7,730,267	9,053,000	85.39%	(551,502)	(166,529)	(718,031)	-8.50%
Meter Fees	9,421,966	908,878	10,330,844	11,255,000	91.79%	207,378	(11,513)	195,866	1.93%
Water Quality Fees	1,355,842	115,273	1,471,115	1,638,000	89.81%	(64,927)	(20,219)	(85,146)	-5.47%
Elevation Fees	416,349	32,843	449,192	525,000	85.56%	(62,223)	(11,936)	(74,159)	-14.17%
Other	1,137,969	79,476	1,217,445	1,700,000	71.61%	(312,719)	(39,847)	(352,565)	-22.46%
Total Operating Revenue	\$ 19,586,674	\$ 1,806,443	\$ 21,393,116	\$ 24,396,000	87.69%	\$ (589,763)	\$ (250,151)	\$ (1,005,020)	-4.49%
Non-Operating Revenues:									
Assessments (Debt Service)	\$ 2,905,627	\$ 108,586	\$ 3,014,213	\$ 4,400,000	68.50%	\$ 221,723	\$ (79,837)	\$ 141,886	4.94%
Assessments (1%)	1,215,099	34,283	1,249,382	1,800,000	69.41%	(424,165)	2,996	(421,170)	-25.21%
DWR Fixed Charge Recovery	133,539	88,039	221,578	100,000	221.58%	(99,652)	87,397	(12,255)	-5.24%
Interest	43,208	7,851	51,059	25,000	204.24%	41,415	9,986	51,401	
Capital Improvement Fees	13,259	-	13,259	150,000	8.84%	13,769	(2,877)	10,892	460.34%
State Grants	-	-	-	485,000	0.00%	-	-	-	
Other	210,201	12,742	222,942	185,000	120.51%	24,624	141	24,765	12.50%
Total Non-Operating Revenues	\$ 4,520,933	\$ 251,500	\$ 4,772,433	\$ 7,145,000	66.79%	\$ (222,286)	\$ 17,805	\$ (204,481)	-4.11%
Total Revenue	\$ 24,107,607	\$ 2,057,943	\$ 26,165,550	\$ 31,541,000	82.96%	\$ (812,049)	\$ (232,345)	\$ (1,209,501)	-4.42%

	2013				
	Thru October	November	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 165,106	\$ 131	\$ 165,237	\$ 175,000	94.42%
Water Sales	7,611,819	836,479	8,448,298	8,198,000	103.05%
Meter Fees	9,214,588	920,391	10,134,979	11,232,000	90.23%
Water Quality Fees	1,420,770	135,492	1,556,261	1,638,000	95.01%
Elevation Fees	478,572	44,779	523,351	550,000	95.15%
Other	1,450,688	119,323	1,570,010	1,250,000	125.60%
Total Operating Revenue	\$ 20,176,437	\$ 2,056,594	\$ 22,398,136	\$ 22,868,000	97.95%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 2,683,904	\$ 188,423	\$ 2,872,327	\$ 4,300,000	66.80%
Assessments (1%)	1,639,264	31,287	1,670,552	3,170,552	52.69%
DWR Fixed Charge Recovery	233,191	642	233,833	100,000	233.83%
Interest	1,793	(2,135)	(342)	25,000	-1.37%
Capital Improvement Fees	(511)	2,877	2,366	150,000	1.58%
State Grants	-	-	-	485,000	0.00%
Other	185,577	12,600	198,178	150,000	132.12%
Total Non-Operating Revenues	\$ 4,743,219	\$ 233,695	\$ 4,976,914	\$ 8,380,552	59.39%
Total Revenue	\$ 24,919,656	\$ 2,290,288	\$ 27,375,050	\$ 31,248,552	87.60%

REVENUE COMPARISON YEAR-TO-DATE

November '13-To-November '14



Palmdale Water District
Operating Expense Analysis
For the Eleven Months Ending 11/30/2014
2014

2013 to 2014 Comparison

	2014			Adjusted Budget	% of Budget	2013 to 2014 Comparison			
	Thru October	November	Year-to-Date			Thru October	November	Year-to-Date	% Change
Cash Operating Expenses:									
Directors	\$ 120,964	\$ 7,742	\$ 128,706	\$ 114,500	112.41%	\$ 38,562	\$ (778)	\$ 37,784	41.56%
Administration	2,770,941	175,152	2,946,094	3,551,000	82.97%	944,868	5,741	950,609	47.64%
Engineering	880,807	81,057	961,864	1,079,800	89.08%	(160,603)	(17,972)	(178,574)	-15.66%
Facilities	2,699,128	291,758	2,990,886	3,629,190	82.41%	273,221	53,534	326,755	12.26%
Operations	4,636,188	350,106	4,986,294	5,168,510	96.47%	278,466	(55,654)	222,812	4.68%
Finance	2,524,470	219,230	2,743,700	2,872,050	95.53%	152,858	(28,926)	123,932	4.73%
Water Conservation	126,177	23,791	149,968	270,000	55.54%	(65,688)	4,734	(60,954)	-28.90%
Human Resources	192,846	27,340	220,187	245,300	89.76%	35,196	7,962	43,158	24.38%
Information Technology	618,380	87,160	705,540	898,600	78.52%	618,380	32,472	131,373	22.88%
Water Purchases	2,271,070	80,522	2,351,592	2,400,000	97.98%	198,562	5,652	204,214	9.51%
Water Purchases-Prior Year OAP	683	-	683	250,000	0.27%	(435,802)	-	(435,802)	-99.84%
Water Recovery	(418,631)	(8,888)	(427,519)	(100,000)	427.52%	192,458	(8,414)	184,044	-30.09%
Plant Expenditures	1,627,955	439,204	2,067,158	2,143,500	96.44%	967,640	416,688	1,384,328	202.73%
GAC Filter Media Replacement	906,872	298,050	1,204,922	1,638,000	73.56%	(182,721)	298,050	115,329	10.58%
Total Cash Operating Expenses	\$ 18,957,850	\$ 2,072,225	\$ 21,030,074	\$ 24,160,450	87.04%	\$ 2,855,398	\$ 713,090	\$ 3,049,009	14.50%
Non-Cash Operating Expenses:									
Depreciation	\$ 6,050,512	\$ 548,512	\$ 6,599,024	\$ 7,350,000	89.78%	\$ (321,491)	\$ (8,139)	\$ (329,630)	-4.76%
OPEB Accrual Expense	1,668,749	166,875	1,835,624	2,000,000	91.78%	16,523	1,652	18,175	1.00%
Bad Debts	30,665	-	30,665	100,000	30.67%	25,084	(6,403)	18,682	155.89%
Service Costs Construction	(85,053)	8,102	(76,951)	125,000	-61.56%	(174,760)	8,127	(166,633)	-185.80%
Capitalized Construction	(1,249,115)	(111,533)	(1,360,648)	(1,000,000)	136.06%	(213,150)	(29,304)	(242,455)	21.68%
Total Non-Cash Operating Expenses	\$ 6,415,759	\$ 611,956	\$ 7,027,715	\$ 8,575,000	81.96%	\$ (667,794)	\$ (34,067)	\$ (701,861)	-9.99%
Non-Operating Expenses:									
Interest on Long-Term Debt	\$ 1,935,803	\$ 188,730	\$ 2,124,533	\$ 2,111,000	100.64%	\$ 284,931	\$ 72,175	\$ 357,106	20.20%
Amortization of SWP	1,595,100	131,561	1,726,661	1,679,000	102.84%	150,266	-	150,266	9.53%
Water Conservation Programs	106,869	17,853	124,722	143,000	87.22%	5,286	6,260	11,545	0.33%
Total Non-Operating Expenses	\$ 3,637,772	\$ 338,144	\$ 3,975,916	\$ 3,933,000	101.09%	\$ 440,483	\$ 78,435	\$ 518,917	15.01%
Total Expenses	\$ 29,011,381	\$ 3,022,324	\$ 32,033,705	\$ 36,668,450	87.36%	\$ 2,628,086	\$ 757,457	\$ 2,866,064	9.83%

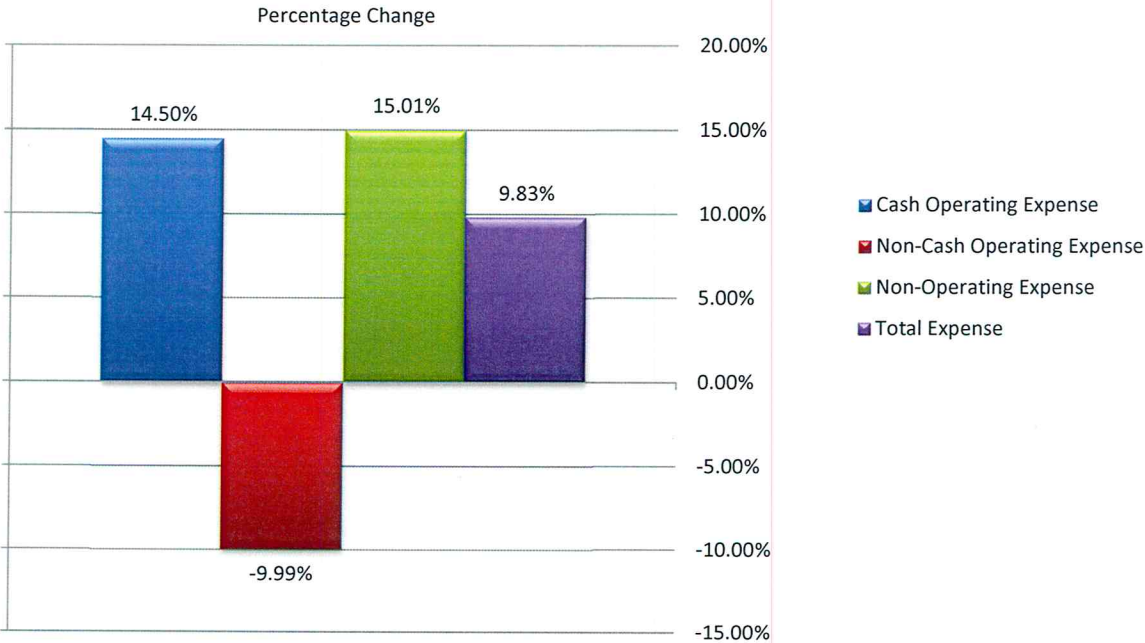
Palmdale Water District
Operating Expense Analysis
For the Eleven Months Ending 11/30/2014

2013 to 2014 Comparison

	2013				
	Thru October	November	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 82,401	\$ 8,520	\$ 90,922	\$ 117,500	77.38%
Administration	1,826,073	169,411	1,995,484	2,602,000	76.69%
Engineering	1,041,410	99,029	1,140,439	1,215,750	93.81%
Facilities	2,425,907	238,224	2,664,131	3,298,500	80.77%
Operations	4,357,722	405,760	4,763,482	4,944,250	96.34%
Finance	2,371,612	248,156	2,619,768	2,789,000	93.93%
Water Conservation	191,865	19,057	210,922	239,750	87.98%
Human Resources	157,651	19,378	177,029	209,600	84.46%
Information Technology	519,479	54,688	574,167	728,000	78.87%
Water Purchases	2,072,508	74,870	2,147,378	2,600,000	82.59%
Water Purchases-Prior Year OAP	436,485	-	436,485	-	
Water Recovery	(611,089)	(474)	(611,563)	(100,000)	611.56%
Plant Expenditures	660,315	22,516	682,830	836,500	81.63%
GAC Filter Media Replacement	1,089,593	-	1,089,593	1,638,000	66.52%
Total Cash Operating Expenses	\$ 16,621,931	\$ 1,359,135	\$ 17,981,066	\$ 21,118,850	85.14%
Non-Cash Operating Expenses:					
Depreciation	\$ 6,372,003	\$ 556,651	\$ 6,928,654	\$ 7,250,000	95.57%
OPEB Accrual Expense	1,652,227	165,223	1,817,449	2,000,000	90.87%
Bad Debts	5,581	6,403	11,984	100,000	11.98%
Service Costs Construction	89,708	(25)	89,682	125,000	71.75%
Capitalized Construction	(1,035,965)	(82,229)	(1,118,193)	(1,000,000)	111.82%
Total Non-Cash Operating Expenses	\$ 7,083,553	\$ 646,023	\$ 7,729,576	\$ 8,475,000	91.20%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,650,872	\$ 116,554	\$ 1,767,427	\$ 2,111,000	83.72%
Amortization of SWP	1,444,834	131,561	1,576,395	1,679,000	93.89%
Water Conservation Programs	101,583	11,594	113,177	150,000	75.45%
Total Non-Operating Expenses	\$ 3,197,290	\$ 259,709	\$ 3,456,999	\$ 3,940,000	87.74%
Total Expenses	\$ 26,902,774	\$ 2,264,867	\$ 29,167,640	\$ 33,533,850	86.98%

EXPENSE COMPARISON YEAR-TO-DATE

November '13-To-November '14



**Palmdale Water District
2014 Directors Budget
For the Eleven Months Ending Sunday, November 30, 2014**

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 61,500	\$ 45,000	\$ -	\$ (16,500)	136.67%
Employee Benefits					
1-01-4005-000 Payroll Taxes	4,675	5,500		825	85.00%
1-01-4010-000 Health Insurance	48,271	54,000		5,729	89.39%
Subtotal (Benefits)	52,946	59,500	-	5,729	88.98%
 Total Personnel Expenses	 \$ 114,446	 \$ 104,500	 \$ -	 \$ (10,771)	 109.52%
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	14,260	10,000		(4,260)	142.60%
Subtotal Operating Expenses	14,260	10,000	-	(4,260)	142.60%
 Total O & M Expenses	 \$ 128,706	 \$ 114,500	 \$ -	 \$ (15,031)	 112.41%

Palmdale Water District
2014 Administration Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries++	\$ 676,754	\$ 656,000	\$ 101,800	\$ 81,046	89.31%
1-02-4000-100 Overtime	7,668	7,500		(168)	102.24%
1-02-4000-200 On-Call	48,252	60,000		11,749	80.42%
Subtotal (Salaries)	<u>\$ 732,673</u>	<u>\$ 723,500</u>	<u>\$ 101,800</u>	<u>\$ 92,627</u>	<u>88.78%</u>
Employee Benefits					
1-02-4005-000 Payroll Taxes++	45,581	41,500	7,800	3,719	92.46%
1-02-4010-000 Health Insurance++	99,236	96,000	14,400	11,164	89.89%
1-02-4015-000 PERS++	128,687	132,500	17,000	20,813	86.08%
1-02-4020-000 Worker's Compensation	87,168	125,000		37,832	69.73%
1-02-4025-000 Vacation Benefit Expense	34,789	35,000		211	99.40%
1-02-4030-000 Life Insurance	6,995	7,500		505	93.26%
Subtotal (Benefits)	<u>\$ 402,456</u>	<u>\$ 437,500</u>	<u>\$ 39,200</u>	<u>\$ 74,244</u>	<u>84.43%</u>
Total Personnel Expenses	<u>\$ 1,135,128</u>	<u>\$ 1,161,000</u>	<u>\$ 141,000</u>	<u>\$ 166,872</u>	<u>87.18%</u>
OPERATING EXPENSES:					
1-02-4050-000 Staff Travel	\$ 9,864	\$ 8,000		\$ (1,864)	123.30%
1-02-4050-100 General Manager Travel	6,532	5,000		(1,532)	130.65%
1-02-4060-000 Staff Conferences & Seminars	3,638	3,000		(638)	121.27%
1-02-4060-100 General Manager Conferences & Seminars	3,460	4,500		1,040	76.89%
1-02-4070-000 Employee Expense*	-	40,000	(40,000)	-	
1-02-4080-000 Other Operating	17,965	20,000		2,035	89.82%
1-02-4110-000 Consultants+	117,885	200,000	(40,000)	42,115	73.68%
1-02-4125-000 Insurance	249,960	300,000		50,040	83.32%
1-02-4130-000 Bank Charges	124,675	130,000		5,325	95.90%
1-02-4135-000 Groundwater Adjudication	203,823	400,000		196,177	50.96%
1-02-4135-000 Groundwater Adjudication - Woods Class	601,670	590,500		(11,170)	101.89%
1-02-4140-000 Legal Services	171,343	200,000		28,657	85.67%
1-02-4150-000 Accounting Services	25,285	25,000		(285)	101.14%
1-02-4155-000 Contracted Services	25,744	29,000		3,256	88.77%
1-02-4165-000 Memberships/Subscriptions	121,378	210,000		88,622	57.80%
1-02-4175-000 Permits	8,986	15,000		6,014	59.90%
1-02-4180-000 Postage	24,806	30,000		5,194	82.69%
1-02-4190-100 Public Relations - Publications	14,400	40,000		25,600	36.00%
1-02-4190-900 Public Relations - Other	706	1,000		294	70.60%
1-02-4200-000 Advertising	2,424	5,000		2,576	48.48%
1-02-4205-000 Office Supplies	23,919	18,000		(5,919)	132.88%
1-02-4215-200 Natural Gas - Office Building	2,319	5,000		2,681	46.38%
1-02-4220-200 Electricity - Office Building	50,184	50,000		(184)	100.37%
Subtotal Operating Expenses	<u>\$ 1,810,965</u>	<u>\$ 2,329,000</u>	<u>\$ (80,000)</u>	<u>\$ 438,035</u>	<u>80.52%</u>
Total Departmental Expenses	<u>\$ 2,946,094</u>	<u>\$ 3,490,000</u>	<u>\$ 61,000</u>	<u>\$ 604,906</u>	<u>82.97%</u>

* Budget adjustments by General Manager per Appendix A
+ Amended by Board 10/27/14
++ Amended by Board 08/13/14

Palmdale Water District
2014 Engineering Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 592,735	\$ 668,500		\$ 75,766	88.67%
1-03-4000-100 Overtime	8,822	6,500		(2,322)	135.72%
Subtotal (Salaries)	\$ 601,556	\$ 675,000		\$ 73,444	89.12%
Employee Benefits					
1-03-4005-000 Payroll Taxes	47,881	51,500		3,619	92.97%
1-03-4010-000 Health Insurance	122,698	134,800		12,102	91.02%
1-03-4015-000 PERS	120,597	133,500		12,903	90.33%
Subtotal (Benefits)	\$ 291,176	\$ 319,800	\$ -	\$ 28,624	91.05%
Total Personnel Expenses	\$ 892,733	\$ 994,800	\$ -	\$ 102,067	89.74%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	\$ 2,276	\$ 3,000		\$ 724	75.87%
1-03-4060-000 Staff Conferences & Seminars	1,515	2,500		985	60.60%
1-03-4155-000 Contracted Services	50,000	61,500		11,500	81.30%
1-03-4165-000 Memberships/Subscriptions	1,797	2,000		203	89.85%
1-03-4250-000 General Materials & Supplies	2,162	2,500		338	86.47%
1-03-8100-100 Computer Software - Maint. & Support	11,382	13,500		2,118	84.31%
Subtotal Operating Expenses	\$ 69,132	\$ 85,000	\$ -	\$ 15,868	81.33%
Total Departmental Expenses	\$ 961,864	\$ 1,079,800	\$ -	\$ 117,936	89.08%

**Palmdale Water District
2014 Facilities Budget
For the Eleven Months Ending Sunday, November 30, 2014**

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries++	\$ 1,342,342	\$ 1,450,000	\$ 167,250	\$ 274,908	83.00%
1-04-4000-100 Overtime	69,548	36,500		(33,048)	190.54%
Subtotal (Salaries)	<u>\$ 1,411,890</u>	<u>\$ 1,486,500</u>	<u>\$ 167,250</u>	<u>\$ 241,860</u>	<u>85.38%</u>
Employee Benefits					
1-04-4005-000 Payroll Taxes++	112,977	111,000	13,300	11,323	90.89%
1-04-4010-000 Health Insurance++	315,284	374,500	30,540	89,756	77.84%
1-04-4015-000 PERS++	239,366	278,000	19,600	58,234	80.43%
Subtotal (Benefits)	<u>\$ 667,626</u>	<u>\$ 763,500</u>	<u>\$ 63,440</u>	<u>\$ 159,314</u>	<u>80.73%</u>
Total Personnel Expenses	<u><u>\$ 2,079,517</u></u>	<u><u>\$ 2,250,000</u></u>	<u><u>\$ 230,690</u></u>	<u><u>\$ 401,173</u></u>	<u><u>83.83%</u></u>
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	\$ 6,943	\$ 2,500		\$ (4,443)	277.74%
1-04-4060-000 Staff Conferences & Seminars	1,652	3,000		1,348	55.08%
1-04-4155-000 Contracted Services	67,501	71,500		3,999	94.41%
1-04-4175-000 Permits-Dams	19,868	50,000		30,132	39.74%
1-04-4215-200 Natural Gas - Buildings	1,971	4,500		2,529	43.81%
1-04-4220-200 Electricity - Buildings	21,165	30,000		8,835	70.55%
1-04-4225-000 Maint. & Repair - Vehicles	27,281	45,000		17,719	60.62%
1-04-4230-100 Maint. & Rep. Office Building	9,718	18,000		8,282	53.99%
1-04-4235-110 Maint. & Rep. Equipment	10,305	7,500		(2,805)	137.41%
1-04-4235-400 Maint. & Rep. Operations - Wells+	61,780	135,000	(10,000)	63,220	49.42%
1-04-4235-405 Maint. & Rep. Operations - Boosters	29,172	65,000		35,828	44.88%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	8,959	10,000		1,041	89.59%
1-04-4235-415 Maint. & Rep. Operations - Facilities	9,395	15,000		5,605	62.63%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	288,560	275,000		(13,560)	104.93%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	3,164	15,000		11,836	21.10%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	1,020	15,000		13,980	6.80%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	960	3,000		2,040	32.00%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	52,904	35,000		(17,904)	151.15%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	381	5,000		4,619	7.61%
1-04-6000-000 Waste Disposal	12,467	40,000		27,533	31.17%
1-04-6100-100 Fuel and Lube - Vehicle	100,274	130,000		29,726	77.13%
1-04-6100-200 Fuel and Lube - Machinery	35,266	43,000		7,734	82.01%
1-04-6200-000 Uniforms	20,670	21,000		330	98.43%
1-04-6300-100 Supplies - Misc.	49,497	47,500		(1,997)	104.20%
1-04-6300-800 Supplies - Construction Materials	47,286	45,000		(2,286)	105.08%
1-04-6400-000 Tools	11,034	12,000		966	91.95%
1-04-7000-100 Leases -Equipment	12,175	15,000		2,825	81.17%
Subtotal Operating Expenses	<u>\$ 911,369</u>	<u>\$ 1,158,500</u>	<u>\$ (10,000)</u>	<u>\$ 237,131</u>	<u>79.35%</u>
Total Departmental Expenses	<u><u>\$ 2,990,886</u></u>	<u><u>\$ 3,408,500</u></u>	<u><u>\$ 220,690</u></u>	<u><u>\$ 638,304</u></u>	<u><u>82.41%</u></u>

+ Amended by Board 10/27/14

++ Amended by Board 08/13/14

Palmdale Water District
2014 Operation Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries++	\$ 1,383,705	\$ 1,734,000	\$ (199,750)	\$ 150,545	90.19%
1-05-4000-100 Overtime	81,519	70,000		(11,519)	116.46%
Subtotal (Salaries)	\$ 1,465,224	\$ 1,804,000	\$ (199,750)	\$ 139,026	91.33%
Employee Benefits					
1-05-4005-000 Payroll Taxes++	116,306	131,000	(15,800)	(1,106)	100.96%
1-05-4010-000 Health Insurance++	301,335	343,000	(35,340)	6,325	97.94%
1-05-4015-000 PERS++	270,831	324,000	(24,100)	29,069	90.31%
Subtotal (Benefits)	\$ 688,472	\$ 798,000	\$ (75,240)	\$ 34,288	95.26%
Total Personnel Expenses	\$ 2,153,696	\$ 2,602,000	\$ (274,990)	\$ 173,314	92.55%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ 8,395	\$ 8,000		\$ (395)	104.93%
1-05-4060-000 Staff Conferences & Seminars	3,472	9,500		6,028	36.55%
1-05-4120-100 Training - Lab Equipment*	6,867	4,500	2,500	133	98.10%
1-05-4120-200 Training - SCADA Network	5,401	9,000		3,599	60.02%
1-05-4155-000 Contracted Services	77,687	109,250		31,563	71.11%
1-05-4175-000 Permits	28,733	45,000		16,267	63.85%
1-05-4215-100 Natural Gas - Wells & Boosters	277,792	236,000		(41,792)	117.71%
1-05-4215-200 Natural Gas - WTP	1,310	3,000		1,690	43.67%
1-05-4220-100 Electricity - Wells & Boosters	1,597,182	1,515,000		(82,182)	105.42%
1-05-4220-200 Electricity - WTP	131,880	125,000		(6,880)	105.50%
1-05-4230-110 Maint. & Rep. - Office Equipment	408	500		92	81.57%
1-05-4235-110 Maint. & Rep. Operations - Equipment	16,033	22,500		6,467	71.26%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	8,971	6,000		(2,971)	149.51%
1-05-4235-415 Maint. & Rep. Operations - Facilities	80,793	45,000		(35,793)	179.54%
1-05-4235-445 Maint. & Rep. Operations - Telemetry	663	2,250		1,587	29.47%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	46,318	30,000		(16,318)	154.39%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	6,183	6,000		(183)	103.04%
1-05-4236-000 Palmdale Lake Management	9,270	15,000		5,730	61.80%
1-05-4270-300 Telecommunication - Other	2,749	2,750		1	99.97%
1-05-4300-300 Testing - Edison	-	9,000		9,000	0.00%
1-05-6000-000 Waste Disposal*	24,309	14,000	7,146	(3,163)	114.96%
1-05-6200-000 Uniforms	13,441	12,000		(1,441)	112.01%
1-05-6300-100 Supplies - Misc.	19,179	15,000		(4,179)	127.86%
1-05-6300-200 Supplies - Hypo Generator	6,052	6,750		698	89.66%
1-05-6300-300 Supplies - Electrical	405	3,500		3,095	11.57%
1-05-6300-400 Supplies - Telemetry	2,055	7,500		5,445	27.41%
1-05-6300-600 Supplies - Lab	34,909	35,000		91	99.74%
1-05-6300-700 Outside Lab Work	43,460	60,000		16,540	72.43%
1-05-6400-000 Tools	6,773	6,500		(273)	104.19%
1-05-6500-000 Chemicals**	370,180	485,000	(19,646)	95,174	79.55%
1-05-7000-100 Leases -Equipment	1,729	3,000		1,271	57.62%
Subtotal Operating Expenses	\$ 2,832,598	\$ 2,851,500	\$ (10,000)	\$ 8,902	99.69%
Total Departmental Expenses	\$ 4,986,294	\$ 5,453,500	\$ (284,990)	\$ 182,216	96.47%

* Budget adjustments by General Manager per Appendix A
+ Amended by Board 10/27/14
++ Amended by Board 08/13/14

**Palmdale Water District
2014 Finance Budget
For the Eleven Months Ending Sunday, November 30, 2014**

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries++	\$ 1,367,564	\$ 1,645,000	\$ (69,300)	\$ 208,136	86.79%
1-06-4000-100 Overtime	15,604	19,000		3,396	82.13%
Subtotal (Salaries)	<u>\$ 1,383,168</u>	<u>\$ 1,664,000</u>	<u>\$ (69,300)</u>	<u>\$ 211,532</u>	<u>86.74%</u>
Employee Benefits					
1-06-4005-000 Payroll Taxes++	108,500	123,000	(5,300)	9,200	92.18%
1-06-4010-000 Health Insurance++	307,178	317,000	(9,600)	222	99.93%
1-06-4015-000 PERS++	272,004	331,000	(12,500)	46,496	85.40%
Subtotal (Benefits)	<u>\$ 687,682</u>	<u>\$ 771,000</u>	<u>\$ (27,400)</u>	<u>\$ 55,918</u>	<u>92.48%</u>
Total Personnel Expenses	<u><u>\$ 2,070,850</u></u>	<u><u>\$ 2,435,000</u></u>	<u><u>\$ (96,700)</u></u>	<u><u>\$ 267,450</u></u>	<u><u>88.56%</u></u>
OPERATING EXPENSES:					
1-06-4050-000 Staff Travel	\$ 269	\$ 250		\$ (19)	107.57%
1-06-4060-000 Staff Conferences & Seminars	562	1,000		438	56.20%
1-06-4155-300 Contracted Services	23,466	21,000		(2,466)	111.74%
1-06-4155-100 Contracted Services - Infosend	180,823	205,000		24,177	88.21%
1-06-4165-000 Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	-	1,000		1,000	0.00%
1-06-4235-440 Maint. & Rep. Operations - Large Meters	35,504	10,000		(25,504)	355.04%
1-06-4235-470 Maint. & Rep. Operations - Meter Exchanges	375,181	225,000		(150,181)	166.75%
1-06-4250-000 General Material & Supplies	3,095	6,000		2,905	51.58%
1-06-4260-000 Business Forms	8,066	10,000		1,934	80.66%
1-06-4270-100 Telecommunication - Office	12,627	12,000		(627)	105.22%
1-06-4270-200 Telecommunication - Cellular Stipend	14,235	17,000		2,765	83.74%
1-06-4270-300 Telecommunication - Cellular	-	500		500	0.00%
1-06-4300-200 Testing - Large Meter Testing	16,202	21,500		5,298	75.36%
1-06-7000-100 Leases - Equipment	2,600	3,000		400	86.68%
Subtotal Operating Expenses	<u>\$ 672,850</u>	<u>\$ 533,750</u>	<u>\$ -</u>	<u>\$ (139,100)</u>	<u>126.06%</u>
Total Departmental Expenses	<u><u>\$ 2,743,700</u></u>	<u><u>\$ 2,968,750</u></u>	<u><u>\$ (96,700)</u></u>	<u><u>\$ 128,350</u></u>	<u><u>95.53%</u></u>

++ Amended by Board 08/13/14

Palmdale Water District
2014 Water Conservation Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-07-4000-000 Salaries	\$ 94,039	\$ 168,500		\$ 74,461	55.81%
1-07-4000-100 Overtime	2,528	1,000		(1,528)	252.80%
Subtotal (Salaries)	\$ 96,567	\$ 169,500		\$ 72,933	56.97%
Employee Benefits					
1-07-4005-000 Payroll Taxes	7,867	13,000		5,133	60.51%
1-07-4010-000 Health Insurance	19,755	31,500		11,745	62.71%
1-07-4015-000 PERS	14,121	34,000		19,879	41.53%
Subtotal (Benefits)	\$ 41,742	\$ 78,500	\$ -	\$ 36,758	53.18%
Total Personnel Expenses	\$ 138,310	\$ 248,000	\$ -	\$ 111,218	55.77%
OPERATING EXPENSES:					
1-07-4050-000 Staff Travel	\$ 79	\$ 1,000		\$ 921	7.87%
1-07-4060-000 Staff Conferences & Seminars	695	1,000		305	69.50%
1-07-4190-300 Public Relations - Landscape Workshop/Training	71	1,000		929	7.14%
1-07-4190-400 Public Relations - Contests	-	1,000		1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	413	5,000		4,588	8.25%
1-07-4190-700 Public Relations -General Media	2,858	3,000		142	95.27%
1-07-4190-900 Public Relations - Other	115	5,000		4,885	2.30%
1-07-6300-100 Supplies - Misc.	7,427	5,000		(2,427)	148.55%
Subtotal Operating Expenses	\$ 11,658	\$ 22,000	\$ -	\$ 10,342	52.99%
Total Departmental Expenses	\$ 149,968	\$ 270,000	\$ -	\$ 121,560	55.54%

Palmdale Water District
2014 Human Resources Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 90,140	\$ 97,000		\$ 6,860	92.93%
Employee Benefits					
1-08-4005-000 Payroll Taxes	7,220	7,500		280	96.27%
1-08-4010-000 Health Insurance	15,448	19,200		3,752	80.46%
1-08-4015-000 PERS	5,471	6,500		1,029	84.16%
Subtotal (Benefits)	\$ 28,139	\$ 33,200	\$ -	\$ 5,061	84.76%
Total Personnel Expenses	\$ 118,279	\$ 130,200	\$ -	\$ 11,921	90.84%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 1,721	\$ 500		\$ (1,221)	344.24%
1-08-4060-000 Staff Conferences & Seminars	749	500		(249)	149.80%
1-08-4070-000 Employee Expense*	38,596	-	40,000	1,404	96.49%
1-08-4090-000 Temporary Staffing	-	-		-	
1-08-4095-000 Employee Recruitment	17,955	3,000		(14,955)	598.50%
1-08-4100-000 Employee Retention**	7,283	1,500	18,500	12,717	36.42%
1-08-4105-000 Employee Relations	2,633	3,500		867	75.22%
1-08-4110-000 Consultants	-	1,000		1,000	0.00%
1-08-4120-100 Training-Safety Consultants+	13,031	38,000	(10,000)	14,969	46.54%
1-08-4121-000 Safety Program	68	1,000		932	6.80%
1-08-4165-000 Membership/Subscriptions	968	1,600		632	60.53%
1-08-4165-100 HR/Safety Publications	1,546	1,000		(546)	154.58%
1-08-6300-500 Supplies - Safety	17,357	33,500		16,143	51.81%
Subtotal Operating Expenses	\$ 101,908	\$ 85,100	\$ 48,500	\$ 31,692	76.28%
Total Departmental Expenses	\$ 220,187	\$ 215,300	\$ 48,500	\$ 43,613	83.47%

* Budget adjustments by General Manager per Appendix A

** Budget adjustment by Board action 05/14/14

+ Amended by Board 10/27/14

Palmdale Water District
2014 Information Technology Budget
For the Eleven Months Ending Sunday, November 30, 2014

	YTD ACTUAL 2014	ORIGINAL BUDGET 2014	ADJUSTMENTS 2014	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 197,516	\$ 226,000		\$ 28,484	87.40%
1-09-4000-100 Overtime	1,243	2,500		1,257	49.71%
Subtotal (Salaries)	<u>\$ 198,758</u>	<u>\$ 228,500</u>		<u>\$ 29,742</u>	<u>86.98%</u>
Employee Benefits					
1-09-4005-000 Payroll Taxes	15,187	16,000		813	94.92%
1-09-4010-000 Health Insurance	35,200	38,400		3,200	91.67%
1-09-4015-000 PERS	39,867	45,200		5,333	88.20%
Subtotal (Benefits)	<u>\$ 90,254</u>	<u>\$ 99,600</u>	<u>\$ -</u>	<u>\$ 9,346</u>	<u>90.62%</u>
Total Personnel Expenses	<u><u>\$ 289,012</u></u>	<u><u>\$ 328,100</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,831</u></u>	<u><u>88.09%</u></u>
OPERATING EXPENSES:					
1-09-4050-000 Staff Travel	\$ 397	\$ 3,000		2,603	13.24%
1-09-4060-000 Staff Conferences & Seminars	12,628	15,000		2,372	84.19%
1-09-4155-000 Contracted Services	85,082	129,000		43,918	65.96%
1-09-4165-000 Memberships/Subscriptions	1,607	500		(1,107)	321.38%
1-09-4270-000 Telecommunications	59,867	55,500		(4,367)	107.87%
1-09-8000-100 Computer Equipment - Computers	6,239	25,000		18,761	24.96%
1-09-8000-200 Computer Equipment - Laptops	11,766	5,000		(6,766)	235.32%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-400 Computer Equipment - Printers	-	15,000		15,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	1,871	3,000		1,129	62.37%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	38,264	35,000		(3,264)	109.33%
1-09-8100-100 Computer Software - Maint. and Support	34,066	70,000		35,934	48.67%
1-09-8100-140 Computer Software - Starnik+	124,538	95,000	70,000	40,463	75.48%
1-09-8100-150 Computer Software - Dynamics GP Support	39,881	30,000		(9,881)	132.94%
1-09-8100-200 Computer Software - Software and Upgrades	322	15,000		14,678	2.14%
Subtotal Operating Expenses	<u>\$ 416,528</u>	<u>\$ 500,500</u>	<u>\$ 70,000</u>	<u>\$ 153,972</u>	<u>73.01%</u>
Total Departmental Expenses	<u><u>\$ 705,540</u></u>	<u><u>\$ 828,600</u></u>	<u><u>\$ 70,000</u></u>	<u><u>\$ 191,803</u></u>	<u><u>78.52%</u></u>

+ Amended by Board 10/27/14



= Approved for Payment
 = 2014 Budget Carryover

Planned Expenses	2015 Budget	Payee	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Committed Contracts / Projects																
Storage Tank Maintenance (Year 2 of 6) - RCP03	330,000	Superior Tank							330,000							
Water System Master Plan Update (WO# 14-404) - PL02	45,000	MWH	11,695	9,363	35,000	25,000	20,000									
Purchase of Water Meters		Inland Waterworks	56,769	416,782	250,000											
Dredging @ Lake Outlet Structure / Mechanical Repairs		Fontaine			57,115											
Security Improvement Project (Feasibility/Design)		Exante 360			5,000											
Replacement Fleet (4) 3/4 Ton Trucks		Wondries			143,751											
docSTAR Smart Automation Project		docSTAR			19,590											
Subtotal	375,000	---	68,464	426,145	510,456	25,000	20,000	-	330,000	-	-	-	-	-	-	-

Budgeted Projects																
Well No. 15 Rehabilitation - RCP13	300,000	TBD				100,000	200,000									
Well No. 30 Rehabilitation - RCP12	50,000	TBD						50,000								
Meter Replacement Program (Purchase) - RCP01	900,000	TBD				300,000	300,000	300,000								
Meter Replacement Program (Installation) - RCP02	325,000	TBD				100,000	100,000	100,000	25,000							
Well No. 7A Electrical Transformer - RCP10	35,000	TBD			35,000											
2015 Urban Water Management Plan Update - PL01	40,000	TBD											10,000	10,000	10,000	10,000
2014 Water System Master Plan Update (EIR) - PL03	140,000	TBD					25,000	25,000	25,000	25,000	25,000	15,000				
ARC Flash Hazard Analysis - SF01	62,000	TBD							20,000	20,000	22,000					
Fleet Lighting Improvements (Phase 1 of 3) - SF03	10,000	TBD										10,000				
Generator/Engine Emissions (Well No. 2A and 3A) - SF05	20,000	TBD						20,000								
Palmdale Ditch Improvements - RCP05	75,000	TBD									25,000	25,000	25,000			
Brine Storage Tanks - RCP07	125,000	TBD							25,000	25,000	50,000	25,000				
Parking Lot Re-Surfacing - RCP-4	100,000	TBD											100,000			
Production Flow Meter Replacement - RCP09	25,000	TBD				25,000										
NaOCL Generator Replacement - RCP08	150,000	TBD					120,000	30,000								
Security System Upgrades - PRO05	250,000	TBD					50,000	50,000	50,000	50,000	50,000					
WTP Security System Upgrade - PRO04	5,000	TBD										5,000				
Sludge Pump Station Flow Meter - PRO06	4,000	TBD			4,000											
Replacement Vehicles/Fleet - RE02	135,000	TBD							30,000	30,000	40,000	35,000				
Valve Exercising Truck - NE08	100,000	TBD						100,000								
Shop/Mechanic Truck w/ Crane and Compressor - NE05	100,000	TBD						100,000								
Hydrologic and Energy Database - PL04	67,000	TBD				20,000	20,000	20,000	7,000							
Shop Tools - NE02	25,000	TBD							25,000							
Natural Gas Engine Emissions Analyzer - NE10	15,000	TBD						15,000								
Rock Drill / Clay Spade - RE01	8,000	TBD							8,000							
3-Inch Air Diaphragm Pump - NE03	5,000	TBD				5,000										
Diesel Tamper - RE03	5,000	TBD				5,000										
Acquisition of Tax Defaulted Properties - NCC02	28,000	LA County								28,000						
HVAC at WTP - PRO10	10,000	TBD					10,000									
Subtotal	3,114,000	---	-	-	39,000	555,000	925,000	710,000	215,000	178,000	187,000	115,000	135,000	35,000	10,000	10,000

Water Quality Fee Funded Projects																
GAC Replacement at WTP	1,106,500	Calgon	297,955	275,350		300,000	300,000							185,000	185,000	185,000
GAC Replacement at Underground Booster Station	40,000	Evoqua								40,000						
Subtotal	1,146,500	---	297,955	275,350	-	300,000	300,000	-	-	-	40,000	-	-	185,000	185,000	185,000

TOTALS			Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Monthly Planned Expenses (Including Water Quality)	---	---	366,419	701,495	549,456	880,000	1,245,000	710,000	545,000	178,000	227,000	115,000	135,000	220,000	195,000	195,000
TOTAL 2014 Carryover Projects (Including Water Quality)	---	---	366,419	701,495	510,456											
TOTAL 2015 YTD Budgeted Expenses (Including Water Quality)	----	---			39,000	919,000	2,164,000	2,874,000	3,419,000	3,597,000	3,824,000	3,939,000	4,074,000	4,294,000	4,489,000	4,684,000

Water Revenue Bond - Series 2013A

Updated: December 29, 2014



Project	Work Order	Description	Allocated Based on Bond	Contractual Commitment	Payout to Date	Grant Funding	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	\$ 1,239,232	\$ 11,756	\$ 485,000	\$ (39,232)
Spec. 1207	607-12	10th St. E. between Ave. P and Palmdale Blvd.	\$ 1,400,000	\$ 1,255,008	\$ 819,370	\$ -	\$ 144,992
LRDSR	501-04	Littlerock Sediment Removal (EIR/EIS/Permits)	\$ 975,000	\$ 515,925	\$ 365,676	\$ -	\$ 459,075
LCGRRP	400-12	Littlerock Recharge and Recovery (Feasibility)	\$ 1,500,000	\$ 899,493	\$ 510,974	\$ -	\$ 600,507
UAR	TBD	Upper Amargosa Recharge (Project Capacity)	\$ 1,250,000	\$ 1,250,000	\$ 38,402	\$ -	\$ -
Spec. 0905	601-09	15th St. E. between Ave. P and Ave. Q (Material)	\$ -	\$ 362,984	\$ 362,984	\$ -	\$ (362,984)
LCGRRP-2	501-04	Littlerock Recharge and Recovery (Permits)	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:			\$ 8,500,000	\$ 7,774,988	\$ 4,361,509	\$ 485,000	\$ 725,012

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
Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
24	Kennedy/Jenks - Progress Payment	Jul 21, 2014	84147	LCGRRP	\$ 26,431.83

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Bob Egan, Financial Advisor
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.5 – CONSIDERATION AND POSSIBLE ACTION
ON PROPOSAL RECEIVED FROM THE PUN GROUP LLP FOR
AUDITING SERVICES FOR THE FISCAL YEAR ENDING DECEMBER
31, 2014.***

Recommendation:

Staff recommends approval of the proposal received from The Pun Group LLP for providing auditing services for the fiscal year ending December, 2014 in the not-to-exceed, all inclusive, amount of \$18,000. The Finance Committee will review the audit proposal at their January 12, 2014 meeting.

Alternative Options:

The alternative is to accept a proposal from a higher-priced auditor, the staff of which who had previously worked on the PWD audit, left and joined The Pun Group.

Impact of Taking No Action:

The District must take action on this item in order to have auditing services performed.

Background:

The Board of Directors previously considered a proposal from Charles Z. Fedak & Company, CPAs for auditing services through 2015. The cost of this annual service was \$17,000.00 plus \$2,250.00 of out-of-pocket expenses for a total of \$19,250.00. The proposal received from The Pun Group LLP is \$1,250.00 less than this amount.

Strategic Plan Initiative:

This work is part of Strategic Initiative No. 3 – Improve Infrastructure.

Budget:

The cost of an annual audit is included in the 2015 Budget.

Supporting Documents:

- Cost proposal from The Pun Group LLP



January 5, 2015

Board of Directors
Palmdale Water District
2029 E. Avenue "Q"
Palmdale, California 93550

RE: Engagement of the Pun Group, LLP (the "Firm") as the District's Independent Auditors

We are pleased to confirm our understanding of the services we are to provide the Palmdale Water District (the "District") for the year ended December 31, 2014. We will audit the business-type activities, which collectively comprise the basic financial statements of the District, as of and for the year ended December 31, 2014.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Funding Progress – Pension Plans
- 3) Schedule of Funding Progress – OPEB

Audit Objective

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Palmdale Water District

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Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You agree to assume all management responsibilities for any non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

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Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standard.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Communication with Those Charged with Governance

As part of our engagement, we are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process as well as other matters we believe should be communicated to those charged with governance. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance. Such matters include, but are not limited to, (1) the initial selection of and changes in significant accounting policies and their application; (2) the process used by management in formulating particularly sensitive accounting estimates and the basis for our conclusions regarding the reasonableness of those estimates; (3) all passed audit adjustments; (4) any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the financial statements or our report; (5) our views about matters that were the subject of management's consultation with other accountants about auditing and accounting matters; (6) major issues that were discussed with management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards; (7) serious difficulties that we encountered in dealing with management related to the performance of the audit; and (8) matters relating to our independence as your auditors.

Third-Party Service Providers

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Palmdale Water District

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Assistance By Your Personnel

We will ask that your personnel, to the extent possible, prepare required schedules and analyses, and make selected invoices and other required documents available to our staff. This assistance by your personnel will serve to facilitate the progress of our work and minimize our time requirements.

Independence

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. In order to preserve the integrity of our relationship, no offer of employment shall be discussed with any of the Pun Group, LLP professionals assigned to the audit, during the one year period prior to the commencement of the year end audit. Should such an offer of employment be made, or employment commences during the indicated time period, we will consider this an indication that our independence has been compromised. As such, we may be required to recall our auditors' report due to our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

Access to Working Papers

The audit documentation for this engagement is the property of the Pun Group, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of the Pun Group, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the Oversight Agency for Audit or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

The Firm is required to undergo a "peer review" every three years. During the course of a Peer Review engagement, selected working papers and financial reports, on a sample basis, will be inspected by an outside party on a confidential basis. Consequently, the accounting and/or auditing work we performed for you may be selected. Your signing this letter represents your acknowledgement and permission to allow such access should your engagement be selected for review. As a result of our prior or future services to you, we may be required or requested to provide information or documents to you or a third-party in connection with a legal or administrative proceeding (including a grand jury investigation) in which we are not a party. If this occurs, our efforts in complying with such request or demands will be deemed a part of this engagement and we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession.

Other Services

We are always available to meet with you and/or other management personnel at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting your District. Whenever you feel such meeting are desirable please let us know; we are prepared to provide services to assist you in any of these areas.

Palmdale Water District

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Dispute Resolution Procedure, Waiver of Jury Trial and Jurisdiction and Venue for Any and All Disputes Under This Engagement Letter and Governing Law

This Firm and the District each hereby knowingly, voluntarily and intentionally waive any right either may have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this engagement letter and/or the services provided hereunder, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party.

This Firm and the District each expressly agree and acknowledge that the Supreme Court of the State of California, County of Los Angeles, and the United States District Court for the Central District of California, Western Division Courthouse, shall each have exclusive and sole jurisdiction and venue for any respective state and federal actions arising from, relating to or in connection with this engagement letter, or any course of conduct, course of dealing, statement or actions of either party.

We acknowledge your right to terminate our services at any time, and you acknowledge our right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of management), subject in either case to our right to payment for all direct and indirect charges incurred through the date of termination or resignation or thereafter as circumstances and this agreement may require, plus applicable interest, costs, fees and attorneys' fees.

You agree that our liability arising out of our services provided shall not exceed the total amount paid for the services described herein. This shall be your exclusive remedy.

No action, regardless of form, arising out of the services under this agreement may be brought by either party more than three years after the date of the last services provided under this agreement.

The District hereby indemnifies The Pun Group LLP and its partners, principals, and employees, and holds them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by a member of the District's management, regardless of whether such person was acting in the District's interest. This indemnification will survive termination of this letter of engagement.

Fees

Our fee for these services will be \$18,000 for the year ending December 31, 2014. Our fees are based on certain assumptions, including the required assistance described above. To the extent that certain circumstances included but not limited to those listed in Appendix A, arise during the engagement, our fee estimate may be significantly affected and additional fees may be necessary. Additional services provided beyond the described scope of services will be billed separately.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Palmdale Water District

Engagement Letter

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Report Distribution and Other

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Most Recent External Quality Control Review

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2013 peer review report accompanies this letter.

Agreement

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the District and that no other person or entity shall be authorized to enforce the terms of this engagement.

If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

We appreciate the opportunity to be of service to the Palmdale Water District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Very truly yours,



The Pun Group, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Palmdale Water District.

By: _____

Title: _____

Date: _____

Palmdale Water District

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APPENDIX A

Palmdale Water District

Circumstances Affecting Timing and Fee Estimate

Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement usually require reassignment of personnel used by The Pun Group LLP (the "Firm") in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Firm may incur significant unanticipated costs.
2. All requested schedules are not (a) provided by the accounting personnel on the date requested, (b) completed in a format acceptable to the Firm (c) mathematically correct, or (d) in agreement with the appropriate underlying records (e.g., general ledger accounts). The Firm will provide the accounting personnel with a separate listing of required schedules and deadlines.
3. Weaknesses in the internal control structure.
4. Significant new issues or unforeseen circumstances as follows:
 - a. New accounting issues that require an unusual amount of time to resolve.
 - b. Changes or transactions that occur prior to the issuance of our report.
 - c. Changes in the Entity's accounting personnel, their responsibilities, or their availability.
 - d. Changes in auditing requirements set by regulators.
5. Significant delays in the accounting personnel's assistance in the engagement or delays by them in reconciling variances as requested by the Firm. All invoices, contracts and other documents which we will identify for the Entity, are not located by the accounting personnel or made ready for our easy access.
6. A significant level of proposed audit adjustments are identified during our audit.
7. Changes in audit scope caused by events that are beyond our control.
8. Untimely payment of our invoices as they are rendered.

Appendix B - Engagement Billing Summary

**It is Understood That This is a Fixed-Price Engagement for \$18,000.00
That Will Be Billed at the Following Percentage of Completion Intervals.**

<u>Percentage</u>	<u>Task Completed</u>	<u>Date</u>	<u>Invoice No.</u>	<u>Amount</u>
10%	Client Acceptance/Audit Planning	_____	_____	\$ 1,800
40%	Interim Testwork – Test of Controls	_____	_____	7,200
40%	Final Testwork – Audit of Trial Balance	_____	_____	7,200
10%	Financial Statement Preparation/Presentation	_____	_____	1,800
<u>100%</u>				<u>\$ 18,000</u>

Acceptance: _____
Palmdale Water District
Date

Please provide a copy of this sheet to the Accounts Payable Department.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 6, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Jennifer Emery, Human Resources Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.6 – CONSIDERATION AND POSSIBLE ACTION
ON REVISION TO EMPLOYEE HANDBOOK REGARDING THE
HOLIDAY SCHEDULE***

Recommendation:

Staff recommends that the Board approve changing the District holiday schedule. With the office open Monday through Thursday, we recommend that the Good Friday holiday be moved to Martin Luther King Day and the day after Thanksgiving holiday be eliminated. Further, it is recommended that if a holiday falls on a regular day off, the staff member would receive a floating holiday in its place.

Alternative Options:

The alternative is to maintain our current Holiday Schedule.

Background:

The District currently offers two holidays which will always fall on a Friday during hours that our offices are closed. In addition, the holidays which are sometimes on Fridays currently are paid out to employees causing an additional liability to the District.

Strategic Plan Initiative:

This work is part of Strategic Plan Initiative No. 2 – Increased Efficiency.

Budget:

This will save the District money and reduce the payroll hours of the District. Currently, if a Holiday falls on a regularly scheduled day off, the employee receives eight hours holiday pay in addition to their regular forty hour week. If the District instead converts those holidays to floating holidays, the employee's reportable hours would remain a forty hour work week.

Supporting Documents:

- Handbook Amendment.

Amendment to Employee Handbook

1/14/2015

4. Holiday Observances

All regularly scheduled full time employees will receive a normal day's pay at their normal hourly rate for the following holidays, subject to the conditions below:

- New Year's Day — January 1st
- Martin Luther King Jr. Day – Third Monday in January
- Presidents' Day — Third Monday in February
- Memorial Day — Last Monday in May
- Independence Day — July 4th
- Labor Day — 1st Monday in September
- Veteran's Day — November 11th
- Thanksgiving — 4th Thursday in November
- Christmas Eve — December 24th
- Christmas Day—December 25th
- New Year's Eve – December 31st or another day designated by the General Manager
- Floating Holidays (2 days) 1 available after January 1st; 2nd available after July 1st. Both must be used by end of the calendar year.

Holidays falling on regularly scheduled days off will be given as an additional Floating Holiday. Any hours worked on a holiday will be paid at overtime rates.

Holiday Conditions:

- Employees on unpaid leaves of absence for any reason at the time of the holiday observance will be ineligible for holiday pay.

- If a holiday falls during your approved vacation period, you will be paid for the holiday and will not be charged with a vacation day for the day the holiday is observed.
- When computing overtime pay, you do not receive credit for holiday hours that are not actually worked.

The District may eliminate holidays or change the holiday schedule from time to time. The holiday schedule will be prepared annually and posted on District bulletin boards prior to the beginning of year and provided to each employee in their pay check envelope prior to the beginning of the New Year.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: FIN & FEATHER AD-HOC COMMITTEE
DIRECTORS ALVARADO AND DINO
RE: ***AGENDA ITEM NO. 7.7 – CONSIDERATION AND POSSIBLE ACTION
ON DISTRICT POLICY REGARDING MONITORING AND COVERAGE
OF FIN & FEATHER CLUB MEETINGS BY DISTRICT EMPLOYEES***

Recommendation:

The Fin & Feather Ad-Hoc Committee finds no policy action is needed by the District Board of Directors related to staff attendance of Fin & Feather Club meetings. However, this review and process proved to be very beneficial to the District's relationship with the Club. Several changes to the Club's use of Palmdale Lake will be implemented that are a direct result of going through this process. These changes can all be completed by staff within the existing lease agreement and do not require Board action. Clearer lines of communication are now established that will make a good relationship even better.

Background:

After its formation, the Ad-Hoc Committee thoroughly looked into the relationship between the District and the Fin & Feather Club. The process is detailed below and included meetings with the Fin & Feather Club's leadership. Questions about the relationship raised at the regular Board meeting on October 22, 2014 were researched and addressed. The findings and recommendations are listed below under Item 5. They include a recommendation for annual or semi-annual meetings between District and Club leadership to improve communications. The Fin & Feather Club also submitted a list of requests that were addressed in this process. The Committee and staff responses are listed below after Item 6.

Fin & Feather Ad-Hoc Committee Report:

1. On October 22, 2014, a policy change issue regarding the Fin & Feather Club (Club) was raised in Agenda Item No. 7.2. After much deliberating, the Board approved the creation of an Ad-Hoc Committee, and the President appointed Director Dino and Director Alvarado to address issues and concerns by meeting with all parties involved.

2. On November 5, 2014, the members of the Ad-Hoc Committee met with PWD General Manager and PWD Assistant General Manager during which they shared the history of the Club and that it was established in the 1920's and incorporated in 1945. When asked about the tenant/landlord relationship between PWD and the Club, their response was, "It's been a good one."

They also reported that Gene Taylor, PWD Customer Service Supervisor, is in charge of lease payments that are due every February; that annual water bills (lease payments) are a minimum of \$3,000.00, or 5% of the Club's gross from dues and all other income, and are paid February 15 in advance; that the lease is up for renewal on December 31, 2016; and that there are two 5-year lease extension options. Mr. Taylor also receives the Club's annual report which includes, but is not limited to, Club receipts, activities, membership dues, fines, rentals, retail, income, expenditures, and anything that goes through the cash register. The water is billed at actual cost of \$4,000.00 to \$4,500.00 per year. Mr. Taylor also makes sure the Club complies with a JPIA requirement of a \$2 million insurance policy and receives copies of L.A. County inspection reports, insurance reports, and internal audits.

At this meeting, it was also discussed that the Club is a nonprofit corporation; the fenced area at Palmdale Lake (Lake) is the area included in the Club lease area, but there are certain areas excluded from the lease; the Club has a limit of 2,000 members and sets the amount for membership dues; the Club is closed on Thursdays for the District to perform maintenance including treatments, repairs, and other matters; Kelly Jeters, PWD Systems Supervisor, and Mynor Masaya, PWD Operations Manager, attend Club meetings, and Directors and manager/supervisor positions receive honorary annual Club memberships.

It was also discussed at this meeting that in February, 2014, there was a miscommunication among Perry Duggan / Gene Taylor / Dennis LaMoreaux regarding financial reporting. This matter was resolved to the satisfaction of both organizations.

3. On November 25, 2014, the Ad-Hoc Committee met with Mr. Perry Duggan, 2014 Club President, and Mr. Eddie Bastedo, 2014 Club Vice President, to discuss the October 22, 2014 issues presented by a PWD Director. Mr. Duggan and Mr. Bastedo indicated the following items at this meeting:

- The Club incorporated in 1945 and will turn 70 years old in 2015.
- Over the years, the Club has had several small differences with PWD which were resolved.
- The Club has nine Directors.
- The Club meets or exceeds the requirements of the lease agreement.

- The Club General Membership Meetings are held the 1st and 3rd Tuesday of each month at 6:30 p.m. and Board meetings (closed session) are held the 1st and 3rd Tuesday of each month at 7:30 p.m.
 - Frank Collett was the perfect contact to the Club from PWD.
 - After 9-11, the buoy line was set to 75 yards from the base of the dam, and the buoy line from the lake and dam are not properly maintained.
 - Mr. Duggan later submitted a written list of requests to the Ad-Hoc Committee (copy attached).
4. On November 25, 2014, the Ad-Hoc Committee met with PWD General Manager and PWD Assistant General Manager to discuss the meeting held with Mr. Duggan and Mr. Bastedo. The requests submitted from the Club have been addressed as listed below.
5. On December 7, 2014, the Ad-Hoc Committee met and determined the following findings and recommendations specific to the request made at the October 22, 2014 Board meeting. The findings and recommendations were determined after a thorough and careful review of the issues and facts presented.

Fin & Feather Ad-Hoc Committee Findings and Recommendations:

A) Should District resources be used to monitor Club issues completely unrelated to District business?

Mr. Masaya, Operations Manager, will continue to attend Club meetings and will act as the main liaison between the Club and the District. Mr. Masaya is a salaried employee. PWD incurs no cost for his attendance at these meetings.

B) Does District staff's coverage of the Fin and Feather Club expose the District to liability?

Mr. Masaya's attendance at Club meetings will not expose the District to any liability issues. As stated earlier, the Club has agreed to Mr. Masaya's attendance at their meetings.

C) Should the District direct the GM to suspend this coverage and allocate this staff resource to other necessary issues of the District?

An agreement on issues and concerns of the Club has been reached as outlined in Item No.'s 1 – 6 listed below. The recommendation of the Ad-Hoc Fin & Feather Committee is that Mr. Masaya, Operations Manager, continue to attend Club meetings.

D) Additionally, the Ad-Hoc Committee recommends there be annual or semi-annual meetings in the future between the District and Club Board members to ensure open, clear communications continue.

6. On December 16, 2014, the Ad-Hoc Committee met again with Mr. Perry Duggan, Immediate Past President and Club Liaison, Mr. Eddie Bastedo, 2015 Club President, and Mr. Joe Beach, 2015 Club Vice President, to review this report and ensure both the Ad-Hoc Committee and the Club representatives agree on and have the same understanding of this report and the District responses to their requests listed below.

Fin & Feather Club Requests and PWD Responses:

1. No PWD employee at Club meetings unless they have information to relay to the Club.

Per discussions with Mr. Duggan and Mr. Bastedo, the Club agrees that one PWD representative, Mr. Masaya, Operations Manager, as the highest ranking employee at the Water Treatment Plant, will attend Club meetings and will act as the main liaison between the Club and the District.

2. If not possible to remove buoys in front of Dam, could they at least be moved into casting range from a boat (25-30 yds.)? The buoy line serves the same purpose at whatever distance it is from the Dam (keeping boats off Dam).

The buoys along the Dam will be removed. However, any access to the Dam itself for any purpose other than required maintenance remains restricted. Shore fishing or landing of boats on the Dam is strictly prohibited.

3. Can the fence line east of the outlet be moved to allow fishing along this stretch of shoreline? It used to be a favorite place for families to fish. The same situation exists on the west side of outlet; if the fence was shortened, it would allow more access for shore fishing.

Both the buoy line around the outlet area and the restricted area of the shore will be reduced to the outlet channel itself. This is shown schematically on the attached aerial photo titled "Proposed Lake Outlet Structure (Buoys/Fence Modifications)." The District will stake new locations based on the plan and then move the fences. Buoys will be placed at the mouth of the outlet channel.

4. Historically Club members were allowed to fish in waders. They are still allowed to do dock repairs, launch and remove boats from lake, clean cattails, retrieve ducks but not fish. Club would like fishing privileges in waders reinstated.

The concern with the use of waders is bringing invasive species from other bodies of water that could impact maintaining the Lake's use for providing drinking water of District customers. Fishing with waders can be resumed if waders are only used at the Lake in accordance with the current Club wader policy (copy attached).

5. *Club would like at least 1 day prior notice when our community service workers will be needed by PWD to work on treatment plant grounds. No using community service in or around any chemicals.*

The District will honor these requests for normal operations.

6. *Club would request better maintenance of any PWD buoy line. Buoys get windblown and out of alignment, creating a situation where members go in and out of the buoys according to where they are at that time. This creates a problem due to the fact PWD employees expect members to stay outside the "imaginary" line buoys are supposed to create.*

This will no longer be a problem. As stated above, the only District buoys on the Lake will be at the outlet channel mouth.

Attachments:

- Palmdale Fin & Feather Club Request List
- Aerial Photograph of the Lake Outlet Area titled "Proposed Lake Outlet Structure (Buoys/Fence Modifications)"
- Palmdale Fin & Feather Club "Procedures for all Rubber Boots & Waders"



A NON-PROFIT CORPORATION

POST OFFICE BOX 56 • PALMDALE, CA 93590
PHONE (661) 947-2884 • FAX (661) 947-2832

PALMDALE FIN AND FEATHER CLUB

Mr. Alvarado and Mr. Dino here is the list of things the club would like changed if possible. Thank you for your time and efforts in helping resolve these issues. Perry Duggan



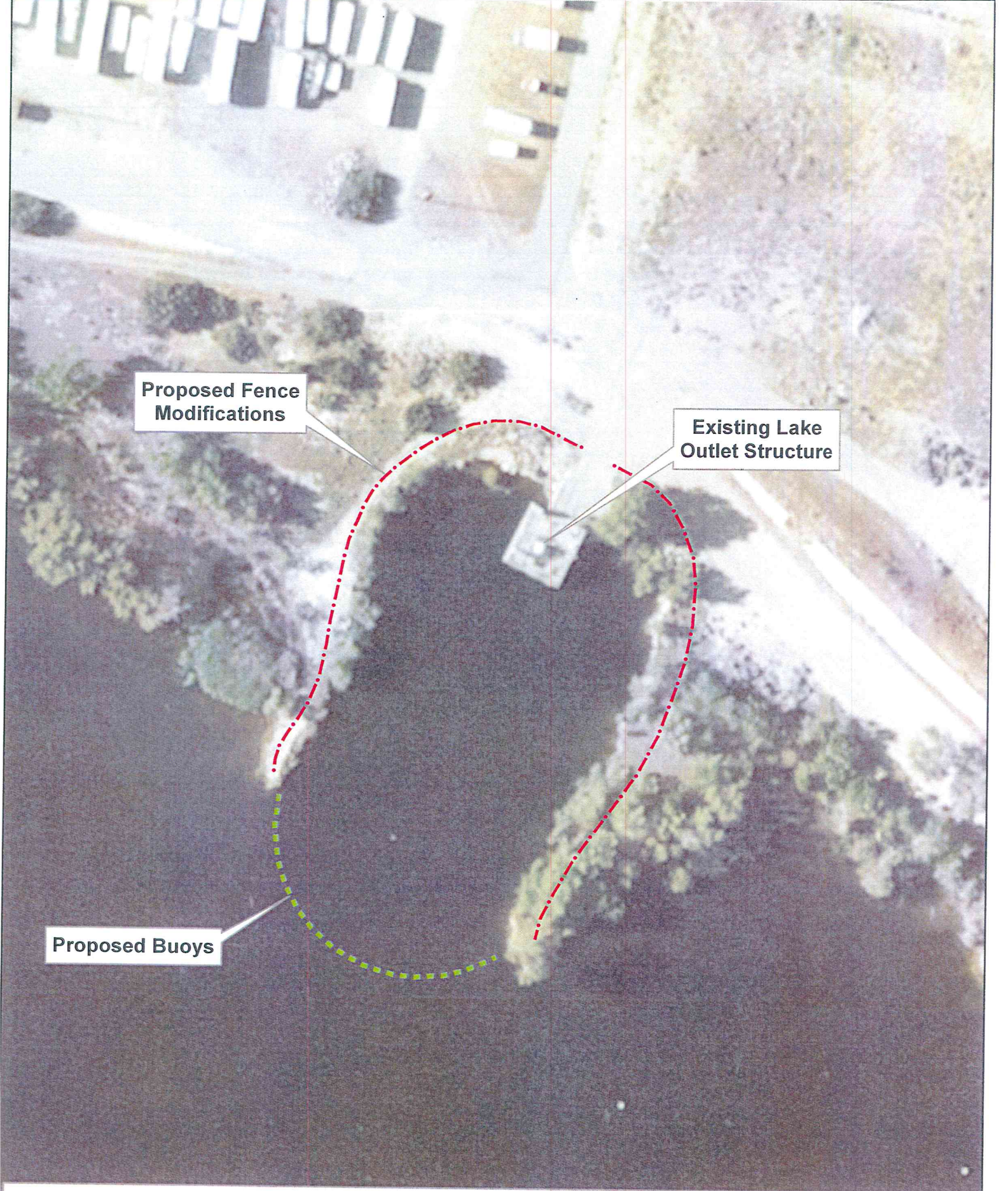
A NON-PROFIT CORPORATION

POST OFFICE BOX 56 • PALMDALE, CA 93590
PHONE (661) 947-2884 • FAX (661) 947-2832

PALMDALE FIN AND FEATHER CLUB

1. No PWD employees at club meetings unless they have information to relay to club.
2. If not possible to remove buoys in front of dam, could they at least be moved into casting range from a boat (25 -30 yds)? The buoy line serves the same purpose at whatever distance it is from the dam (keeping boats off dam).
3. Can the fence line east of the outlet be moved to allow fishing along this stretch of shoreline it used to be a favorite place for families to fish? The same situation exists on the west side of outlet, if the fence was shortened it would allow more access for shore fishing.
4. Historically club members were allowed to fish in waders. They are still allowed to do dock repairs, launch and remove boats from lake, clean cattails, retrieve ducks but not fish. Club would like fishing privileges in waders reinstated.
5. Club would like at least 1 day prior notice when our community service workers will be needed by PWD to work on treatment plant grounds. No using community service in or around any chemicals.
6. Club would request better maintenance of any PWD buoy line. Buoys get windblown and out of alignment, creating a situation where members go in and out of the buoys according to where they are at that time. This creates a problem do to the fact PWD employees expect members to stay outside the "imaginary" line buoys are supposed to create.

Paul Duggan



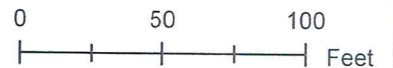
Proposed Fence Modifications

Existing Lake Outlet Structure

Proposed Buoys



**Proposed Lake Outlet Structure
(Buoys / Fence Modifications)**



To: Palmdale Water District
From:

Palmdale Fin & Feather Club

P.O. Box 56, Palmdale, CA 93590
T/661-947-2884 F/661-947-2832

Procedures for all Rubber Boots & Waders

1. All Rubber Boots, Waders and other Rubber Foot Gear used in Lake must be checked into office 14 days prior to use for quarantine due to Mud Snail invasion per order of the Palmdale Water District and Palmdale Fin & Feather Club.
2. This applies to all Rubber Boots, Waders, and any Rubber shoes used in Lake for Cutting Reeds, Launching Boats, and Duck Hunting, or other occasions for persons needing to enter Lake Water.
3. Boots will be sealed with a nylon strap and lock numbered seal.
4. All Waders will be strapped around the legs with nylon strapping and numbered seal attached to strap.
5. Any equipment without proper lock seal will not be allowed into the Lake area and must be checked in at the office to be returned when member, employee, worker, etc. checks out for the day.
6. Numbers will be issued per each set. You must check in at office to match your seal number to log in office and seals must be kept on.
7. Only office personnel can remove them.
8. Upon leaving the premises boots must be checked back in and new seal issued and locked on boots with notation to log.
9. Examples of each type of locking system will be in office for all members to see
10. Any one not following these procedures will be ticketed and told to remove themselves from the premises membership card will be turned in and privileges will be revoked until next meeting of the board.
11. Mandatory fine to start at \$500.00 and lost of membership will be decided by the Board.

Dated : July 8, 2010 Palmdale Fin & Feather Board of Directors

Business Outlook Conference

FEBRUARY 27, 2015

Antelope Valley Fairgrounds Lancaster, CA



**John
Ratzenberger**



**Wally
Amos**



**Bill Watkins
Cal Lutheran**



**FRIDAY
FEBRUARY 27, 2015
8:30—3:30
AV Fairgrounds
TICKETS \$150
TABLES (8 seats) \$1200
AVBOT MEMBERS
SAVE 10%**



Premier



NORTHROP GRUMMAN



Diamond



Platinum



Gold



CONFERENCE REGISTRATION

- Please reserve ___ conference ticket(s) x \$150/ticket *AVBOT Members Save 10% (\$135/ticket)*
- Please reserve ___ table(s) x \$1,200/table (8 seats) *AVBOT Members Save 10% (\$1,080/table)*
- I am interested in becoming a 2015 Business Outlook Conference Sponsor

Company _____

Contact Name _____

Phone _____

Cell _____

Email _____

Full Address _____

Payment Type CHECK/VISA/MC/AMEX **Credit Card No.** _____

Expiration (/) CVN CODE _____

Signature _____

Call the AVBOT office for event information and ticket sales! (661) 947-9033

Send with Payment to AV Board of Trade, 41319 12th St West, Ste. 104, Palmdale, CA 93551

Phone 661-947-9033 Email : Emily@avbot.org Or, pay on line at www.avbot.org

AVBOT is a 501 (c) 6 Organization

2015 Business Outlook Conference

[Sponsorship Program 2015 – Click Here](#)

[Exhibit Booth Application – Click Here](#)

[Registration Form – Click Here](#)

[Purchase Tickets – Click Here](#)

2015 Outlook Conference: Made in the Antelope Valley



“Made in the Antelope Valley,” has been selected as the theme for the Antelope Valley Board of Trade’s 2015 Business Outlook Conference, shining a spotlight on the two-county region’s vast and diverse productivity – past, present and coming soon.

Business Outlook Conference Chairman Josh Mann said the theme for the Friday, Feb. 27, 2015 event at the Antelope Valley Fairgrounds in Lancaster, is so wide in scope as to require major changes and improvements in the day-long program.

“This will be an eye-opener and a jaw-dropper, even for local people who may not have been completely aware of just how many companies work in our region to produce products and services sold around the nation and around the globe.” He added, “But it’s our out-of-region visitors who will be truly astounded by what they see and hear at the conference.”

Mann said the 2015 Outlook Conference is building on the momentum of the Board of Trade’s enormously successful 2014 event at Mojave Air & Space Port. The conference sold-out well in advance and was widely hailed as the best in years, living up to its theme “Breaking Boundaries.”

Board of Trade President and 2014 Outlook Conference chairman Al Hoffman said the range of entrepreneurial, wealth-producing enterprises to be showcased at the 2015 event will help to drive home the bottom line message: “Companies that come here tend to grow and thrive and stay here. The Northern Los Angeles County and Southeastern Kern County region offers all of the ingredients for long-term growth and financial success, with far less stress.”

Among changes planned for the 2015 Business Outlook Conference will be a later starting time for the program, increased space for exhibitors, expanded networking opportunities and shorter program segments to present more information on more topics.

Next up for the Board of Trade Business Outlook Conference Committee is selection of speakers and program formatting improvements for the 48th annual event.

Cheers! It's Ratzenberger For Biz Outlook Keynoter



Actor John Ratzenberger, who rose to fame as postal carrier Cliff Clavin on the long-running television comedy series “Cheers,” will be one of two keynote speakers to address the 43rd annual Antelope Valley Business Outlook Conference, Friday, Feb. 27, 2015 at the Antelope Valley Fairgrounds in Lancaster, CA.

But Ratzenberger’s selection by the Antelope Valley Board of Trade to address the daylong regional economic development event has more to do with Ratzenberger’s active role in promoting American industry and jobs than with TV one-liners.

Josh Mann, chair of the trade board’s Outlook Conference Committee, said it was the actor’s work as host of the Travel Channel documentary series “John Ratzenberger’s Made in America” that spurred the speaking invitation for the 2015 event, themed: “Made in the Antelope Valley.” The series debuted in 2004 and ran for five seasons totaling 97 episodes, including a 2005 program featuring high-tech security barrier manufacturer Delta Scientific in Palmdale.

He began every episode of the series with these words, “Hi, I’m John Ratzenberger. If you want to know America, you’ve got to meet the folks who work in factories and workshops. People who make real things and take pride in what they do. And then, you have to go in there with them to see how it’s done. So, that’s what I did. I poked around every corner of this country — big cities, small towns, and whatever was in between — looking for the soul of America. And you know what? I found it everywhere. So sit back and relax, because we’ve got it made... in America.”

His visits to companies across the country inspired him to co-author of the book, “We’ve Got it Made in America: A Common Man’s Salute to an Uncommon Country.”

Bridgeport, Connecticut native, Ratzenberger, learned about life, work ethic and entrepreneurial challenger long before achieving fame on the big and small screens. In 1969 Ratzenberger was a tractor operator at the Woodstock Festival. He later moved to London, where he worked as a house framer while beginning his career in the performing arts.

Along with his work on “Cheers,” Ratzenberger resume includes roles in many acclaimed films and television shows and has the unique distinction of having voiced characters in every Pixar animated film to date. In contrast to his portrayal of barroom blowhard and resident know-it-all, Cliff Clavin, the real life John Ratzenberger is a highly regarded supporter of skilled trades and engineering. Among his non-acting life roles, he serves on the boards of Pepperdine and Sacred Heart Universities.

Beyond his acting career, Ratzenberger has spoken out on a number of social issues. As a co-owner of the company Eco-Pack, he produced environmentally conscious packaging materials. He also co-founded Nuts, Bolts & Thingamajigs, a foundation aimed at encouraging young people to explore careers in manufacturing, and has worked to raise awareness of juvenile diabetes.

His newest project as a spokesperson for M.O.S.T (Mobile Outreach Skills Training) has given him the opportunity to speak to citizens around the country and give the unemployed a call to action. M.O.S.T is a fast-track program that prepares unemployed and underemployed individuals for frontline production jobs. He has appeared in television interviews with FOX Business Network, FOX News Channel, and MSNBC among many others to discuss his role with the only organization in the country guaranteeing employment to its graduates.

John Ratzenberger is currently in pre-production on a new documentary, the purpose of which is to awaken Americans to the shortage of skilled workers that threatens our country as a whole. Antelope Valley Board of Trade President Al Hoffman, who chaired the record-setting 2014 Business Outlook Conference at Mojave Air & Space Port, said the organization is committed to continuing the series of boundary-breaking program and format innovations which figured so prominently in the previous event’s success.

The name of the second keynote speaker will be announced soon.

Tickets are already on sale for the 2015 conference. For reservations and information call the AV Board of Trade office at 661-947-9033, or email emily@avbot.org.



Formerly ‘Famous’ Wally Amos To share life, success recipes

The 2015 Antelope Valley Business Outlook Conference audience can expect to be inspired by keynote speaker Wally Amos, a 78-year-old entrepreneur who made big dough in the cookie business, took his lumps from losing it, and came back strong with his own special recipe for a life well lived.

Wally Amos, once known as “famous” and now called The Cookie Kahuna, “Caretaker of the TASTE,” lives by the motto, “Be positive anyway.” So far it’s working for him, and he’ll tell how at the Friday, Feb. 27 Outlook Conference at the Antelope Valley Fairgrounds in Lancaster.

To make a long story short, Wally Amos was a William Morris Agency talent agent who took his Auntie’s recipe for homemade, from scratch, chocolate chip cookies, opened the world’s first gourmet cookie store in Los Angeles in 1975, and became a famous figure in American culture. He is the founder of the Famous Amos® chocolate chip cookie brand, although he lost his right to use his name in a corporate takeover after selling stock to finance rapid expansion.

But Wally didn’t worry. He wrote about his experiences, authored ten books, went on the inspirational speakers’ circuit, became a tireless advocate for childhood and adult literacy, and started a successful new company, The Cookie Kahuna, using his original ingredients and techniques, but selling the products online, www.thecookiekahuna.com, and in boutique gourmet stores in Honolulu, Hawaii. He has made his primary home in Hawaii for the past four decades.

Economics authority Watkins To deliver forecast for the AV



Bill Watkins, Ph.D., Executive Director of California Lutheran University's Center for Economic Research and Forecasting, has accepted the invitation to deliver the economic forecast at the Antelope Valley Business Outlook Conference in Lancaster on Friday, Feb. 27, 2015. Josh Mann, chairman of the AV Board of Trade's 48th annual Outlook Conference, said Dr. Watkins is a previous forecast presenter for the conference, known for clear and accurate insights on prospects for the regional economy.

Watkins, associate professor of economics at Cal Lutheran, joined the CLU community in June 2009 and was instrumental in launching the university's Master of Science in Economics program that focuses on forecasting and applied research.

Prior to coming to CLU, Watkins served as the Executive Director of the University of California, Santa Barbara, Economics Forecast Project. In his nine-year tenure, he expanded the project's publications and geographic scope and enhanced its reputation. Previously, he served as an economist in the Monetary Affairs Division of the Board of Governors of the Federal Reserve System in Washington, D.C.

After almost 20 years in banking and lending, Bill Watkins, Ph.D., returned to graduate school in 1992. He received his Ph.D. in economics from the University of California Santa Barbara in 1998. After graduation, he worked as an economist at the Board of Governors of the Federal Reserve System in Washington D.C. Watkins has been widely published in academic journals, traditional media and new media. He is quoted regularly by news organizations throughout the world on the issues of demographic trends, economic development, workforce issues, equity, and California economics.



Art Thompson recognized For Navigating Change in AV

Art Thompson, technical project director of Red Bull Stratos, the record-setting supersonic leap from space that riveted the eyes of the world in 2012, will receive the “Navigating Change Award” at the Antelope Valley Business Outlook Conference, Friday, Feb. 27, 2015 in Lancaster, CA.

The award, presented annually by the Outlook Conference-sponsoring Antelope Valley Board of Trade, was created to recognize a person or business organization whose spirit of innovation, creativity and entrepreneurial approach combined to make a measurable impact on the Greater Antelope Valley, by placing the Antelope Valley on the map. “This person or business would be considered a change agent who is at the helm, in the driver’s seat, the pilot’s seat, and navigating change,” the nomination criteria states.

Thompson will be the fifth recipient of the award, first presented in 2011 to civilian aerospace pioneer Burt Rutan of Mojave Air & Space Port. Notified of his selection for the award by Board of Trade President Al Hoffman, Thompson said, “I am honored at receiving such a prestigious award. Thank you for the consideration.”

Art Thompson possesses more than 30 years of experience in innovating leading-edge design that produced major breakthroughs in aerospace history, including development of the B-2 “Stealth” bomber. As technical project director for Red Bull Stratos, Thompson drove engineering program management and was responsible for selecting and assembling the global mission team and securing equipment and facilities. He was Austrian skydiver Felix Baumgartner’s right-hand man and earliest collaborator.

Art is vice president of Sage Cheshire Aerospace, Inc. which he co-founded in Lancaster, California, more than a decade ago. The company provides solutions for a complete range of aerospace needs, from initial design and engineering to finished product, with an experienced team of professionals hand-picked by Art. His Sage Cheshire crew was responsible for the design, construction and testing of the Red Bull’s capsule, and served as the hub of mission technological development overall. The years of painstaking work culminated in Baumgartner’s Oct. 14, 2012 jump from the stratosphere, estimated at 128,100-foot altitude, in which he reached a preliminary speed of 833 mph (Mach 1.24.) The leap made Felix Baumgartner the first man to break

the speed of sound in freefall, and set other records yet to be certified. Sage Cheshire also crafted the protective envelope which allowed him to return safely to the earth by parachute.

California native, Art Thompson studied engineering at the University of California, Los Angeles and also attended the University of La Verne and Northrop University. While working for Northrop Corporation in the late 1970s, he and a small contingent of engineers (working under Dr. John Cashen and Fred Oshira and using an original design concept by Irv Waaland) brainstormed ideas and methods for military aircraft that could avoid radar detection. The Northrop team went from drawing napkin sketches and conceptualizing ideas and shapes to conceiving the design that the Department of Defense chose to develop into the B-2 Spirit.

Sage Cheshire, Inc., located in a 24,000 sq. ft. facility in Lancaster, CA, has over 40 years of experience in design, engineering, research & development and prototype or finished production. Its team of engineers and composite fabrication specialists provide services for leading aerospace companies. From prototyping to one-off specialty fabrication to master-tooling to on/off-site testing of specialty components, Sage Cheshire is the nexus of next-generation aerospace vehicle development and production.

Sage Cheshire Aerospace services include engineering, design, analysis, testing, field support, CNC gantry milling for large master forms, CNC plasma cutting, CNC water jet cutting, CNC milling, metal forming and assembly, composite fabrication and tooling, rapid prototyping, white-light or laser scanning, reverse engineering and electrical design & fabrication. After leaving Northrop, Art co-founded his own company, Sage Cheshire Aerospace, Inc., to provide a wide range of aerospace needs, from initial design and engineering to finished product.

Sage Cheshire, Inc. provides engineering, development and fabrication services for Northrop Grumman Corp., Lockheed Corp., Gulfstream, Raytheon, Boeing, Scaled Composites, Xcor, Wyle Labs, NASA Armstrong, NASA Ames, Percussion Air and others for programs such as X37, F35, missile avoidance tail cones for G5 aircraft, medical devices for private space programs.

Art is also president of A2ZFX Inc., extending the benefit of his creative thinking to other fields – producing tools, molds, digital products, prototypes and more for clients ranging from aerospace manufacturers, product development, medical field to movie production for films. A2ZFX has produced over 900 vehicles for Red Bull alone.

Art is a member of the Aerospace Medical Association (AsMA), American Institute of Aeronautics and Astronautics (AIAA), National Aeronautical Association (NAA), Society of Experimental Test Pilots (SETP, corporate member) and the Flight Test Historical Foundation Board of Directors supporting the Air Force Flight Test Museum at Edwards AFB. He is International Association for the Advancement of Space Safety (IAASS) Space Safety 2013 Jerome Leder Pioneer Award recipient; 2012 Collier Trophy nominee; 2012 *Aviation Week & Space Technology* Laureate Award nominee; 2013 Excellence in Aviation Award recipient from the Flight Test Historical Foundation; Hall of Fame 2013 Inductee, San Diego Air and Space Museum, and Honorary U.S. Army Golden Knight. Art was recognized by the New Mexico and California Senates for contributions in aerospace and human physiology egress from high altitude.



BOT Exec Vicki Medina Selected to Emcee Outlook

When the Business Outlook Conference Committee began discussing who would emcee the 2015 event, several names were tossed “in the hat”. But one that made perfect sense for the event was the person who writes the script – Executive Director Vicki Medina. She is, as several committee members pointed out, “the face of the Board of Trade.”

Some briefly wondered if Vicki was already too busy “behind the curtain” and troubleshooting to take on another position, but she assured that she could do it. Her voice is well known in the valley from her career in radio, and she is more confident, thanks to her participation in Toastmasters.

Knowing that the emcee’s primary responsibilities involve following the script, being able to ad lib when things unravel, and to stay on schedule, the committee agreed that Vicki fills the bill. She said, “The Conference is a production, a show of sorts with many different elements. We need to provide information, entertainment, inspiration, motivation while keeping the audience engaged. It’s not an easy task by any means.”

Emcees in the past have included James Charlton, Alis Clausen, Larry Grooms, Lew Stults, Dianne Knippel, Steven Derryberry, Cassie Harvey and Caroline Rodriguez to name a few.

Fun facts: Vicki was Zsa Zsa Gabor’s secretary. At Columbia Pictures she worked with producers on the legally-binding credits for all of their foreign and domestic releases. Vicki was “Dobie Gillis star Dwayne Hickman’s secretary while at CBS. She still receives residual checks from Sony Pictures for her first voice-over job in the movie “Tootsie.” She says her best voice-over work was for the Elton John AIDS Foundation.



PUBLIC UTILITIES AND WATERWORKS MANAGEMENT INSTITUTE

(Hosted by Palmdale Water District)

Palmdale, California

March 10 - 12, 2015

20 Contact Hours approved for license renewal

The management institute is for anyone in a leadership position. This affordable three-day course will teach you how to put effective management and supervisory skills to work for you and your organization. You'll learn to make better leadership decisions, communicate more effectively, avoid costly mistakes and get the results you want. Plan on attending yourself or sending other managers and supervisors who would benefit from this superior skills program.

The three-day course includes: (Classes meet each day from 8:00 AM – 5:00 PM)

- **Section 1 – The Art of Leadership.** Provides participants with knowledge of contemporary leadership principles, essential skills and general functions of management and the role of the manager.
- **Section 2 – The Leader's Role in Performance Management.** Models of communication and giving and receiving feedback. Practice clarifying expectations, establishing standards, rewarding outstanding performance, and correcting unacceptable output while overcoming resistance.
- **Section 3 – The Leadership of Change.** Designed to help managers fully understand the nature and necessity of change, its impact on people, and how to meet the challenge it presents. Participants learn strategies that help speed up the process and minimize the productivity decline. Emphasis is placed on coaching and leading a team through a complex change situation.

- **Section 4 – Managing Conflict.** This workshop emphasizes skills needed in purposely and appropriately managing conflict, understanding and benefiting from emotions, appropriately managing conflict, understanding and benefiting from emotions.
- **Section 5 - Collaboration and Teams.** Effectively working with others is essential to maintaining a good work environment and efficient operations. How we communicate can either promote an effective team or cause barriers and conflict. This segment will provide training in tools proven to enhance communication skills. It will show participants how to communicate effectively with different personalities, how to diffuse emotional issues, and how to communicate in ways that build confidence and promote cooperation. The strengths and weaknesses of four communication styles will be examined. Practical exercises will be used to help participants learn to communicate more effectively in either a management or staff role.

Fees, Location & Registration Form

Fee - The fee for the three-day course is **\$499.00**, which includes all instruction, workbook, and handout materials.

Location –

Palmdale Water District Board Room
2029 East Avenue Q
Palmdale, CA 93550 (Driving Directions will be provided)

Hotels recommendations available upon request

Certification: A formal certificate will be prepared for participants who successfully complete the required course objective. This certificate is prepared and presented by Public Utilities and Waterworks Management Institute.. An optional university certification is also available for the extra fee of **\$50** per participant and is presented by Utah State University. This Management/Leadership certificate is primarily for those needing university certification to meet training requirements for various professional affiliations. However, any participant desiring to receive a university certificate may do so by paying the **\$50** fee.

For further information, contact Chuck Christensen at 801-281-0107 or chuckets@gmail.com

*****To reserve your seat, complete the registration form below and send it along with your payment information to Education & Training Services.*****

REGISTRATION FORM

Public Utilities and Waterworks Management Institute
March 10 - 12, 2015 (City of Palmdale, CA)

Name _____

Business Name _____

Business Address _____

City/State/Zip _____

Business Phone _____ Email Add. _____

Payment Fee: \$499.00 per student (Do you want the optional university certification?
Yes _____ No _____)

If yes to optional university certification, the total fee is \$549.00

Please Remit By Check To:

EDUCATION & TRAINING SERVICES
PUBLIC UTILITIES AND WATERWORKS MANAGEMENT INSTITUTE
P.O. BOX 495
SALT LAKE CITY, UTAH 84110
ATTN: CHUCK CHRISTENSEN

***Call or email Chuck Christensen (see above) to make sure class is not full.**

**PALMDALE
WATER DISTRICT
STAFF REPORT**

DATE: January 7, 2015

TO: Mr. Michael Williams, Finance Manager

FROM: Gene Taylor, Customer Service Supervisor

RE: *Customer Appreciation Day December 20, 2014*

On December 20th from 9 a.m. -12 p.m., the District hosted the first Customer Appreciation Day. Over two hundred customers showed up for the event. Customer Service staff discussed with several customers information on the new billing rate restructure, how to read their bill, how to increase the water allocation based on number of residents, how to apply for the new Rate Assistance Program, how to find leaks and submit the courtesy leak adjustment application. Water conservation staff gave out conservation tips and rebate forms.

In addition to the above, the District sponsored some customer appreciation activities for families to enjoy. Staff appreciates that Director Robert Alavardo took on the challenge of being Santa for the event. He did an awesome job. Staff took 162 pictures of Santa with kids and/or families and gave away coloring books, candy canes, stickers, erasers, pencils and aqua dog pins.

The most popular activity for kids was the face painting and balloon making. They lined up to get a special balloon creation and/or their face painted. We saw many unique and amazing balloon creations and faces painted.

Many customers who spoke with staff were very appreciative that the District held the event. They stated that it really shows that the District supports the community.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: January 7, 2015 **January 14, 2015**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Jennifer Emery, Human Resources Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: *AGENDA ITEM NO. 12 – CONSIDERATION AND POSSIBLE ACTION
ON 360 DEGREE EVALUATION OF THE GENERAL MANAGER*

Attached for your information is a sample format of a 360 degree evaluation.

Supporting Documents:

- Sample 360 degree evaluation

Introduction

In keeping with [Company Name]'s goal to continuously improve, we are asking for your candid feedback on the performance of your manager this past year. A summary of all feedback received will be prepared for each individual manager so that he or she can use the feedback to learn and develop as a manager. Your individual feedback will be averaged into all the responses received in order to protect your anonymity and ensure that the results each manager receives are completely confidential. HR will also prepare an overall summary to assess areas for additional company-provided management training.

Thank you for your contribution to this very important process.

Name of Manager: _____

Instructions

Using the following rating scale, please circle the number that best reflects your rating of your manager's performance during the past year.

Rating Scale

1=Unacceptable

2=Needs improvement

3=Meets standard

4=Exceeds standard

5=Outstanding

6= Have not experienced or observed

Valuing Behaviors

Seeks input from all team members

1 2 3 4 5 6

Measures results instead of individual styles

1 2 3 4 5 6

Maintains a balance between "people" issues and "business" issues

1 2 3 4 5 6

Shows genuine concern for team members

1 2 3 4 5 6

Keeps the focus on fixing problems rather than finding someone to blame

1 2 3 4 5 6

Treats people fairly, without showing favoritism

1 2 3 4 5 6

Cares about me

1 2 3 4 5 6

Protects confidentiality

1 2 3 4 5 6

Recognizes and rewards my individual contributions in a manner meaningful to me

1 2 3 4 5 6

Interdependence Behaviors

Supports a team environment by recognizing and rewarding collaboration, cooperation and activities contributing to others' success

1 2 3 4 5 6

Recognizes and rewards team-supportive actions and behaviors

1 2 3 4 5 6

Recognizes and supports the work of other departments

1 2 3 4 5 6

Doesn't criticize those who are not present

1 2 3 4 5 6

Considers the impact of actions and decisions on other departments before implementing

1 2 3 4 5 6

Communication Behaviors

Encourages others to express different ideas and perspectives

1 2 3 4 5 6

Is open to other perspectives and is willing to change his/her position when presented with compelling information

1 2 3 4 5 6

Open to negative and/or constructive feedback

1 2 3 4 5 6

Keeps me informed on status of my work and updates in the organization

1 2 3 4 5 6

Gives open and constructive feedback

1 2 3 4 5 6

Effectively deals with conflict

1 2 3 4 5 6

Lets me know how I am doing

1 2 3 4 5 6

Involves me in decision-making when appropriate

1 2 3 4 5 6

Sets a clear direction for our department

1 2 3 4 5 6

Valuing Diversity Behaviors

Ensures that department activities are inclusive by verifying scheduling needs

1 2 3 4 5 6

Seeks input/feedback from diverse individuals and groups, including internal/external customers

1 2 3 4 5 6

Treats everyone with respect and fairness

1 2 3 4 5 6

Leadership Behaviors

Encourages and embraces change by challenging status quo

1 2 3 4 5 6

Provides cross-functional development opportunities for team members

1 2 3 4 5 6

Encourages and supports my involvement in training and development activities and events

1 2 3 4 5 6

Encourages and supports my involvement in community activities and events

1 2 3 4 5 6

Encourages and supports my involvement in company activities and events

1 2 3 4 5 6

Actions and behaviors are consistent with words

1 2 3 4 5 6

Is trustworthy

1 2 3 4 5 6

Is a role model for continuous improvement

1 2 3 4 5 6

Uses a coaching management style, rather than an authoritarian boss management style

1 2 3 4 5 6

Supports me, helps me achieve results

1 2 3 4 5 6

Supports a customer service approach for both internal and external customers

1 2 3 4 5 6

Deals with issues that need to be addressed

1 2 3 4 5 6

Provides a clear sense of purpose and direction, roles and responsibilities, for me individually and for our group team members

1 2 3 4 5 6

General Feedback

Optional: Type or print your answers, add additional pages if needed. Please be as specific as possible by including examples.

What activities, behavior, feedback or coaching would you like your manager to stop doing? Please explain.

List and briefly describe examples of the behavior, activities, feedback or coaching your manager has provided that makes your job and work environment more enjoyable and meaningful to you.

Please provide comments that you feel will be meaningful for your manager to sustain or improve his or her effectiveness.