

Since 1918



PALMDALE WATER DISTRICT

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Attorneys

August 27, 2015

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

Thursday, September 3, 2015

10:30 a.m.

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). 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 DD, 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) Roll call.
- 2) Adoption of agenda.
- 3) Public comments.
- 4) Action Items: (The public shall have an opportunity to comment on any action item as each item is considered by the Committee prior to action being taken.)



- 4.1) Consideration and possible action on approval of minutes of meeting held August 10, 2015.
- 4.2) Discussion and overview of Cash Flow Statement and Current Cash Balances as of July, 2015. (Financial Advisor Egan)
- 4.3) Discussion and overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for July 31, 2015. (Finance Manager Williams)
- 4.4) Discussion and overview of committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson)
- 4.5) Consideration and possible action on Financial Planning Services for State Grant and Low Interest Loan Funding to Implement Palmdale Regional Groundwater Recharge & Recovery Project. (\$28,500.00–2013A Water Revenue Bond – Assistant General Manager Knudson)
- 4.6) Discussion and evaluation of key points for establishment of 2016 Budget. (Finance Manager Williams)
- 5) Information items.
 - 5.1) Status of Debt Service Coverage. (Financial Advisor Egan)
 - 5.2) Other.
- 6) Board members' requests for future agenda items.
- 7) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	August 26, 2015	September 3, 2015
TO:	FINANCE COMMITTEE	Committee Meeting
FROM:	Mr. Bob Egan, Financial Advisor	
RE:	<i>AGENDA ITEM NO. 4.2 – DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF JULY, 2015.</i>	

Attached is the Investment Funds Report and current cash balance as of July 31, 2015. The reports will be reviewed in detail at the Finance Committee meeting.

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT

		July 31, 2015				July-15	June-15
DESCR							
CASH							
0-0103	Citizens/US Bank - Checking					(203,355.54)	548,740.30
0-0104	Citizens- Merchant					100,143.29	137,110.01
		Bank cash				(103,212.25)	685,850.31
0-0119	PETTY CASH					300.00	300.00
0-0120	CASH ON HAND					5,400.00	5,400.00
	TOTAL CASH					(97,512.25)	691,550.31
INVESTMENTS							
0-0110	UBS ACCOUNT SS 11469 GG						
	UBS RMA Government Portfolio					5,189,599.52	4,605,291.15
	UBS Bank USA Dep acct					250,000.00	250,000.00
	Accrued interest					1,621.34	3,298.73
						5,441,220.86	4,858,589.88
	CD'S	Due	Rate	Face Value			
	1 Bank of Baroda	07/23/15	0.35	240,000			
	2 Comenity Bank	07/28/15	0.45	200,000			
	3 Peoples United CT	07/28/15	0.30	240,000			
	4 Bank of India	07/28/15	0.30	23,000			
	5 Safra Nat'l	07/30/15	0.45	240,000			
	6 Standard B&T	07/30/15	0.45	57,000			
	7 Everbank	01/15/16	0.50	240,000	240,170.40	240,175.20	
	8 Horizon Financial	01/15/16	0.30	240,000	239,956.80	239,923.20	
	9 Hardin county	01/20/16	0.35	240,000	240,007.20	239,980.80	
	10 Level One bank	01/21/16	0.35	40,000	40,001.20	39,996.80	
	11 Firsy Merit	01/22/16	0.45	240,000	240,115.20	240,110.40	
						2,000,000	1,000,250.80
							2,000,023.65
						Total acct	6,441,471.66
							6,858,613.53
0-1110	UBS ACCOUNT SS 11475 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					357,552.34	357,544.47
						Total acct	607,552.34
							607,544.47
0-0115	LAIF					Total acct	11,756.41
							11,740.58
0-0111	UBS ACCOUNT SS 11432 GG						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					437,667.89	437,659.31
	Accrued interest					8,321.52	5,106.41
US GOVERNMENT SECURITIES:							
	ISSUE	EXPIR			MARKET	MARKET	
	DATE	DATE	RATE	PAR	VALUE	VALUE	
		FNMA	10/26/2015	1.625	500,000	501,640.00	502,365.00
		FFCB	6/2/2016	0.375	1,000,000	1,000,100.00	1,000,500.00
		FHLB	12/28/2017	0.95	500,000	498,050.00	497,765.00
					2,000,000	1,999,790.00	2,000,630.00
	CD'S	Due	Rate	Face Value			
	1 Sallie Mae Bank	11/06/15	0.85	240,000	240,360.00	240,439.20	
	2 Goldman Sachs Bk	11/07/16	1.00	240,000	240,708.00	240,979.20	
	3 CIT Bank	11/06/17	1.60	240,000	240,297.60	240,280.80	
	4 BMW Bank	11/15/18	2.00	240,000	241,384.80	242,724.00	
	5 American Express	4/29/2019	1.45	240,000	237,252.00	238,653.60	
	6 Synchrony Bank	4/14/2020	1.85	240,000	237,021.60	238,039.20	
	7						
						1,440,000	1,437,024.00
							1,441,116
		TOTAL MANAGED ACCOUNT				4,132,803.41	4,134,511.72
	TOTAL INVESTMENTS					11,193,583.82	11,612,410.30
	UBS ACCOUNT SS 24016					250,000.00	250,000.00
	Rate Stabilization Fund					230,267.09	230,258.18
						480,267.09	480,258.18
	GRAND TOTAL CASH AND INVESTMENTS					11,576,338.66	12,784,218.79
	Summary:						
	Checking					Incr (Decr)	(1,207,880.13)
	UBS MM						
	LAIF						
	UBS Investment						
	Rate Stab fund					BNY Mellon	
						Construction	2,127,496.18
							2,707,278.67

PALMDALE WATER DISTRICT													
2015 Cash Flow Report													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Budgeted Water Sales	1,665,617	1,645,827	1,701,805	1,717,590	1,933,174	2,100,833	2,336,905	2,377,838	2,191,667	2,101,685	1,823,592	1,806,467	23,403,000
Actual/Projected Water Sales	1,574,657	1,508,991	1,555,455	1,737,099	1,707,376	1,744,859	1,984,220	2,100,000	2,000,000	2,000,000	1,600,000	1,550,000	21,062,656
Beginning Balance	12,989,489	13,129,226	13,311,353	10,792,096	12,454,470	13,232,397	12,784,219	11,576,339	11,011,020	8,691,520	9,040,714	8,650,786	
Water Receipts	1,955,377	1,333,287	1,882,461	1,715,041	1,541,540	1,900,537	1,790,744	2,100,000	2,000,000	2,000,000	1,600,000	1,550,000	21,368,987
DWR Refund (Operational Related)				37,515									37,515
Other					122,850			23,893	126,015				272,758
Total Operating Revenue (BUDGET)	1,955,377	1,805,677	1,780,736	1,691,040	1,777,997	2,046,064	2,312,079	2,377,838	2,191,667	2,101,684	1,823,591	1,806,466	23,670,217
Total Operating Revenue (ACTUAL)	1,955,377	1,333,287	1,882,461	1,752,556	1,664,390	1,900,537	1,790,744	2,123,893	2,126,015	2,000,000	1,600,000	1,550,000	21,679,260
Total Operating Expenses excl GAC (BUDGET)	1,941,325	1,336,683	1,620,620	1,268,042	1,457,882	1,415,451	2,043,912	1,725,160	1,626,092	1,790,975	1,788,698	1,539,261	19,554,101
Total Operating Expenses excl GAC (ACTUAL)	1,220,357	1,283,474	1,934,657	1,515,586	1,595,351	1,452,485	2,238,601	1,345,000	1,545,000	1,520,000	1,480,000	1,300,000	18,430,511
													2,632,144
Non-Operating Revenue Expenses:													
Budgeted Assessments, net	658,043	301,052	8,169	2,023,311	743,899	7,993	82,865	175,695	-	-	147,607	2,901,366	7,050,000
Actual/Projected Assessments, net	720,946	275,795	15,646	2,199,772	803,305	11,911	81,982	138,249	-	-	147,607	2,901,366	7,296,579
RDA Pass-through (Successor Agency)					331,200							170,000	501,200
Interest	3,425	3,617	4,221	3,604	3,164	3,823	3,965	4,000	4,000	4,000	4,000	4,000	45,820
Market Adjustment	6,917	(4,350)	6,676	951	(625)	(4,479)	(4,705)	800	800	800	800	800	4,385
Grant Re-imbursement										306,915		178,085	485,000
Capital Improvement Fees		19,315	101,633	17,754				215,189					353,891
DWR Refund (Capital Related)			39,207	65,731	35,221	113,573							253,732
Other	608	3,971	2,270	4,259	21	63	32	500	500	500	500	500	13,723
Total Non-Operating Revenues (BUDGET)	677,843	500,852	512,969	2,043,111	1,013,699	27,793	152,665	195,495	19,800	19,800	167,407	3,091,168	8,422,601
Total Non-Operating Revenues (ACTUAL)	731,896	298,348	169,653	2,292,071	1,172,287	124,891	81,275	358,738	5,300	312,215	152,907	3,254,751	8,954,330
Non-Operating Expenses:													
Budgeted Capital Expenditures	(549,456)	(580,000)	(945,000)	(710,000)	(545,000)	(178,000)	(187,000)	(115,000)	(135,000)	(35,000)	(10,000)	(10,000)	(3,999,456)
Actual/Projected Capital Expenditures	(549,456)	(41,022)	(478,918)	(300,653)	(251,559)	(164,467)	(151,873)	(687,974)	(162,407)	(75,000)	(34,816)		(2,898,145)
Uncommitted Capital Expenditures								(427,000)	(210,000)	(160,000)	(235,000)	(50,000)	(1,082,000)
WRB Capital Expenditures												(675,386)	(675,386)
GAC			(297,759)	(298,286)				(340,000)			(185,000)		(1,121,045)
SWP Capitalized	(754,079)	(185,988)	(213,428)	(187,871)	(187,871)	(187,871)	(672,129)	(187,388)	(219,319)	(187,388)	(187,387)	(187,387)	(3,358,106)
Butte County Water Transfer						(648,151)						(648,151)	(1,296,303)
Prepaid Insurance (paid)/refunded		81,446		(62,561)				(36,620)	(197,480)				(215,215)
Bond Payments - Interest			(1,105,798)						(1,097,735)				(2,203,533)
Principal			(520,179)						(998,242)				(1,518,421)
Capital leases - Go West (2012 Lease)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(207,553)
Capital leases - GE Capital (Printer Lease)	(6,347)	(3,174)	(3,336)	-	(6,672)	(3,336)	-	(6,672)	(3,336)	(3,336)	(3,336)	(3,336)	(42,882)
Total Cash Ending Balance (BUDGET)	12,377,388	12,241,913	9,741,797	11,292,763	11,870,085	11,659,383	11,027,929	11,557,846	9,479,577	9,386,831	9,190,876	11,650,994	
Total Cash Ending Balance (ACTUAL)	13,129,226	13,311,353	10,792,096	12,454,470	13,232,397	12,784,219	11,576,339	11,011,020	8,691,520	9,040,714	8,650,786	10,573,981	(14,618,588)
											Budget	11,500,000	(3,032,113)
											Difference	(926,019)	

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: August 26, 2015 **September 3, 2015**
TO: Finance Committee **Committee Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 4.3 – DISCUSSION AND OVERVIEW OF FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR JULY 31, 2015***

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending July 31, 2015. 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 July, 2015.

This is the seventh month of the District's Budget Year 2015. The target percentage is 58%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on July 31, 2015.
- The significant change is the increase in receivables of approximately \$6 MM due to recognition of assessments due the District.
- The recognition is in both assets and liabilities.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on July 31, 2015.
- Operating revenue is at 50% of budget.
- July was the first month of the Drought Surcharge @ \$146K; will look at the significance of the surcharge later.
- Cash operating expense is at 51% of budget.
- Both operating revenue and expense are tracking at 50% of budget. Also note that year-to-date revenue exceeds expense by approximately \$290K. The \$146K from drought surcharge is the main reason.
- Finance and Human Resources are a little above target percentage due to expense related to the drought messaging through billing, continued unemployment claims, and safety training.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of July, 2014 to July, 2015.
- Total operating revenue is down \$330K, or 14%, due to reduced water consumption. If not for the surcharge, revenue would be down \$477K.

- Operating expenditures are up by \$316K, or 21%. The reason is last year we received \$302K under water recovery to offset expense; nothing in the category this year.
- Make note here that water sales for July are down \$345K alone, so the drought surcharge is essential in maintaining financial stability. I recommend we continue with stage 1 surcharge to sustain operations.
- Page 8 is a graphic presentation of the water consumption comparison. Units billed in acre feet were down by 594, or 27.5%. Total revenue per unit sold is up \$0.45, or 18%, total revenue per connection is down \$18.08, or 21.6%, and units billed per connection is down 9.8, or 27.7%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through July, 2015 is down \$1.16MM, or 9%.
- Retail water sales from all areas are down by \$1.11MM from last year. That's shown by the combined green highlighted area. If you exclude the meter fees, we are down \$1.33MM.
- The drought surcharge of \$146K is helping to offset the huge decreases in revenue.
- Total revenue is down \$590K due to change in the recording of assessment revenue and reduced consumption.
- Operating revenue is at 50% of budget; last year was at 53% of budget.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through July, 2015 are down \$928K, or 8%, compared to 2014.
- Total Expenses are down \$954K, or 5%.

Departments:

- Pages 14 through 23 are detailed individual departmental budgets for your review.
- Finance Budget, page 19, is tracking high because of the emergency drought message included with billing under contractual services.
- Human Resources, page 21, is tracking high due to continued unemployment claims under employee expense and required safety training.

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.

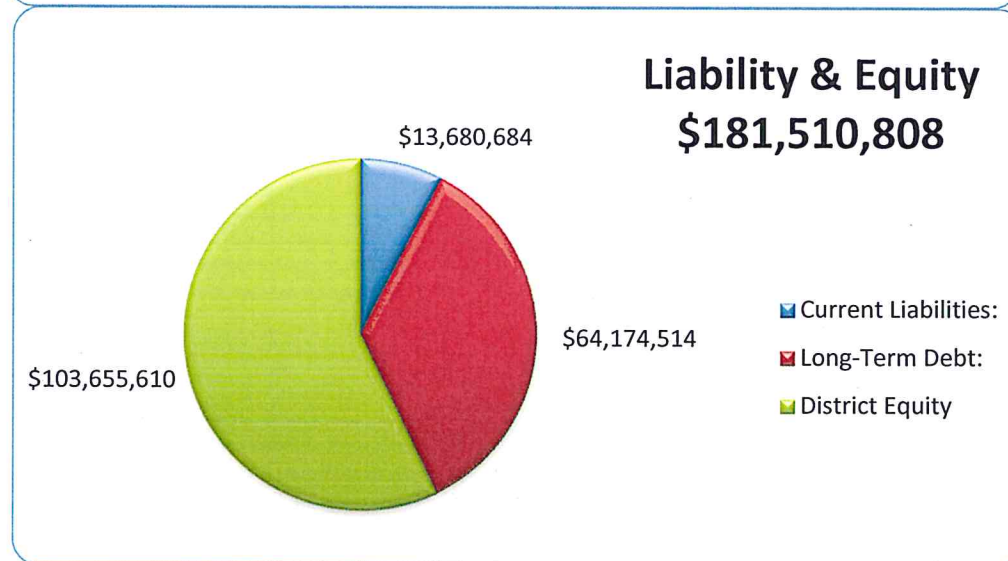
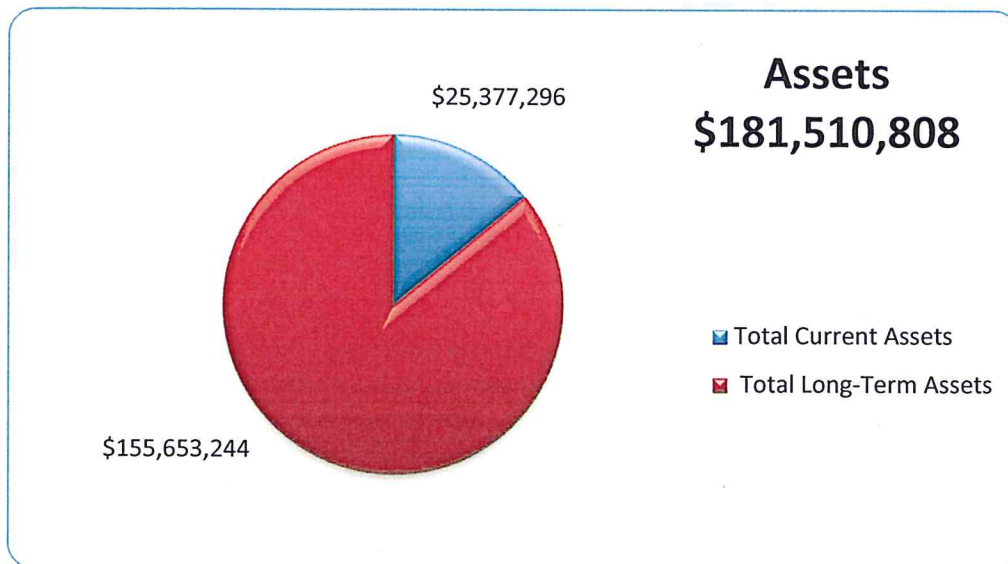
Service Cost Construction: The value of material, parts & supplies from inventory used to construct, repair and maintain our asset infrastructure.

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

Palmdale Water District
Balance Sheet Report
For the Seven Months Ending 7/31/2015

	<u>July 2015</u>	<u>June 2015</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ (97,512)	\$ 691,550
Investments	11,193,584	11,612,418
2013A Bonds - Project Funds	2,127,496	2,612,693
	<u>\$ 13,223,568</u>	<u>\$ 14,916,661</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 1,779,889	\$ 1,567,636
Accounts Receivables - Miscellaneous	86,315	52,404
Allowance for Uncollected Accounts	(200,199)	(200,199)
	<u>\$ 1,666,005</u>	<u>\$ 1,419,840</u>
Interest Receivable	\$ -	\$ -
Assessments Receivables	7,932,223	1,014,205
Meters, Materials and Supplies	2,446,603	2,473,624
Prepaid Expenses	108,898	99,342
Total Current Assets	<u>\$ 25,377,296</u>	<u>\$ 19,923,673</u>
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 113,237,246	\$ 113,103,387
Participation Rights in State Water Project, net	41,925,355	41,426,103
Investment in PRWA	265,420	165,420
2013A Bonds - Insurance & Surety Bond	225,222	225,889
	<u>\$ 155,653,244</u>	<u>\$ 154,920,799</u>
Restricted Cash:		
Rate Stabilization Fund	480,267	480,258
Total Long-Term Assets & Restricted Cash	<u>\$ 156,133,511</u>	<u>\$ 155,401,057</u>
Total Assets	<u>\$ 181,510,808</u>	<u>\$ 175,324,730</u>
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ 731,823	\$ 548,867
Current Principal Installment of Long-term Debt	1,175,427	1,175,427
Accounts Payable and Accrued Expenses	5,356,767	5,506,585
Deferred Assessments	6,416,667	-
Total Current Liabilities	<u>\$ 13,680,684</u>	<u>\$ 7,230,880</u>
Long-Term Debt:		
Pension-Related Debt	\$ 1,019,485	\$ 1,019,485
OPEB Liability	10,504,359	10,337,002
2013A Water Revenue Bonds	43,445,719	43,447,969
2012 - Certificates of Participation	9,075,698	9,068,900
2011 - Capital Lease Payable	129,254	144,044
Total Long-Term Liabilities	<u>\$ 64,174,514</u>	<u>\$ 64,017,400</u>
Total Liabilities	<u>\$ 77,855,198</u>	<u>\$ 71,248,280</u>
District Equity		
Revenue from Operations	\$ (1,981,725)	\$ (1,560,884)
Retained Earnings	105,637,335	105,637,335
Total Liabilities and District Equity	<u>\$ 181,510,808</u>	<u>\$ 175,324,730</u>

BALANCE SHEET AS OF JULY 31, 2015



Palmdale Water District
Consolidated Profit and Loss Statement
For the Seven Months Ending 7/31/2015

	Thru June	July	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 10,720	\$ -	\$ 10,720		\$ 225,000	4.76%
Water Sales	2,842,386	628,351	3,470,737		8,550,500	40.59%
Meter Fees	5,826,821	972,174	6,798,995		11,506,000	59.09%
Water Quality Fees	407,064	94,615	501,679		1,146,500	43.76%
Elevation Fees	165,355	40,529	205,884		525,000	39.22%
Other	576,090	102,185	678,275		1,450,000	46.78%
Drought Surcharge	-	146,366	146,366		-	
Total Operating Revenue	\$ 9,828,435	\$ 1,984,220	\$ 11,812,656	\$ -	\$ 23,403,000	50.47%
Cash Operating Expenses:						
Directors	\$ 68,318	\$ 10,260	\$ 78,578		\$ 118,500	66.31%
Administration	1,453,731	149,756	1,603,487		2,667,250	60.12%
Engineering*	593,703	172,447	766,150	(1,600)	1,251,150	61.24%
Facilities**	2,705,554	638,102	3,343,656	230,775	6,228,775	53.68%
Operations	1,137,722	277,077	1,414,798		2,624,000	53.92%
Finance**	934,424	153,138	1,087,561	(1,352,725)	1,598,025	68.06%
Water Conservation	131,909	32,140	164,049		284,000	57.76%
Human Resources	212,453	39,445	251,898		326,100	77.25%
Information Technology*	341,758	147,018	488,776	1,600	784,350	62.32%
Customer Care**	432,286	166,857	599,143	1,121,950	1,121,950	53.40%
Water Purchases*	1,094,780	11,509	1,106,289	(21,000)	2,379,000	46.50%
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)		250,000	-14.42%
Water Recovery	(337,077)	-	(337,077)		(100,000)	337.08%
Plant Expenditures	403,283	(10,742)	392,540		1,146,500	34.24%
GAC Filter Media Replacement	596,045	-	596,045		1,896,000	31.44%
Total Cash Operating Expenses	\$ 9,732,843	\$ 1,787,005	\$ 11,519,848	\$ (21,000)	\$ 22,575,600	51.03%
Non-Cash Operating Expenses:						
Depreciation	\$ 3,206,557	\$ 535,911	\$ 3,742,468		\$ 6,450,000	58.02%
OPEB Accrual Expense	1,101,480	183,580	1,285,060		2,000,000	64.25%
Bad Debts	3,414	3,166	6,580		100,000	6.58%
Service Costs Construction	25,993	1,489	27,482		125,000	21.99%
Capitalized Construction	(560,580)	(52,698)	(613,278)		(1,000,000)	61.33%
Total Non-Cash Operating Expenses	\$ 3,776,864	\$ 671,448	\$ 4,448,312	\$ -	\$ 7,675,000	57.96%
Net Operating Profit/(Loss)	\$ (3,681,272)	\$ (474,233)	\$ (4,155,505)	\$ 21,000	\$ (6,847,600)	60.69%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 2,679,000	\$ 443,333	\$ 3,122,333		\$ 5,100,000	61.22%
Assessments (1%)	1,177,200	140,000	1,317,200		1,950,000	67.55%
DWR Fixed Charge Recovery	253,732	-	253,732		100,000	253.73%
Interest	26,918	(739)	26,179		35,000	74.80%
Capital Improvement Fees	138,702	-	138,702		50,000	277.40%
Other	11,192	32	11,224		5,000	224.48%
Total Non-Operating Revenues	\$ 4,286,745	\$ 582,626	\$ 4,869,371	\$ -	\$ 7,240,000	67.26%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 1,140,551	\$ 189,248	\$ 1,329,799		\$ 2,111,000	62.99%
Amortization of SWP	1,037,262	172,877	1,210,139		1,679,000	72.07%
Change in Investments in PRWA	14,005	-	14,005		-	
Water Conservation Programs*	114,531	27,117	141,648	21,000	221,000	64.09%
Total Non-Operating Expenses	\$ 2,306,349	\$ 389,242	\$ 2,695,591	\$ 21,000	\$ 4,011,000	67.20%
Net Earnings	\$ (1,700,876)	\$ (280,849)	\$ (1,981,725)	\$ -	\$ (3,618,600)	54.76%

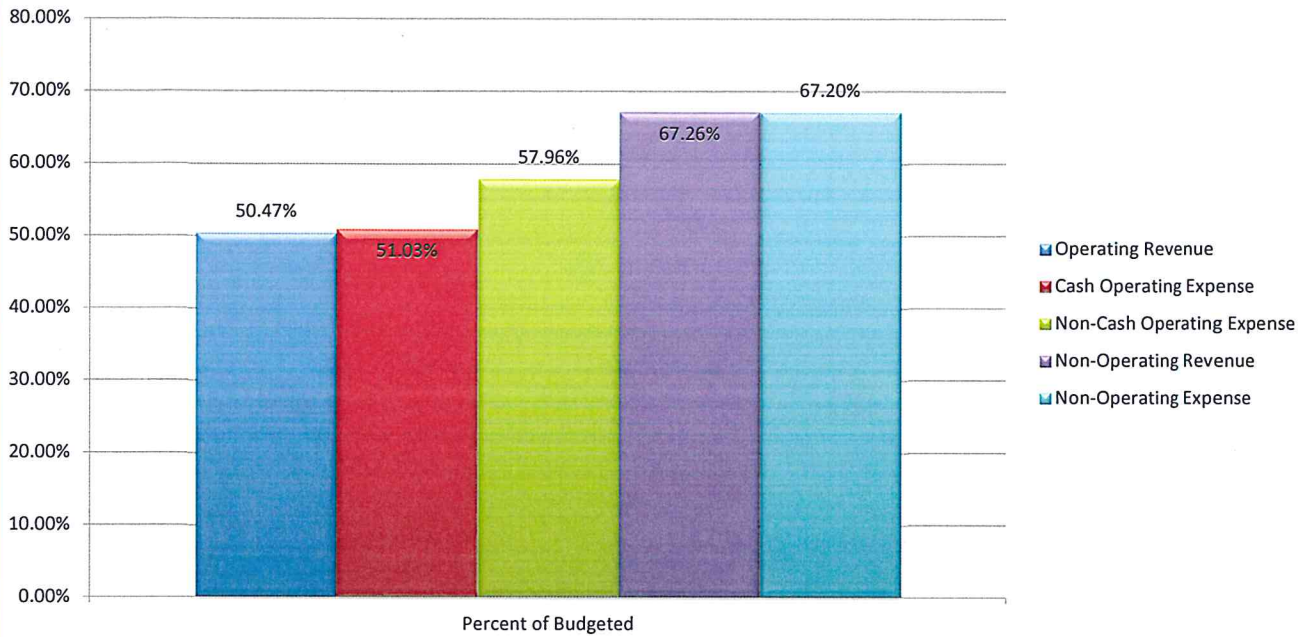
* Budget adjustments by General Manager per Appendix A

** Budget adjustment by Board action 04/08/15

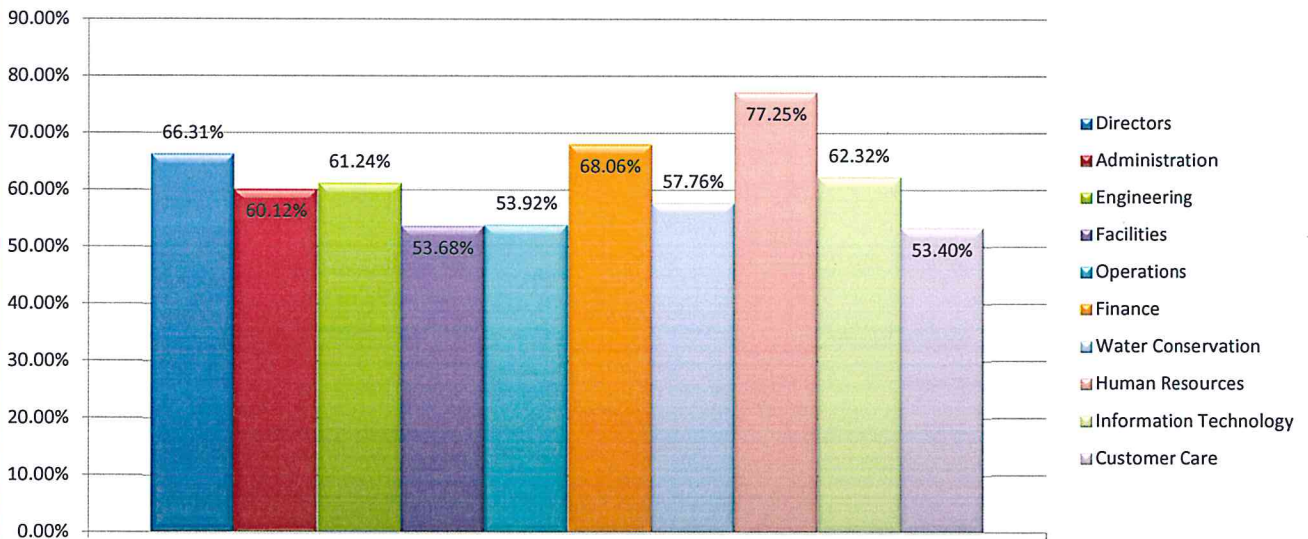
OTHER OPERATING REVENUE

Account Setup Charge(\$25)	\$1,850.00
Account Setup Charge/CC (\$35)	\$3,570.00
Door Tag Fee(\$20)	\$44,880.00
Lock Broken or Missing(\$15)	\$30.00
Pulled Meter Service Charge(\$60)	\$120.00
Repair Angle Stop(\$440.00)	-\$440.00
Shut-Off Charge(\$30)	\$3,060.00
Standard Trip Charge(\$15)	\$150.00
Waste Water 2nd Notice(\$50.00)	\$100.00
Late Fees	\$35,886.85
NSF Fee	\$450.00
	<u>\$89,656.85</u>

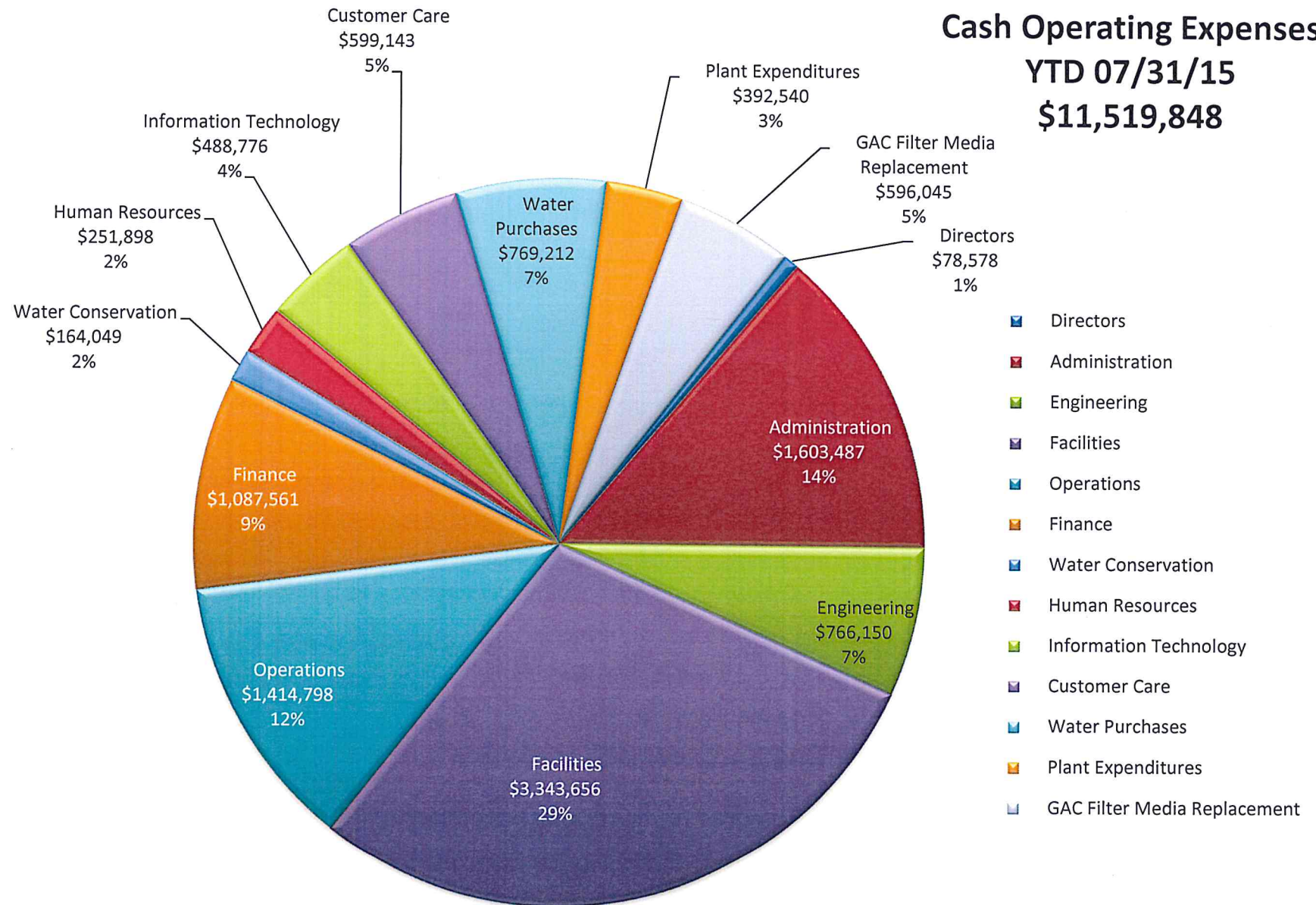
P & L BUDGET vs. ACTUAL



DEPARTMENTAL - BUDGET vs. ACTUAL



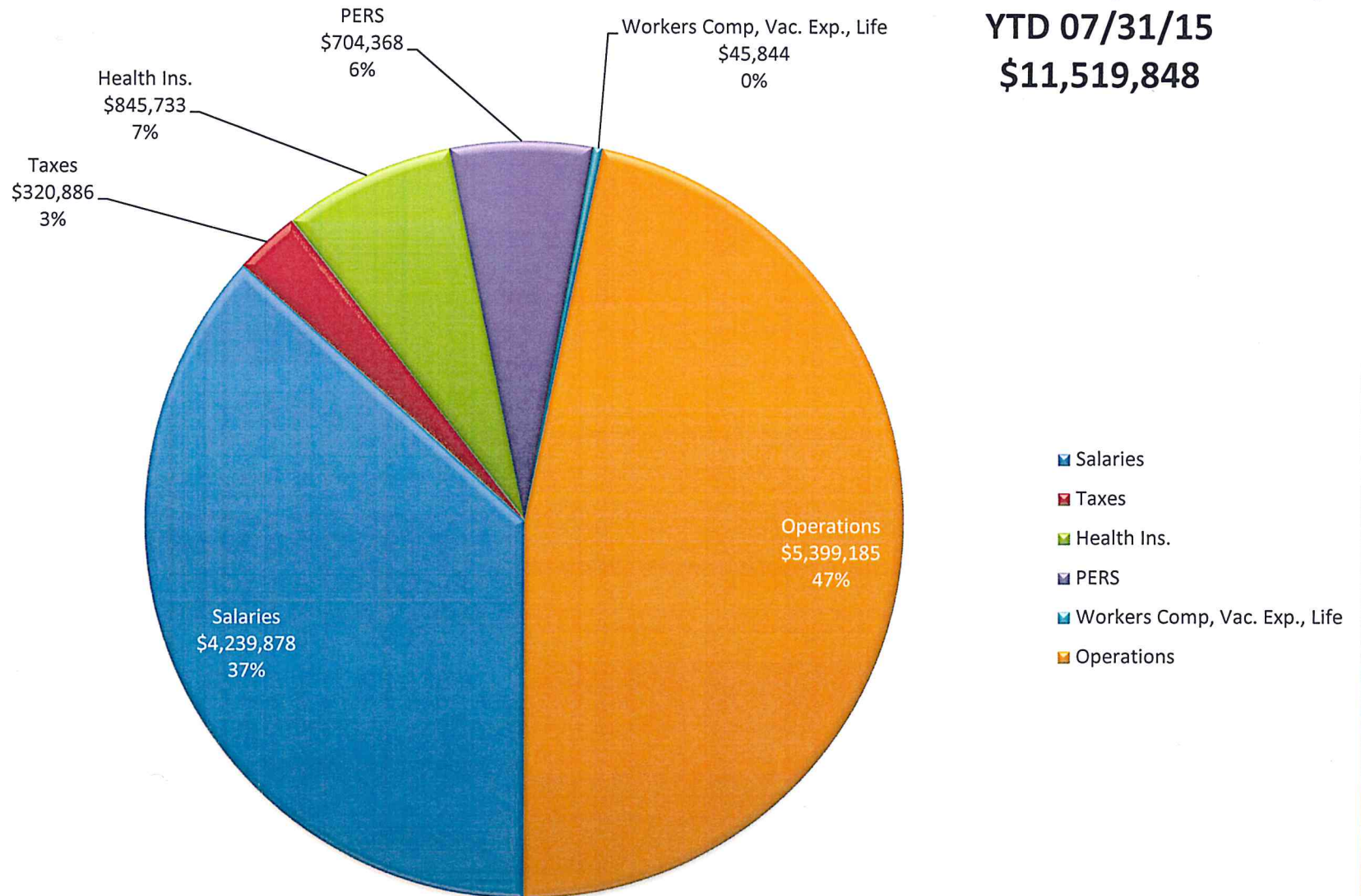
Cash Operating Expenses YTD 07/31/15 \$11,519,848



Personnel to Operations Exp

YTD 07/31/15

\$11,519,848

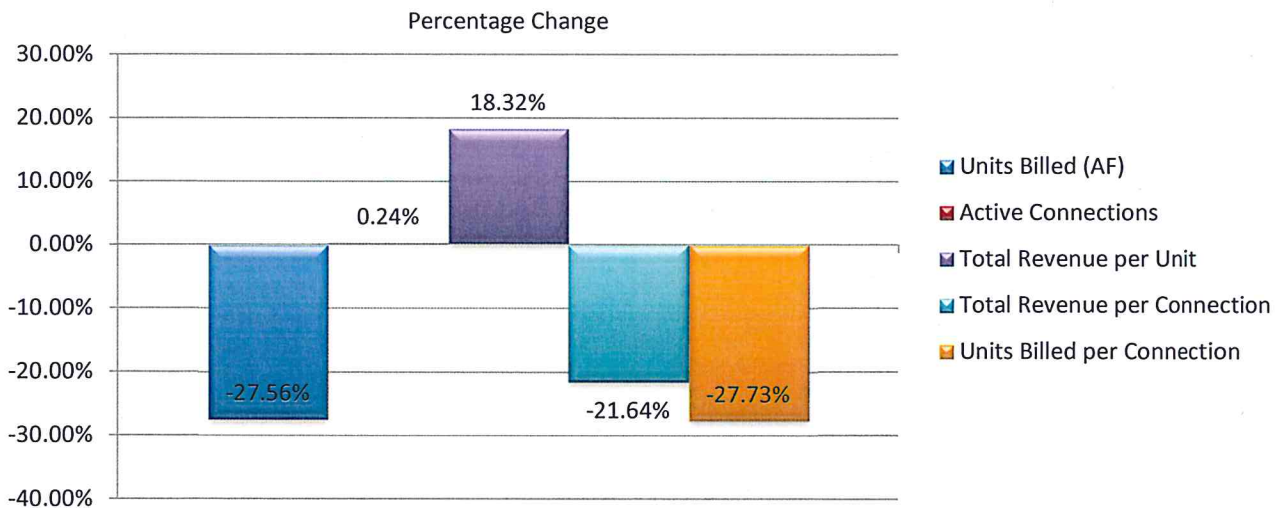
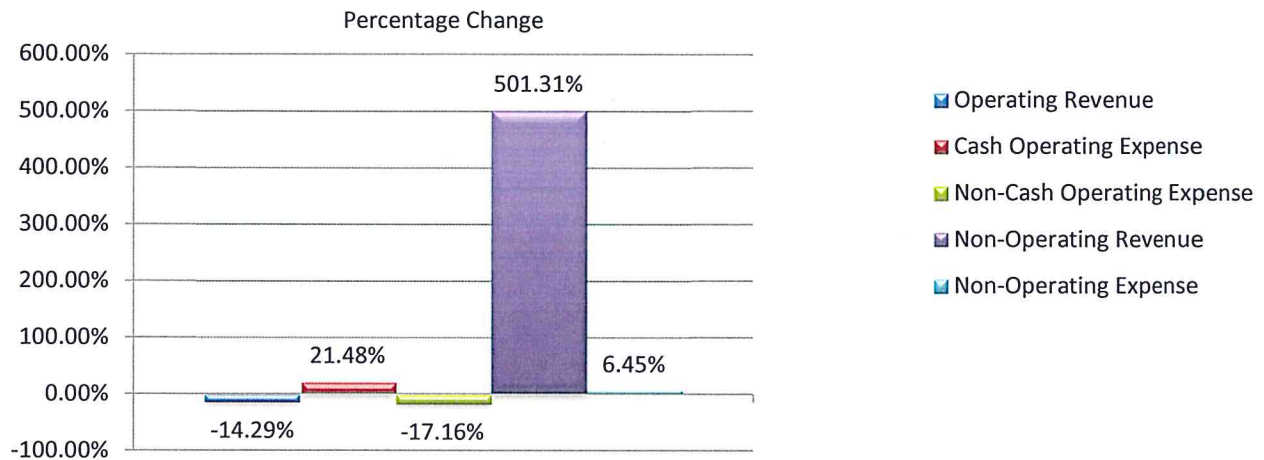


Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison - July

	2014 July	2015 July	Change	% Change		Consumption Comparison	
					Units Billed	2014	2015
Operating Revenue:						938,344	679,783
Wholesale Water	\$ 43,402	\$ -	\$ (43,402)	-100.00%	Active	26,455	26,518
Water Sales	974,152	628,351	(345,800)	-35.50%	Vacant	914	859
Meter Fees	947,584	972,174	24,590	2.60%			
Water Quality Fees	185,525	94,615	(90,910)	-49.00%	Rev/unit	\$ 2.47	\$ 2.92
Elevation Fees	59,200	40,529	(18,671)	-31.54%	Rev/con	\$ 83.53	\$ 65.45
Other	105,068	102,185	(2,883)	-2.74%	Unit/con	35.47	25.63
Drought Surcharge	-	146,366	146,366				
Total Operating Revenue	\$ 2,314,930	\$ 1,984,220	\$ (330,710)	-14.29%			
Cash Operating Expenses:							
Directors	\$ 15,532	\$ 10,260	\$ (5,273)	-33.95%			
Administration	243,191	149,756	(93,435)	-38.42%			
Engineering	126,181	172,447	46,266	36.67%			
Facilities	346,414	638,102	291,688	84.20%			
Operations	557,331	277,077	(280,254)	-50.29%			
Finance	290,520	153,138	(137,383)	-47.29%			
Water Conservation	11,237	32,140	20,903	186.02%			
Human Resources	27,850	39,445	11,595	41.63%			
Information Technology	62,346	147,018	84,672	135.81%			
Customer Care	-	166,857	166,857				
Water Purchases	34,362	11,509	(22,853)	-66.51%			
Water Purchases-Prior Year OAP	-	-	-				
Water Recovery	(302,201)	-	302,201	-100.00%			
Plant Expenditures	58,223	(10,742)	(68,966)	-118.45%			
GAC Filter Media Replacement	-	-	-				
Total Cash Operating Expenses	\$ 1,470,988	\$ 1,787,005	\$ 316,018	21.48%			
Non-Cash Operating Expenses:							
Depreciation	\$ 1,006,510	\$ 535,911	\$ (470,599)	-46.76%			
OPEB Accrual Expense	166,875	183,580	16,705	10.01%			
Bad Debts	172	3,166	2,993				
Service Costs Construction	(137,158)	1,489	138,647	-101.09%			
Capitalized Construction	(225,819)	(52,698)	173,121	-76.66%			
Total Non-Cash Operating Expenses	\$ 810,580	\$ 671,448	\$ (139,133)	-17.16%			
Net Operating Profit/(Loss)	\$ 33,362	\$ (474,233)	\$ (507,595)	-1521.47%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 63,234	\$ 443,333	\$ 380,100	601.10%			
Assessments (1%)	16,971	140,000	123,029	724.92%			
DWR Fixed Charge Recovery	-	-	-				
Interest	2,543	(739)	(3,282)	-129.08%			
Capital Improvement Fees	-	-	-				
Other	14,145	32	(14,113)	-99.77%			
Total Non-Operating Revenues	\$ 96,893	\$ 582,626	\$ 485,734	501.31%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 194,872	\$ 189,248	\$ (5,624)	-2.89%			
Amortization of SWP	159,510	172,877	13,367	8.38%			
Change in Investments in PRWA	-	-	-				
Water Conservation Programs	11,274	27,117	15,843	140.53%			
Total Non-Operating Expenses	\$ 365,656	\$ 389,242	\$ 23,586	6.45%			
Net Earnings	\$ (235,401)	\$ (280,849)	\$ (45,447)	19.31%			

YEAR-TO-YEAR COMPARISON

July '14 -To - July '15



	2014	2015	Change	
Units Billed (AF)	2,154	1,561	-594	-27.56%
Active Connections	26,455	26,518	63	0.24%
Non-Active	914	859	-55	-6.02%
Total Revenue per Unit	\$2.47	\$2.92	\$0.45	18.32%
Total Revenue per Connection	\$83.53	\$65.45	-\$18.08	-21.64%
Units Billed per Connection	35.47	25.63	-9.83	-27.73%

Palmdale Water District
Revenue Analysis
For the Seven Months Ending 7/31/2015
2015

	Thru June	July	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 10,720	\$ -	\$ 10,720	\$ 225,000	4.76%
Water Sales	2,842,386	628,351	3,470,737	8,550,500	40.59%
Meter Fees	5,826,821	972,174	6,798,995	11,506,000	59.09%
Water Quality Fees	407,064	94,615	501,679	1,146,500	43.76%
Elevation Fees	165,355	40,529	205,884	525,000	39.22%
Other	576,090	102,185	678,275	1,450,000	46.78%
Drought Surcharge	-	146,366	146,366	-	
Total Water Sales	\$ 9,828,435	\$ 1,984,220	\$ 11,812,656	\$ 23,403,000	50.47%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 2,679,000	\$ 443,333	\$ 3,122,333	\$ 5,100,000	61.22%
Assessments (1%)	1,177,200	140,000	1,317,200	1,950,000	67.55%
DWR Fixed Charge Recovery	253,732	-	253,732	100,000	253.73%
Interest	26,918	(739)	26,179	35,000	74.80%
Capital Improvement Fees	138,702	-	138,702	50,000	277.40%
Other	11,192	32	11,224	5,000	224.48%
Total Non-Operating Revenues	\$ 4,286,745	\$ 582,626	\$ 4,869,371	\$ 7,240,000	67.26%
Total Revenue	\$ 14,115,180	\$ 2,566,846	\$ 16,682,026	\$ 30,643,000	54.44%

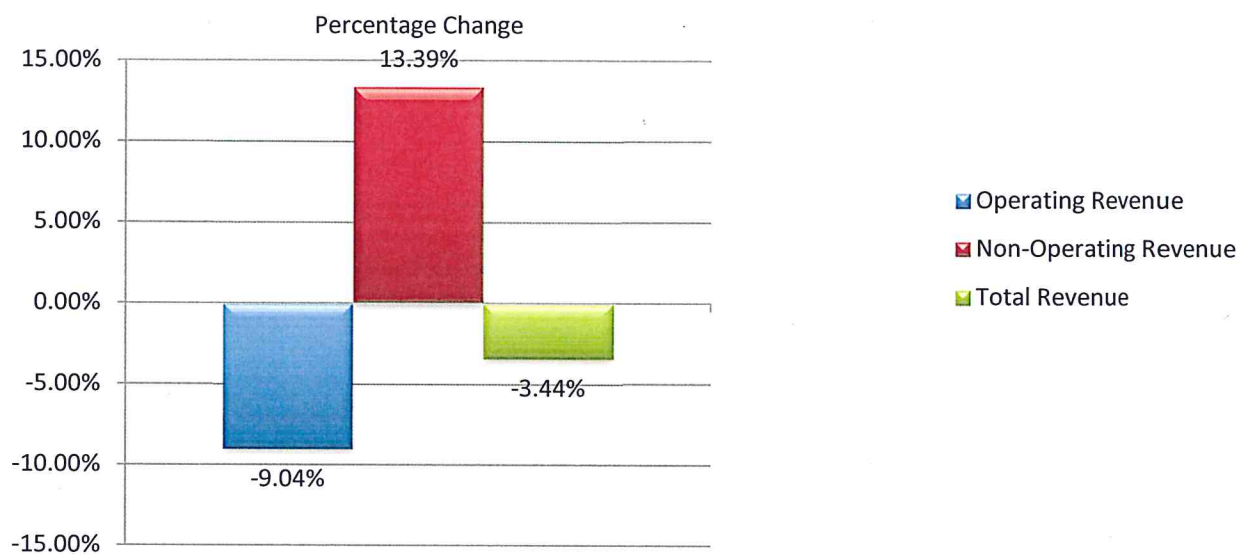
2014 to 2015 Comparison

	Thru June	July	Year-to-Date	% Change
	\$ (28,070)	\$ (43,402)	\$ (71,473)	-86.96%
	(572,334)	(345,800)	(918,135)	-20.92%
	194,253	24,590	218,842	3.33%
	(266,741)	(90,910)	(357,651)	-41.62%
	(36,113)	(18,671)	(54,784)	-21.02%
	(125,845)	(2,883)	(128,728)	-15.95%
	-	146,366	146,366	
	\$ (834,852)	\$ (330,710)	\$ (1,165,562)	-9.04%
	\$ (70,948)	\$ 380,100	\$ 309,152	10.99%
	56,682	123,029	179,710	15.80%
	120,193	-	120,193	
	(4,032)	(3,282)	(7,314)	-21.84%
	128,813	-	128,813	1302.59%
	(141,468)	(14,113)	(155,581)	-93.27%
	\$ 89,240	\$ 485,734	\$ 574,974	13.39%
	\$ (745,611)	\$ 155,023	\$ (590,588)	-3.44%

	Thru June	July	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 38,791	\$ 43,402	\$ 82,193	\$ 225,000	36.53%
Water Sales	3,414,720	974,152	4,388,871	9,053,000	48.48%
Meter Fees	5,632,568	947,584	6,580,152	11,255,000	58.46%
Water Quality Fees	673,805	185,525	859,330	1,638,000	52.46%
Elevation Fees	201,468	59,200	260,668	525,000	49.65%
Other	701,935	105,068	807,003	1,700,000	47.47%
Drought Surcharge	-	-	-	-	
Total Water Sales	\$ 10,624,496	\$ 2,271,528	\$ 12,896,025	\$ 24,171,000	53.35%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 2,749,948	\$ 63,234	\$ 2,813,181	\$ 4,400,000	63.94%
Assessments (1%)	1,120,518	16,971	1,137,490	1,800,000	63.19%
DWR Fixed Charge Recovery	133,539	-	133,539	100,000	133.54%
Interest	30,950	2,543	33,493	25,000	133.97%
Capital Improvement Fees	9,889	-	9,889	150,000	6.59%
Other	152,660	14,145	166,805	185,000	90.16%
Total Non-Operating Revenues	\$ 4,197,504	\$ 96,893	\$ 4,294,397	\$ 6,660,000	64.48%
Total Revenue	\$ 14,822,001	\$ 2,368,421	\$ 17,190,421	\$ 30,831,000	55.76%

REVENUE COMPARISON YEAR-TO-DATE

July '14-To-July '15



**Palmdale Water District
Operating Expense Analysis
For the Seven Months Ending 7/31/2015**

	2015					2014 to 2015 Comparison				
	Thru June	July	Year-to-Date	Adjusted Budget	% of Budget	Thru June	July	Year-to-Date	% Change	
Cash Operating Expenses:										
Directors	\$ 68,318	\$ 10,260	\$ 78,578	\$ 118,500	66.31%	\$ 200	\$ (5,273)	\$ (5,073)	-6.06%	
Administration	1,453,731	149,756	1,603,487	2,667,250	60.12%	(424,038)	(93,435)	(517,473)	-24.40%	
Engineering	593,703	172,447	766,150	1,251,150	61.24%	89,148	46,266	135,413	21.47%	
Facilities	2,705,554	638,102	3,343,656	6,228,775	53.68%	1,263,345	291,688	1,555,033	86.94%	
Operations	1,137,722	277,077	1,414,798	2,624,000	53.92%	(1,441,921)	(280,254)	(1,722,174)	-54.90%	
Finance	934,424	153,138	1,087,561	1,598,025	68.06%	(596,215)	(137,383)	(733,597)	-40.28%	
Water Conservation	131,909	32,140	164,049	284,000	57.76%	64,285	20,903	85,187	108.02%	
Human Resources	212,453	39,445	251,898	326,100	77.25%	105,117	11,595	116,711	86.33%	
Information Technology	341,758	147,018	488,776	784,350	62.32%	(66,864)	84,672	17,808	3.78%	
Customer Care	432,286	166,857	599,143	1,121,950	53.40%	432,286	166,857	599,143		
Water Purchases	1,094,780	11,509	1,106,289	2,379,000	46.50%	(122,876)	(22,853)	(145,729)	-11.64%	
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)	250,000	-14.42%	(36,728)	-	(36,728)		
Water Recovery	(337,077)	-	(337,077)	(100,000)	337.08%	(248,512)	302,201	53,689	-13.74%	
Plant Expenditures	403,283	(10,742)	392,540	1,146,500	34.24%	(848,219)	(68,966)	(917,185)	-70.03%	
GAC Filter Media Replacement	596,045	-	596,045	1,896,000	31.44%	586,874	-	586,874		
Total Cash Operating Expenses	\$ 9,732,843	\$ 1,787,005	\$ 11,519,848	\$ 22,575,600	51.03%	\$ (1,244,118)	\$ 316,018	\$ (928,101)	-8.06%	
Non-Cash Operating Expenses:										
Depreciation	\$ 3,206,557	\$ 535,911	\$ 3,742,468	\$ 6,450,000	58.02%	\$ (103,390)	\$ (470,599)	\$ (573,990)	-13.30%	
OPEB Accrual Expense	1,101,480	183,580	1,285,060	2,000,000	64.25%	100,230	16,705	116,936	10.01%	
Bad Debts	3,414	3,166	6,580	100,000	6.58%	(21,189)	2,993	(18,196)	-73.44%	
Service Costs Construction	25,993	1,489	27,482	125,000	21.99%	20,121	138,647	158,768	-120.93%	
Capitalized Construction	(560,580)	(52,698)	(613,278)	(1,000,000)	61.33%	(22,681)	173,121	150,440	-19.70%	
Total Non-Cash Operating Expenses	\$ 3,776,864	\$ 671,448	\$ 4,448,312	\$ 7,675,000	57.96%	\$ (26,910)	\$ (139,133)	\$ (166,043)	-3.73%	
Non-Operating Expenses:										
Interest on Long-Term Debt	\$ 1,140,551	\$ 189,248	\$ 1,329,799	\$ 2,111,000	62.99%	\$ (23,951)	\$ (5,624)	\$ (29,575)	-2.18%	
Amortization of SWP	1,037,262	172,877	1,210,139	1,679,000	72.07%	80,202	13,367	93,569	8.38%	
Change in Investments in PRWA	14,005	-	14,005	-						
Water Conservation Programs	114,531	27,117	141,648	221,000	64.09%	59,677	15,843	75,520	114.20%	
Total Non-Operating Expenses	\$ 2,306,349	\$ 389,242	\$ 2,695,591	\$ 4,011,000	67.20%	\$ 115,928	\$ 23,586	\$ 139,514	5.49%	
Total Expenses	\$ 15,816,056	\$ 2,847,695	\$ 18,663,751	\$ 34,261,600	54.47%	\$ (1,155,100)	\$ 200,471	\$ (954,629)	-4.87%	

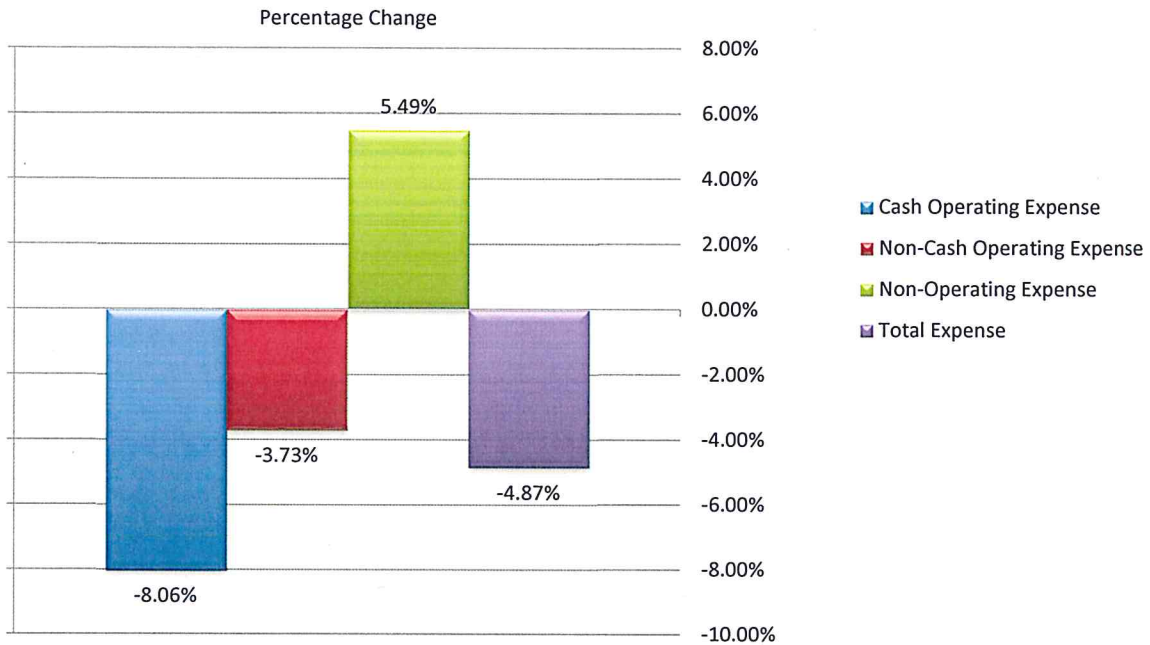
**Palmdale Water District
Operating Expense Analysis
For the Seven Months Ending 7/31/2015**

2014 to 2015 Comparison

	2014			Adjusted	% of
	Thru June	July	Year-to-Date	Budget	Budget
Cash Operating Expenses:					
Directors	\$ 68,118	\$ 15,532	\$ 83,650	\$ 114,500	73.06%
Administration	1,877,769	243,191	2,120,960	3,490,000	60.77%
Engineering	504,555	126,181	630,736	1,079,800	58.41%
Facilities	1,442,209	346,414	1,788,623	3,408,500	52.48%
Operations	2,579,642	557,331	3,136,973	5,453,500	57.52%
Finance	1,530,638	290,520	1,821,159	2,968,750	61.34%
Water Conservation	67,624	11,237	78,861	270,000	29.21%
Human Resources	107,336	27,850	135,186	215,300	62.79%
Information Technology	408,623	62,346	470,968	828,600	56.84%
Customer Care	-	-	-	-	-
Water Purchases	1,217,657	34,362	1,252,019	2,400,000	52.17%
Water Purchases-Prior Year OAP	683	-	683	250,000	0.27%
Water Recovery	(88,565)	(302,201)	(390,766)	(100,000)	390.77%
Plant Expenditures	1,251,502	58,223	1,309,725	2,143,500	61.10%
GAC Filter Media Replacement	9,171	-	9,171	1,638,000	0.56%
Total Cash Operating Expenses	\$ 10,976,961	\$ 1,470,988	\$ 12,447,949	\$ 24,160,450	51.52%
Non-Cash Operating Expenses:					
Depreciation	\$ 3,309,947	\$ 1,006,510	\$ 4,316,458	\$ 7,350,000	58.73%
OPEB Accrual Expense	1,001,250	166,875	1,168,124	2,000,000	58.41%
Bad Debts	24,604	172	24,776	100,000	24.78%
Service Costs Construction	5,873	(137,158)	(131,285)	125,000	-105.03%
Capitalized Construction	(537,899)	(225,819)	(763,718)	(1,000,000)	76.37%
Total Non-Cash Operating Expenses	\$ 3,803,774	\$ 810,580	\$ 4,614,355	\$ 8,575,000	53.81%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,164,501	\$ 194,872	\$ 1,359,374	\$ 2,111,000	64.39%
Amortization of SWP	957,060	159,510	1,116,570	1,679,000	66.50%
Water Conservation Programs	54,854	11,274	66,128	143,000	46.24%
Total Non-Operating Expenses	\$ 2,176,416	\$ 365,656	\$ 2,542,072	\$ 3,933,000	64.63%
Total Expenses	\$ 16,957,151	\$ 2,647,224	\$ 19,604,376	\$ 36,668,450	53.46%

EXPENSE COMPARISON YEAR-TO-DATE

July '14-To-July '15



**Palmdale Water District
2015 Directors Budget
For the Seven Months Ending Friday, July 31, 2015**

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 34,500	\$ 45,000	\$ -	\$ 10,500	76.67%
Employee Benefits					
1-01-4005-000 Payroll Taxes	2,625	5,500		2,875	47.73%
1-01-4010-000 Health Insurance	33,808	58,000		24,192	58.29%
Subtotal (Benefits)	36,433	63,500	-	24,192	57.37%
Total Personnel Expenses	<u>\$ 70,933</u>	<u>\$ 108,500</u>	<u>\$ -</u>	<u>\$ 34,692</u>	<u>65.38%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	7,644	10,000		2,356	76.44%
Subtotal Operating Expenses	7,644	10,000	-	2,356	76.44%
Total O & M Expenses	<u>\$ 78,578</u>	<u>\$ 118,500</u>	<u>\$ -</u>	<u>\$ 37,048</u>	<u>66.31%</u>

Palmdale Water District
2015 Administration Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 544,584	\$ 860,500		\$ 315,916	63.29%
1-02-4000-100 Overtime	4,348	8,250		3,902	52.70%
1-02-4000-200 On-Call	50,011	67,500		17,489	74.09%
Subtotal (Salaries)	\$ 598,943	\$ 936,250	\$ -	\$ 337,307	63.97%
Employee Benefits					
1-02-4005-000 Payroll Taxes	\$ 40,229	\$ 66,000		25,771	60.95%
1-02-4010-000 Health Insurance	78,034	134,000		55,966	58.23%
1-02-4015-000 PERS	127,183	169,000		41,817	75.26%
1-02-4020-000 Worker's Compensation	53,440	125,000		71,560	42.75%
1-02-4025-000 Vacation Benefit Expense	(11,642)	35,000		46,642	-33.26%
1-02-4030-000 Life Insurance	4,046	8,000		3,954	50.57%
Subtotal (Benefits)	\$ 291,290	\$ 537,000	\$ -	\$ 245,710	54.24%
Total Personnel Expenses	\$ 890,233	\$ 1,473,250	\$ -	\$ 583,017	60.43%
OPERATING EXPENSES:					
1-02-4050-100 General Manager Travel	\$ 3,777	\$ 5,000		1,223	75.53%
1-02-4060-100 General Manager Conferences & Seminars	3,440	4,000		560	86.00%
1-02-4080-000 Other Operating	13,221	20,000		6,779	66.10%
1-02-4110-000 Consultants	94,439	175,000		80,561	53.97%
1-02-4125-000 Insurance	174,544	285,000		110,456	61.24%
1-02-4130-000 Bank Charges	84,616	140,000		55,384	60.44%
1-02-4135-000 Groundwater Adjudication	76,224	75,000		(1,224)	101.63%
1-02-4140-000 Legal Services	107,522	160,000		52,478	67.20%
1-02-4150-000 Accounting Services	19,797	25,000		5,203	79.19%
1-02-4165-000 Memberships/Subscriptions	84,633	210,000		125,367	40.30%
1-02-4175-000 Permits	13,119	10,000		(3,119)	131.19%
1-02-4180-000 Postage	15,050	27,500		12,450	54.73%
1-02-4190-100 Public Relations - Publications	9,083	35,000		25,917	25.95%
1-02-4190-900 Public Relations - Other	-	1,000		1,000	0.00%
1-02-4200-000 Advertising	2,018	3,500		1,482	57.66%
1-02-4205-000 Office Supplies	11,773	18,000		6,227	65.41%
Subtotal Operating Expenses	\$ 713,254	\$ 1,194,000	\$ -	\$ 480,746	59.74%
Total Departmental Expenses	\$ 1,603,487	\$ 2,667,250	\$ -	\$ 1,063,763	60.12%

Palmdale Water District
2015 Engineering Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 498,635	\$ 809,000		\$ 310,365	61.64%
1-03-4000-100 Overtime	2,833	6,750		3,917	41.98%
Subtotal (Salaries)	\$ 501,469	\$ 815,750		\$ 314,281	61.47%
Employee Benefits					
1-03-4005-000 Payroll Taxes	38,538	61,000		22,462	63.18%
1-03-4010-000 Health Insurance	85,221	154,500		69,279	55.16%
1-03-4015-000 PERS	79,596	142,000		62,404	56.05%
Subtotal (Benefits)	\$ 203,355	\$ 357,500	\$ -	\$ 154,145	56.88%
Total Personnel Expenses	\$ 704,824	\$ 1,173,250	\$ -	\$ 468,426	60.07%
OPERATING EXPENSES:					
1-03-4155-000 Contracted Services	54,639	61,500		6,861	88.84%
1-03-4165-000 Memberships/Subscriptions	1,451	2,000		549	72.57%
1-03-4250-000 General Materials & Supplies	2,075	2,500		425	83.01%
1-03-8100-100 Computer Software - Maint. & Support*	3,160	13,500	(1,600)	10,340	23.41%
Subtotal Operating Expenses	\$ 61,326	\$ 79,500	\$ (1,600)	\$ 18,174	77.14%
Total Departmental Expenses	\$ 766,150	\$ 1,252,750	\$ (1,600)	\$ 486,600	61.16%

* Budget adjustments by General Manager per Appendix A

**Palmdale Water District
2015 Facilities Budget
For the Seven Months Ending Friday, July 31, 2015**

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 1,126,816	\$ 2,049,000		\$ 922,184	54.99%
1-04-4000-100 Overtime	50,643	65,000		14,357	77.91%
Subtotal (Salaries)	\$ 1,177,459	\$ 2,114,000	\$ -	\$ 936,541	55.70%
Employee Benefits					
1-04-4005-000 Payroll Taxes	91,186	157,000		65,814	58.08%
1-04-4010-000 Health Insurance	267,098	466,000		198,902	57.32%
1-04-4015-000 PERS	187,692	362,000		174,308	51.85%
Subtotal (Benefits)	\$ 545,976	\$ 985,000	\$ -	\$ 439,025	55.43%
Total Personnel Expenses	\$ 1,723,435	\$ 3,099,000	\$ -	\$ 1,375,565	55.61%
OPERATING EXPENSES:					
1-04-4155-000 Contracted Services	\$ 69,903	\$ 125,000		\$ 55,097	55.92%
1-04-4175-000 Permits-Dams	3,508	50,000		46,492	7.02%
1-04-4215-100 Natural Gas - Wells & Boosters	113,672	236,000		122,328	
1-04-4215-200 Natural Gas - Buildings	3,554	9,000		5,447	39.48%
1-04-4220-100 Electricity - Wells & Boosters	878,849	1,515,000		636,151	
1-04-4220-200 Electricity - Buildings	53,618	75,000		21,382	71.49%
1-04-4225-000 Maint. & Repair - Vehicles	18,994	40,000		21,006	47.48%
1-04-4230-100 Maint. & Rep. Office Building	3,912	15,000		11,088	26.08%
1-04-4235-110 Maint. & Rep. Equipment	4,372	6,500		2,128	67.27%
1-04-4235-400 Maint. & Rep. Operations - Wells	53,334	75,000		21,666	71.11%
1-04-4235-405 Maint. & Rep. Operations - Boosters	18,835	50,000		31,165	37.67%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	1,396	10,000		8,604	13.96%
1-04-4235-415 Maint. & Rep. Operations - Facilities	19,417	15,000		(4,417)	129.45%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	102,788	240,000		137,212	42.83%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	-	15,000		15,000	0.00%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	580	7,500		6,920	7.73%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	524	10,000		9,476	5.24%
1-04-4235-440 Maint. & Rep. Operations - Large Meters**	853	-	7,870	7,017	10.84%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	3,170	2,250		(920)	140.89%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	555	12,000		11,445	4.63%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	27,825	35,000		7,175	79.50%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	1,398	5,000		3,602	27.96%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges**	63,352	-	211,950	148,598	29.89%
1-04-4250-100 General Supplies - Hot Tapping Program	5,549	-		(5,549)	
1-04-4270-300 Telecommunication - Other	2,056	2,750		694	74.78%
1-04-4300-200 Testing - Large Meters**	4,185	-	10,955	6,770	38.20%
1-04-4300-300 Testing - Edison Testing	-	6,000		6,000	0.00%
1-04-6000-000 Waste Disposal	8,207	25,000		16,793	32.83%
1-04-6100-100 Fuel and Lube - Vehicle	42,303	130,000		87,697	32.54%
1-04-6100-200 Fuel and Lube - Machinery	21,213	43,000		21,787	49.33%
1-04-6200-000 Uniforms	16,162	22,500		6,338	71.83%
1-04-6300-100 Supplies - General	29,538	47,500		17,962	62.19%
1-04-6300-200 Supplies - Hypo Generators	371	6,500		6,129	5.71%
1-04-6300-300 Supplies - Electrical	-	3,000		3,000	0.00%
1-04-6300-400 Supplies - Telemetry	2,733	5,000		2,267	54.65%
1-04-6300-800 Supplies - Construction Materials	24,056	35,000		10,944	68.73%
1-04-6400-000 Tools	9,935	12,000		2,065	82.79%
1-04-7000-100 Leases -Equipment	9,504	12,500		2,996	76.03%
Subtotal Operating Expenses	\$ 1,620,222	\$ 2,899,000	\$ 230,775	\$ 1,509,553	51.77%
Total Departmental Expenses	\$ 3,343,656	\$ 5,998,000	\$ 230,775	\$ 2,885,119	53.68%

** Budget adjustment by Board action 04/08/15

Palmdale Water District
2015 Operation Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 636,225	\$ 1,104,500		\$ 468,275	57.60%
1-05-4000-100 Overtime	34,358	53,750		19,392	63.92%
Subtotal (Salaries)	\$ 670,582	\$ 1,158,250	\$ -	\$ 487,668	57.90%
Employee Benefits					
1-05-4005-000 Payroll Taxes	50,879	90,750		39,871	56.07%
1-05-4010-000 Health Insurance	126,100	200,000		73,900	63.05%
1-05-4015-000 PERS	105,063	203,000		97,937	51.76%
Subtotal (Benefits)	\$ 282,042	\$ 493,750	\$ -	\$ 211,708	57.12%
Total Personnel Expenses	\$ 952,625	\$ 1,652,000	\$ -	\$ 699,375	57.66%
OPERATING EXPENSES:					
1-05-4155-000 Contracted Services*	\$ 75,639	\$ 67,500	\$ 12,200	\$ 4,061	94.90%
1-05-4175-000 Permits	12,620	40,000		27,380	31.55%
1-05-4215-200 Natural Gas - WTP	652	3,000		2,348	21.73%
1-05-4220-200 Electricity - WTP	67,155	125,000		57,845	53.72%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	500		500	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	7,991	11,500		3,509	69.49%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	720	6,000		5,280	12.00%
1-05-4235-415 Maint. & Rep. Operations - Facilities	26,140	45,000		18,860	58.09%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	-	18,000		18,000	0.00%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	2,975	6,000		3,025	49.58%
1-05-4236-000 Palmdale Lake Management*	12,763	15,000	10,000	12,237	51.05%
1-05-6000-000 Waste Disposal	2,256	14,000		11,744	16.11%
1-05-6200-000 Uniforms	8,643	12,000		3,357	72.02%
1-05-6300-100 Supplies - General	7,065	15,000		7,935	47.10%
1-05-6300-600 Supplies - Lab	27,163	35,000		7,837	77.61%
1-05-6300-700 Outside Lab Work	43,110	64,000		20,890	67.36%
1-05-6400-000 Tools	3,865	6,500		2,635	59.46%
1-05-6500-000 Chemicals*	162,767	485,000	(22,200)	300,033	35.17%
1-05-7000-100 Leases -Equipment	651	3,000		2,349	21.69%
Subtotal Operating Expenses	\$ 462,174	\$ 972,000	\$ -	\$ 509,826	47.55%
Total Departmental Expenses	\$ 1,414,798	\$ 2,624,000	\$ -	\$ 1,209,202	53.92%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2015 Finance Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries**	\$ 531,463	\$ 1,546,000	\$ (727,000)	\$ 287,537	64.89%
1-06-4000-100 Overtime**	4,124	19,000	(13,500)	1,376	74.97%
Subtotal (Salaries)	\$ 535,586	\$ 1,565,000	\$ (740,500)	\$ 288,914	64.96%
Employee Benefits					
1-06-4005-000 Payroll Taxes**	40,964	118,500	(54,000)	23,536	63.51%
1-06-4010-000 Health Insurance**	103,877	316,000	(173,000)	39,123	72.64%
1-06-4015-000 PERS**	100,735	297,000	(132,000)	64,265	61.05%
Subtotal (Benefits)	\$ 245,576	\$ 731,500	\$ (359,000)	\$ 126,924	65.93%
Total Personnel Expenses	\$ 781,162	\$ 2,296,500	\$ (1,099,500)	\$ 415,838	65.26%
OPERATING EXPENSES:					
1-06-4155-000 Contracted Services **	\$ 9,027	\$ 24,750	\$ (16,950)	\$ (1,227)	115.73%
1-06-4155-100 Contracted Services - Infosend	122,380	205,000		82,620	59.70%
1-06-4165-000 Memberships/Subscriptions	110	500		390	22.00%
1-06-4230-110 Maintenance & Repair - Office Equipment**	-	1,000	(500)	500	0.00%
1-06-4235-440 Maint. & Rep. Operations - Large Meters**	2,129	10,000	(7,870)	1	99.97%
1-06-4235-470 Maint. & Rep. Operations - Meter Exchanges**	138,045	350,000	(211,950)	5	100.00%
1-06-4250-000 General Material & Supplies**	1,812	6,000	(1,500)	2,688	40.26%
1-06-4260-000 Business Forms**	6,261	10,000	(3,500)	239	96.32%
1-06-4270-100 Telecommunication - Office	10,346	12,000		1,654	86.22%
1-06-4270-200 Telecommunication - Cellular Stipend	10,400	17,000		6,600	61.18%
1-06-4300-200 Testing - Large Meter Testing**	4,044	15,000	(10,955)	1	99.98%
1-06-7000-100 Leases - Equipment	1,845	3,000		1,155	61.50%
Subtotal Operating Expenses	\$ 306,399	\$ 654,250	\$ (253,225)	\$ 94,626	76.40%
Total Departmental Expenses	\$ 1,087,561	\$ 2,950,750	\$ (1,352,725)	\$ 510,464	68.06%

** Budget adjustment by Board action 04/08/15

Palmdale Water District
2015 Water Conservation Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-07-4000-000 Salaries	\$ 101,192	\$ 175,000		\$ 73,808	57.82%
1-07-4000-100 Overtime	812	1,000		188	81.21%
Subtotal (Salaries)	\$ 102,004	\$ 176,000		\$ 73,996	57.96%
Employee Benefits					
1-07-4005-000 Payroll Taxes	7,838	13,500		5,662	58.06%
1-07-4010-000 Health Insurance	23,373	38,000		14,627	61.51%
1-07-4015-000 PERS	11,180	20,000		8,820	55.90%
Subtotal (Benefits)	\$ 42,392	\$ 71,500	\$ -	\$ 29,108	59.29%
Total Personnel Expenses	\$ 144,396	\$ 247,500	\$ -	\$ 102,916	58.34%
OPERATING EXPENSES:					
1-07-4190-300 Public Relations - Landscape Workshop/Training	\$ 98	\$ 1,000		\$ 902	9.75%
1-07-4190-400 Public Relations - Contests	602	1,000		398	60.19%
1-07-4190-500 Public Relations - Education Programs	-	2,500		2,500	0.00%
1-07-4190-700 Public Relations -General Media	9,366	25,000		15,635	37.46%
1-07-4190-900 Public Relations - Other	6,212	2,000		(4,212)	310.61%
1-07-6300-100 Supplies - Misc.	3,376	5,000		1,624	67.52%
Subtotal Operating Expenses	\$ 19,653	\$ 36,500	\$ -	\$ 16,847	53.84%
Total Departmental Expenses	\$ 164,049	\$ 284,000	\$ -	\$ 119,763	57.76%

Palmdale Water District
2015 Human Resources Budget
For the Seven Months Ending Friday, July 31, 2015

		YTD	ORIGINAL		ADJUSTED	
		ACTUAL	BUDGET	ADJUSTMENTS	BUDGET	PERCENT
		2015	2015	2015	REMAINING	USED
Personnel Budget:						
1-08-4000-000	Salaries	\$ 90,680	\$ 101,000		\$ 10,320	89.78%
Employee Benefits						
1-08-4005-000	Payroll Taxes	6,957	7,750		794	89.76%
1-08-4010-000	Health Insurance	11,574	18,000		6,426	64.30%
1-08-4015-000	PERS	3,965	6,500		2,535	61.00%
	Subtotal (Benefits)	\$ 22,496	\$ 32,250	\$ -	\$ 9,754	69.75%
	Total Personnel Expenses	\$ 113,175	\$ 133,250	\$ -	\$ 20,075	84.93%
OPERATING EXPENSES:						
1-08-4050-000	Staff Travel	\$ 15,120	\$ 25,250		\$ 10,130	59.88%
1-08-4060-000	Staff Conferences & Seminars	14,146	20,500		6,354	69.00%
1-08-4070-000	Employee Expense	32,991	40,000		7,009	82.48%
1-08-4095-000	Employee Recruitment	1,565	3,000		1,435	52.15%
1-08-4100-000	Employee Retention	8,864	20,000		11,136	44.32%
1-08-4105-000	Employee Relations	2,727	3,500		773	77.91%
1-08-4110-000	Consultants	-	1,000		1,000	0.00%
1-08-4120-100	Training-Safety	38,959	30,000	5,000	(3,959)	111.31%
1-08-4120-200	Training-Speciality	10,479	26,000	(5,000)	10,521	49.90%
1-08-4121-000	Safety Program	200	1,000		800	20.02%
1-08-4165-000	Membership/Subscriptions	319	1,600		1,281	19.94%
1-08-4165-100	HR/Safety Publications	154	1,000		846	15.44%
1-08-6300-500	Supplies - Safety	13,200	20,000		6,800	66.00%
	Subtotal Operating Expenses	\$ 138,722	\$ 192,850	\$ -	\$ 54,128	71.93%
	Total Departmental Expenses	\$ 251,898	\$ 326,100	\$ -	\$ 74,202	77.25%

Palmdale Water District
2015 Information Technology Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 133,169	\$ 221,500		\$ 88,331	60.12%
1-09-4000-100 Overtime	2,034	2,500		466	81.35%
Subtotal (Salaries)	\$ 135,203	\$ 224,000		\$ 88,797	60.36%
Employee Benefits					
1-09-4005-000 Payroll Taxes	10,290	17,000		6,710	60.53%
1-09-4010-000 Health Insurance	23,004	37,500		14,496	61.34%
1-09-4015-000 PERS	24,390	44,000		19,610	55.43%
Subtotal (Benefits)	\$ 57,684	\$ 98,500	\$ -	\$ 40,816	58.56%
Total Personnel Expenses	\$ 192,886	\$ 322,500	\$ -	\$ 129,147	59.81%
OPERATING EXPENSES:					
1-09-4155-000 Contracted Services	\$ 62,892	\$ 125,000		\$ 62,108	50.31%
1-09-4165-000 Memberships/Subscriptions	150	1,000		850	15.00%
1-09-4270-000 Telecommunications	44,423	77,750		33,327	57.14%
1-09-8000-100 Computer Equipment - Computers	13,417	20,000		6,583	67.08%
1-09-8000-200 Computer Equipment - Laptops*	5,944	5,000	1,600	656	90.06%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	494	3,000		2,506	16.48%
1-09-8000-550 Computer Equipment - Telephony	362	2,500		2,138	14.48%
1-09-8000-600 Computer Equipment - Other	1,540	20,000		18,460	7.70%
1-09-8100-100 Computer Software - Maint. and Support	43,218	44,000		782	98.22%
1-09-8100-140 Computer Software - Starnik	68,675	110,000		41,325	62.43%
1-09-8100-150 Computer Software - Dynamics GP Support	46,283	36,000		(10,283)	128.56%
1-09-8100-200 Computer Software - Software and Upgrades	8,492	14,000		5,508	60.66%
Subtotal Operating Expenses	\$ 295,890	\$ 460,250	\$ 1,600	\$ 165,960	64.07%
Total Departmental Expenses	\$ 488,776	\$ 782,750	\$ 1,600	\$ 295,108	62.32%

* Budget adjustments by General Manager per Appendix A

Palmdale Water District
2015 Customer Care Budget
For the Seven Months Ending Friday, July 31, 2015

	YTD ACTUAL 2015	ORIGINAL BUDGET 2015	ADJUSTMENTS 2015	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-10-4000-000 Salaries**	\$ 389,333	\$ -	\$ 727,000	\$ 337,667	53.55%
1-10-4000-100 Overtime**	4,119	-	13,500	9,381	30.51%
Subtotal (Salaries)	\$ 393,452	\$ -	\$ 740,500	\$ 347,048	53.13%
Employee Benefits					
1-10-4005-000 Payroll Taxes**	31,380	-	54,000	22,620	58.11%
1-10-4010-000 Health Insurance**	93,644	-	173,000	79,356	54.13%
1-10-4015-000 PERS**	64,564	-	132,000	67,436	48.91%
Subtotal (Benefits)	\$ 189,588	\$ -	\$ 359,000	\$ 169,412	52.81%
Total Personnel Expenses	\$ 583,040	\$ -	\$ 1,099,500	\$ 516,460	53.03%
OPERATING EXPENSES:					
1-10-4155-000 Contracted Services**	\$ 9,277	\$ -	\$ 16,950	\$ 7,673	54.73%
1-10-4230-110 Maintenance & Repair-Office Equipment**	-	-	500	500	0.00%
1-10-4250-000 General Material & Supplies**	5,355	-	1,500	(3,855)	357.01%
1-10-4260-000 Business Forms**	1,471	-	3,500	2,029	42.03%
Subtotal Operating Expenses	\$ 16,103	\$ -	\$ 22,450	\$ 6,347	71.73%
Total Departmental Expenses	\$ 599,143	\$ -	\$ 1,121,950	\$ 522,807	53.40%

** Budget adjustment by Board action 04/08/15

P A L M D A L E W A T E R D I S T R I C T
B O A R D M E M O R A N D U M

DATE: August 26, 2015

September 3, 2015

TO: Finance Committee

Finance Committee Meeting

FROM: Mr. Dennis D. LaMoreaux, General Manager

RE: ***AGENDA ITEM NO. 4.4 – DISCUSSION AND OVERVIEW OF
COMMITTED CONTRACTS ISSUED AND WATER REVENUE BOND
PROJECTS.***

The updated Committed Contracts Issued and Water Revenue Bond Projects spreadsheet will be distributed at the Committee meeting.

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: August 26, 2015 **September 3, 2015**
TO: Finance Committee **Finance Committee Meeting**
FROM: Mr. Matthew Knudson, Assistant General Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 4.5 - CONSIDERATION AND POSSIBLE ACTION
ON FINANCIAL PLANNING SERVICES FOR STATE GRANT AND
LOW INTEREST LOAN FUNDING TO IMPLEMENT PALMDALE
REGIONAL GROUNDWATER RECHARGE & RECOVERY PROJECT.***

The attached Scope of Work and Agreement for Financial Planning Services for State Grant and Low Interest Loan Funding to Implement the Palmdale Regional Groundwater Recharge & Recovery Project will be reviewed in detail at the meeting.

Please let me know if you have any questions.

Supporting Documents:

- Scope of Work for Financial Planning Services for State Grant and Low Interest Loan Funding to Implement Palmdale Regional Groundwater Recharge & Recovery Project.

Palmdale Water District

Scope of Work for Financial Planning Services for State Grant and Low Interest Loan Funding to implement Palmdale Regional Groundwater Recharge and Recovery Project August 2015

Proposed Scope of Work. One of the important aspects of this scope of work is to develop the financial information that is required for inclusion in the construction grant and low interest loan funding request to the Proposition 1 Water Recycling Program and the California State Revolving Fund (SRF). If all required funds for project implementation cannot be obtained from a water recycling grant and a SRF loan, other funding sources will need to be obtained.

To accomplish this, PFM ("Consultant") will work with Palmdale Water District (District) staff to evaluate a range of reasonable financing scenarios to support the District's investment in the Palmdale Regional Groundwater Recharge and Recovery Project and the required revenues to repay construction and annual operating costs.

The analyses will include an evaluation of the costs, benefits and impacts on the District's rates, reserves and overall financial condition. In addition, Consultant will evaluate different marketing and credit rating strategies to help identify financing at the most favorable cost and repayment terms.

Background. The District is in the preliminary design phase for its Palmdale Regional Groundwater Recharge and Recovery Project. This project includes a recycled water component as well as necessary pipelines, recharge basins and groundwater recovery wells. In addition, the project will enhance storage opportunities, enabling the District and potentially others to bank water in the groundwater aquifer.

Consultant Tasks. Consultant will complete the following tasks.

Task 1 Initial Meeting with District to Establish Funding Scenarios

Consultant will meet with District staff to develop a range of reasonable funding sources for financial capital prior to starting the financial evaluation.

Financing sources may include, but are not limited to the following:

- a. State Revolving Fund Loans
- b. State and federal grants (e.g., Proposition 1, RIFIA)¹
- c. Tax-exempt revenue bonds (issued by the District or a JPA)

- d. Special district bonds (e.g., assessment or CFD)
- e. Participation agreements (e.g., banking partners)

Consultant will evaluate the four most reasonable funding scenarios which could include, but is not limited to, the financing structures as shown in the Table below:

Potential Funding Scenarios Total Capital Cost = \$85,000,000				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Grant Funding	\$15,000,000	\$15,000,000	\$15,000,000	n/a
SRF Loan (1.663%)	\$70,000,000	\$35,000,000	n/a	n/a
Municipal Bond (%)	n/a	\$35,000,000	\$35,000,000	\$35,000,000
Private Equity (%)	n/a	n/a	\$35,000,000	\$15,000,000
Other (%)	n/a	n/a	n/a	\$35,000,000
Repayment period	30 yrs	30 yrs	30 yrs	30 yrs
Start Construction	2016	2016	2016	2016
End Construction	2018	2018	2018	2018
Start Operation	2019	2019	2019	2019

Task 2 Evaluate financing strategies and structures for each Scenario.

Consultant will develop financing models showing cash flow for each scenario, including potential impact on water rates and charges. The Consultant will use as a baseline the data presented in the District's Water Rate Study of 2014 when evaluating impacts on water rates and charges. The model will account for connection fee revenues, which will be a large source of repayment of loans (regardless of form.) Consultant will also evaluate different debt structures to enable the District to evaluate potential risks of each financing tool.

The financial model shall include all costs including but not limited to capital costs, annual operations and maintenance, costs of pumping energy, purchases of wastewater from LA County Sanitation District No. 20, cost of water from the State Water Project and reserve funds for future repair and replacement of project features.

Task 3 Compare Scenarios and Complete a Sensitivity Analysis

- Compare Scenarios on a Net Present Value (NPV) basis
- Recommend a preferred funding scenario
- Complete a sensitivity analysis on preferred funding scenario
 - Effect of change in market interest rates
 - Effect of droughts and water conservation for a 100%, 90% and 75% available water supply
 - Other sensitivity factors??
- Demonstrate the financial and repayment viability of preferred funding scenario

Task 4 Provide a summary report . Consultant will prepare a report showing financial impacts under each of the financing scenarios, as well as a recommendation as to what -scenario or combination of financing tools would be most effective.

The report shall be narrative in nature with supporting tables and figures and include at a minimum the following topics

- A. Describe Sources of Financing
 - Proposition 1 Water Recycling Grant Funding
 - State Revolving Fund Low Interest Loan
 - Municipal Bond Market
 - Other sources
- B. Assumptions in Funding Scenarios
 - Interest rates
 - Inflation
 - Annual operations and maintenance costs
 - Cost of SWP water
 - Cost of water from wastewater treatment plant
 - Reserve funds for repair and replacement
 - Other partners financial requirement
 - Repayment period
 - Other??
- C. Financial Analysis of Funding Scenarios
 - Cash flow for each Scenario
 - Debt structure
 - Risks
 - Comparison of Scenarios based on NPV
- D. Preferred Funding Scenario
 - Describe preferred funding scenario
 - Pricing Policy for Repayment of Preferred Funding Scenario
 - Impact on water rates and charges
 - Connection fee revenues
 - Unit Costs in dollars per acre-foot

Proposed Schedule and Timeframe. It is expected that all work on the financing scenarios will be completed by November 15, 2015, with a draft report available for staff review by October 1, 2015.

Personnel. The following PFM employees will conduct work on this project.

Brian Thomas, Managing Director
 Christine Dawood, Senior Managing Consultant
 Maria Figueroa, Senior Analyst
 John Medall, Analyst

Fee proposal. PFM proposes to complete this work on a time and material basis at the following billing rates:

Managing Director - \$325/hour
 Senior Managing Consultant - \$295/hour
 Senior Analyst – \$250
 Analyst - \$225/hour

Not-to-Exceed Fee: PFM proposes to complete the financing plan and scenario evaluation within a maximum fee of \$28,500, plus direct expenses, which will be capped at \$500.

Proposed Person-Hours and Billing Rates by Tasks

	Managing Dir.		Sr Consultant		Sr Analyst		Analyst		Total Hours	Total Cost
Rate	\$325		\$295		\$250		\$225			
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost		
Task 1	3	\$975	3	\$885					6	\$1,860
Task 2	3	\$975	10	\$2,950	15	\$3,750	15	\$3,375	43	\$11,050
Task 3	3	\$975	5	\$1,475	15	\$3,750	15	\$3,475	38	\$9,575
Task 4	5	\$1,625	10	\$2,950	3	\$750	3	\$675	21	\$6,000

Deliverables:

Consultant will provide 7 copies of draft and final reports. One electronic copy of the draft and final reports and data shall be provided in original format such as Microsoft Word and Microsoft Excel

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: August 26, 2015 **September 3, 2015**
TO: Finance Committee **Committee Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 4.6 – DISCUSSION AND EVALUATION OF KEY POINTS FOR ESTABLISHMENT OF 2016 BUDGET.***

Discussion:

Attached are the 2016 Budget worksheets (V1) of the financials for the Palmdale Water District's 2016 Budget. To highlight some of the key points of the budget I submit the following.

1. Operating revenue is based on selling 16,500 acre feet of water with a 5.5% rate increase.
2. Fees for Elevation Booster and Water Quality will be calculated in October using the adopted 5 year averaging method.
3. Cash operating expense is \$1.5MM less than 2015 adopted budgeted amount.
4. Water Recovery is set at \$475K, which is an estimate based on 3 year averaging.
5. Plant expenditures are set at \$1MM for now. The number will be adjusted as departmental requests are received.
6. The cost of living allowance (COLA) has not been added. That will be calculated after September's CPI is known.
7. Personnel costs do include merit and step increases.
8. Employee benefits are based on current census data with little anticipated changes.
9. Administration has a PERS contribution increase of \$400K for our unfunded liability calculation.
10. Water conservation is funded at \$200K.
11. Departmental budgets include a summary page overview for quick reference.
12. Next key events and dates:
 - a. September 9, 2015-Department Heads to submit their adjusted line item request.
 - b. September 25, 2015-GM, AGM, CFO, & FA to establish Cash Flow based on final projections.
 - c. October 12, 2015-Finance Committee to receive first full review of 2016 budget with updated financials and projections.

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PALMDALE WATER DISTRICT 2015 BUDGET (16,500 Acre Foot - 5.5% Increase)

	PROPOSED 2016	PROJECTED 2015	BUDGET ² 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
Operating Revenue						
Wholesale Water (AVEK & LCID)	100,000	35,000	225,000	218,627	192,316	50,345
Retail Water	20,998,000	19,683,000	21,728,000	21,647,741	22,289,376	21,272,059
Other Operating Revenue	1,300,000	1,300,000	1,450,000	1,377,953	1,670,371	1,339,084
	<u>22,398,000</u>	<u>21,018,000</u>	<u>23,403,000</u>	<u>23,244,320</u>	<u>24,152,063</u>	<u>22,661,487</u>
Operating Expenses						
Departmental Salaries (Includes Overtime)	7,424,250	7,185,950	7,191,000	6,837,471	6,525,528	6,581,456
Departmental Taxes & Program Benefits	712,250	677,325	705,000	646,579	638,641	533,543
Departmental Healthcare	1,358,250	1,367,325	1,422,000	1,379,012	1,442,138	1,500,491
Departmental CalPERS	1,328,750	1,213,900	1,243,500	1,228,920	1,065,484	1,190,148
Departmental Operating Expenses	6,643,100	5,873,675	6,827,350	7,002,691	6,032,849	5,980,632
Water Purchases & Recovery (OAP Included)	1,925,000	1,279,000	2,550,000	1,959,115	2,072,169	3,219,959
Water Quality (GAC Media)	1,000,000	1,121,045	1,146,500	1,204,922	1,133,176	1,550,184
Capitalized Expenditures	1,000,000	1,566,000	1,896,000	753,615	726,135	713,641
Cash Expenses	<u>21,391,600</u>	<u>20,284,220</u>	<u>22,981,350</u>	<u>21,012,326</u>	<u>19,636,120</u>	<u>21,270,054</u>
Non-Cash Expenses	<u>8,625,000</u>	<u>9,358,000</u>	<u>7,675,000</u>	<u>7,651,539</u>	<u>7,972,883</u>	<u>8,556,168</u>
Net Operating Income/(Loss)	<u>(7,618,600)</u>	<u>(8,624,220)</u>	<u>(7,253,350)</u>	<u>(5,419,544)</u>	<u>(3,456,940)</u>	<u>(7,164,735)</u>
Non-operating Revenues	6,985,000	8,583,000	7,240,000	7,367,714	6,584,573	8,090,243
Non-operating Expenses	<u>4,666,000</u>	<u>4,630,115</u>	<u>3,990,000</u>	<u>4,982,994</u>	<u>3,888,167</u>	<u>4,045,482</u>
Net Non-operating Income/(Loss)	<u>2,319,000</u>	<u>3,952,885</u>	<u>3,250,000</u>	<u>2,384,720</u>	<u>2,696,406</u>	<u>4,044,761</u>
Net Earnings(Loss)	<u>(5,299,600)</u>	<u>(4,671,335)</u>	<u>(4,003,350)</u>	<u>(3,034,825)</u>	<u>(760,535)</u>	<u>(3,119,974)</u>

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PALMDALE WATER DISTRICT 2016 BUDGET (16,500 Acre Foot - 5.5% Increase)

	PROPOSED 2016	PROJECTED 2015	BUDGET ² 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
Operating Revenue						
Wholesale Water (AVEK & LCID)	100,000	35,000	225,000	218,627	192,316	50,345
Water Sales	7,345,000	6,768,000	8,550,500	8,283,444	9,025,493	8,732,110
Meter Fees	12,253,000	11,650,000	11,506,000	11,321,843	11,059,700	10,318,032
Water Quality Fees	1,000,000	895,000	1,146,500	1,564,800	1,650,551	1,658,418
Elevation Fees	400,000	370,000	525,000	477,654	553,631	563,499
Other	1,300,000	1,300,000	1,450,000	1,377,953	1,670,371	1,339,084
	<u>22,398,000</u>	<u>21,018,000</u>	<u>23,403,000</u>	<u>23,244,320</u>	<u>24,152,063</u>	<u>22,661,487</u>
Operating Expenses						
Directors	128,500	135,000	118,500	145,332	102,406	109,815
Administration	3,115,250	2,756,500	2,667,250	2,488,872	2,195,303	2,499,320
Engineering	1,230,750	1,202,500	1,252,150	1,086,084	1,265,376	1,155,799
Facilities	6,544,750	5,826,000	6,558,775	3,711,042	2,926,478	3,305,594
Operations	2,408,000	2,285,070	2,622,000	5,341,789	5,230,842	4,738,208
Finance	1,158,500	1,545,455	1,598,025	3,048,759	2,907,898	2,840,351
Water Conservation	298,000	267,750	284,000	180,027	237,710	223,804
Human Resources	440,600	404,000	381,850	252,531	199,673	192,206
Information Technology	770,250	738,350	784,350	840,237	638,953	721,173
Customer Care	1,372,000	1,157,550	1,121,950	-	-	-
Water Purchases	2,250,000	1,890,000	2,400,000	2,385,951	2,247,247	3,614,861
OAP Chrg (Prior Year)	150,000	(36,000)	250,000	683	436,485	-
Water Recovery	(475,000)	(575,000)	(100,000)	(427,519)	(611,563)	(394,902)
Water Quality (GAC Media)	1,000,000	1,121,045	1,146,500	1,204,922	1,133,176	1,550,184
Plant Expenditures	1,000,000	1,566,000	1,896,000	753,615	726,135	713,641
Cash Expenses	<u>21,391,600</u>	<u>20,284,220</u>	<u>22,981,350</u>	<u>21,012,326</u>	<u>19,636,120</u>	<u>21,270,054</u>
Depreciation	7,200,000	8,050,000	6,450,000	7,166,963	7,483,036	7,768,448
Post Employment Benefit (GASB 45)	2,250,000	2,203,000	2,000,000	1,999,825	1,659,752	1,716,709
Bad Debts	50,000	48,000	100,000	16,594	(19,586)	(104,725)
Service Costs Construction	125,000	107,000	125,000	(99,180)	88,060	168,706
Capitalized Construction	(1,000,000)	(1,050,000)	(1,000,000)	(1,432,662)	(1,238,379)	(992,970)
Non-Cash Expenses	<u>8,625,000</u>	<u>9,358,000</u>	<u>7,675,000</u>	<u>7,651,539</u>	<u>7,972,883</u>	<u>8,556,168</u>
Net Operating Income/(Loss)	<u>(7,618,600)</u>	<u>(8,624,220)</u>	<u>(7,253,350)</u>	<u>(5,419,544)</u>	<u>(3,456,940)</u>	<u>(7,164,735)</u>
Non-operating Revenues						
Assessments (Debt Service)	4,670,000	5,350,000	5,100,000	5,066,642	4,899,758	4,394,572
Assessments (1%)	1,825,000	1,700,000	1,750,000	1,582,069	1,765,553	1,518,943
Successor Agency Component (Prop Tax)	200,000	500,000	200,000	415,073	651,377	185,432
DWR Fixed Charge Recovery	200,000	435,000	100,000	221,578	233,833	549,374
Interest	35,000	44,000	35,000	45,465	34,920	24,866
Market Adj. on Investments	-	(3,000)	-	5,005	(39,707)	-
Capital Improvement Fees	50,000	238,000	50,000	13,547	244,949	1,257,818
Grants - State & Federal	-	308,000	-	-	-	-
Other	5,000	11,000	5,000	18,336	(1,206,109)	159,238
	<u>6,985,000</u>	<u>8,583,000</u>	<u>7,240,000</u>	<u>7,367,714</u>	<u>6,584,573</u>	<u>8,090,243</u>
Non-operating Expenses						
Interest Paid & Amortization on long-term debt	2,228,000	2,255,615	2,111,000	2,281,792	2,035,498	2,417,320
Amortization of SWP	2,238,000	2,074,500	1,679,000	1,934,685	1,737,506	1,578,940
Legal Settlements	-	-	-	601,670	-	-
Change in Investments in PRWA	-	100,000	-	34,580	-	-
Water Conservation	200,000	200,000	200,000	130,267	115,163	49,222
	<u>4,666,000</u>	<u>4,630,115</u>	<u>3,990,000</u>	<u>4,982,994</u>	<u>3,888,167</u>	<u>4,045,482</u>
Net Non-operating Income/(Loss)	<u>2,319,000</u>	<u>3,952,885</u>	<u>3,250,000</u>	<u>2,384,720</u>	<u>2,696,406</u>	<u>4,044,761</u>
Net Earnings(Loss)	<u>(5,299,600)</u>	<u>(4,671,335)</u>	<u>(4,003,350)</u>	<u>(3,034,825)</u>	<u>(760,535)</u>	<u>(3,119,974)</u>

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PALMDALE WATER DISTRICT 2016 BUDGET

Directors

PERSONNEL BUDGET:

	PROPOSED 2016	PROJECTED 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
1-01-4000-000 Directors Fees	50,000	59,000	45,000	71,100	49,950	40,650
Benefits						
1-01-4005-000 Payroll Taxes	5,500	5,000	5,500	5,405	3,821	3,167
1-01-4010-000 Health Insurance	59,000	58,000	58,000	53,150	45,405	62,579
Subtotal (Benefits)	64,500	63,000	63,500	58,555	49,226	65,746
Personnel Expenses	114,500	122,000	108,500	129,655	99,176	106,396
<hr/>						
OPERATING EXPENSES:						
1-01-4050-000 Director's Travel, Seminars & Meetings	14,000	13,000	10,000	15,677	3,229	3,419
Total Operating Expense	14,000	13,000	10,000	15,677	3,229	3,419
Total Departmental Expenses	128,500	135,000	118,500	145,332	102,406	109,815

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Administration

Budget 2015: 2,667,250
Projected Actual 2015: 2,756,500
Requested 2016: 3,115,250

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-02-4000-000 Salaries	875,500	914,000	860,500	787,919	493,945	499,688
1-02-4000-100 Salaries - Departmental Overtime	8,250	7,500	8,250	7,992	7,450	8,678
Subtotal (Salaries - Departmental)	883,750	921,500	868,750	795,911	501,395	508,366
Employee Benefits (Departmental)						
1-02-4005-000 Payroll Taxes	67,000	63,000	66,000	49,348	30,878	30,681
1-02-4010-000 Health Insurance	135,000	133,750	134,000	110,746	80,560	82,661
1-02-4015-000 Pers	527,000	335,250	169,000	148,467	86,034	91,869
Subtotal (Benefits - Departmental)	729,000	532,000	369,000	308,561	197,472	205,211
Employee Salaries & Benefits (District Wide)						
1-02-4000-200 Salaries - District-wide Oncall/Standby	95,000	94,500	67,500	53,711	57,569	54,620
1-02-4020-000 Worker's Comp	125,000	105,000	125,000	118,517	110,558	126,579
1-02-4025-000 Vacation Benefit Expense	35,000	24,000	35,000	1,748	33,866	(91,399)
1-02-4030-000 Life Insurance/EAP Program	8,000	7,500	8,000	7,572	7,283	7,115
Subtotal (Salaries/Benefits - District Wide)	263,000	231,000	235,500	181,549	209,276	96,914
Personnel Expenses	1,875,750	1,684,500	1,473,250	1,286,021	908,143	810,492
OPERATING EXPENSES:						
Total Operating Expense	1,239,500	1,072,000	1,194,000	1,202,851	1,287,160	1,688,829
Total Departmental Expenses	<u>3,115,250</u>	<u>2,756,500</u>	<u>2,667,250</u>	<u>2,488,872</u>	<u>2,195,303</u>	<u>2,499,320</u>

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PALMDALE WATER DISTRICT 2016 BUDGET

Administration

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2016	2015	2015	2014	2013	2012
1-02-4000-000	Salaries	875,500	914,000	860,500	787,919	493,945	499,688
1-02-4000-100	Salaries - Departmental Overtime	8,250	7,500	8,250	7,992	7,450	8,678
1-02-4000-200	Salaries - District-wide Oncall/Standby	95,000	94,500	67,500	53,711	57,569	54,620
Subtotal (Salaries)		978,750	1,016,000	936,250	849,623	558,963	562,986
Employee Benefits							
1-02-4005-000	Payroll Taxes	67,000	63,000	66,000	49,348	30,878	30,681
1-02-4010-000	Health Insurance	135,000	133,750	134,000	110,746	80,560	82,661
1-02-4015-000	Pers	527,000	335,250	169,000	148,467	86,034	91,869
1-02-4020-000	Worker's Comp (District-wide)	125,000	105,000	125,000	118,517	110,558	126,579
1-02-4025-000	Vacation Benefit Expense (District-wide)	35,000	24,000	35,000	1,748	33,866	(91,399)
1-02-4030-000	Life Insurance/EAP Program (District-wide)	8,000	7,500	8,000	7,572	7,283	7,115
Subtotal (Benefits)		897,000	668,500	537,000	436,398	349,179	247,505
Personnel Expenses		1,875,750	1,684,500	1,473,250	1,286,021	908,143	810,492
OPERATING EXPENSES:							
1-02-4050-000	Staff Travel	-	-	-	11,286	6,058	8,537
1-02-4050-100	General Manager Travel	5,000	6,500	5,000	7,808	6,056	5,679
1-02-4060-000	Staff Conferences & Seminars	-	-	-	3,670	1,150	754
1-02-4060-100	General Manager Conferences & Seminars	4,000	6,000	4,000	3,460	2,631	2,184
1-02-4070-000	Employee Expense	-	-	-	-	24,014	41,677
1-02-4080-000	Other Operating	20,000	17,500	20,000	18,355	19,627	13,460
1-02-4110-000	Consultants	160,000	130,000	175,000	121,710	42,590	202,170
1-02-4125-000	Insurance	300,000	299,000	285,000	275,100	254,505	296,966
1-02-4130-000	Bank Charges	140,000	145,000	140,000	136,637	118,886	108,284
1-02-4135-000	Groundwater Adjudication	75,000	80,000	75,000	228,195	299,901	228,378
1-02-4140-000	Legal Services	160,000	156,000	160,000	183,460	121,927	395,212
1-02-4140-100	Legal Services - Consultants	-	-	-	-	-	25,000
1-02-4150-000	Accounting Services	27,500	25,000	25,000	25,285	23,692	22,304
1-02-4155-000	Contracted Services	-	-	-	-	27,955	25,057
1-02-4155-205	Contracted Services - Landscape Services	-	-	-	10,200	-	-
1-02-4155-210	Contracted Services - Janitorial Services	-	-	-	14,375	-	-
1-02-4155-215	Contracted Services - Elevator Services	-	-	-	3,112	-	-
1-02-4165-000	Memberships/Subscriptions	210,000	134,000	210,000	22,955	207,832	106,298
1-02-4170-000	Elections	50,000	-	-	-	-	78,451
1-02-4175-000	Permits	10,000	17,500	10,000	9,061	9,230	9,111
1-02-4180-000	Postage	25,000	23,000	27,500	25,085	16,640	21,056
1-02-4190-100	Public Relations - Publications	30,000	12,500	35,000	17,002	33,949	25,928
1-02-4190-900	Public Relations - Other	1,000	-	1,000	706	1,201	1,437
1-02-4200-000	Advertising	4,000	3,500	3,500	2,439	2,095	4,325
1-02-4205-000	Office Supplies	18,000	16,500	18,000	25,888	17,886	17,878
1-02-4215-200	Natural Gas - Office Building	-	-	-	3,954	3,529	3,637
1-02-4220-200	Electricity - Office Building	-	-	-	53,108	45,805	45,048
Total Operating Expense		1,239,500	1,072,000	1,194,000	1,202,851	1,287,160	1,688,829
Total Departmental Expenses		3,115,250	2,756,500	2,667,250	2,488,872	2,195,303	2,499,320

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Engineering

Budget 2015: 1,252,150
Projected Actual 2015: 1,202,500
Requested 2016: 1,230,750

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-03-4000-000 Salaries	805,750	810,000	809,000	678,494	802,373	761,583
1-03-4000-100 Salaries - Departmental Overtime	6,750	5,000	6,750	9,781	5,977	1,173
Subtotal (Salaries - Departmental)	812,500	815,000	815,750	688,275	808,349	762,756
Employee Benefits (Departmental)						
1-03-4005-000 Payroll Taxes	61,750	62,750	61,000	54,550	60,690	57,388
1-03-4010-000 Health Insurance	138,000	137,600	154,500	134,005	165,163	157,833
1-03-4015-000 Pers	122,000	117,150	142,000	136,655	139,915	143,557
Subtotal (Benefits - Departmental)	321,750	317,500	357,500	325,210	365,768	358,778
Personnel Expenses	1,134,250	1,132,500	1,173,250	1,013,485	1,174,118	1,121,535
OPERATING EXPENSES:						
Total Operating Expense	96,500	70,000	78,900	72,600	91,259	34,264
Total Departmental Expenses	1,230,750	1,202,500	1,252,150	1,086,084	1,265,376	1,155,799

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PALMDALE WATER DISTRICT 2016 BUDGET

Engineering

PERSONNEL BUDGET:

		PROPOSED 2016	PROJECTED 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
1-03-4000-000	Salaries	805,750	810,000	809,000	678,494	802,373	761,583
1-03-4000-100	Salaries - Departmental Overtime	6,750	5,000	6,750	9,781	5,977	1,173
	Subtotal (Salaries)	812,500	815,000	815,750	688,275	808,349	762,756
Employee Benefits							
1-03-4005-000	Payroll Taxes	61,750	62,750	61,000	54,550	60,690	57,388
1-03-4010-000	Health Insurance	138,000	137,600	154,500	134,005	165,163	157,833
1-03-4015-000	PERS	122,000	117,150	142,000	136,655	139,915	143,557
	Subtotal (Benefits)	321,750	317,500	357,500	325,210	365,768	358,778
	Personnel Expenses	1,134,250	1,132,500	1,173,250	1,013,485	1,174,118	1,121,535

OPERATING EXPENSES:

1-03-4050-000	Staff Travel	-	-	-	2,881	4,218	4,239
1-03-4060-000	Staff Conferences & Seminars	-	-	-	1,515	1,460	1,415
1-03-4155-000	Contracted Services	-	-	-	-	11,023	4,186
1-03-4155-305	Contracted Services - GIS Services	55,000	55,000	40,000	50,000	-	-
1-03-4155-310	Contracted Services - Reproduction	18,000	-	18,000	-	-	-
1-03-4155-315	Contracted Services - Prod./Demand Database	2,500	-	-	-	-	-
1-03-4155-320	Contracted Services - Plotter/Scanner	2,500	-	2,500	2,763	-	-
1-03-4155-325	Contracted Services - Backflow Software	1,000	-	1,000	-	-	-
1-03-4165-000	Memberships/Subscriptions	2,500	2,250	2,000	1,889	1,390	2,798
1-03-4250-000	General Materials & Supplies	3,000	2,750	2,500	2,162	6,268	1,870
1-03-8100-100	Computer Software - Maint. & Support	12,000	10,000	12,900	11,391	66,900	19,757
	Total Operating Expense	96,500	70,000	78,900	72,600	91,259	34,264
	Total Departmental Expenses	1,230,750	1,202,500	1,252,150	1,086,084	1,265,376	1,155,799

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview)

Facilities

Budget 2015: 6,558,775
Projected Actual 2015: 5,826,000
Requested 2016: 6,544,750

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-04-4000-000 Salaries	2,178,000	1,922,000	2,049,000	1,553,408	1,307,909	1,423,089
1-04-4000-100 Salaries - Departmental Overtime	100,000	98,000	65,000	78,544	51,484	29,565
Subtotal (Salaries - Departmental)	2,278,000	2,020,000	2,114,000	1,631,952	1,359,393	1,452,654
Employee Benefits (Departmental)						
1-04-4005-000 Payroll Taxes	166,500	156,000	157,000	129,425	106,666	113,849
1-04-4010-000 Health Insurance	428,000	427,500	466,000	349,246	380,429	393,665
1-04-4015-000 Pers	276,500	285,500	362,000	278,180	224,502	269,180
Subtotal (Benefits - Departmental)	871,000	869,000	985,000	756,851	711,598	776,694
Personnel Expenses	3,149,000	2,889,000	3,099,000	2,388,803	2,070,991	2,229,348
OPERATING EXPENSES:						
Total Operating Expense	3,395,750	2,937,000	3,459,775	1,322,239	855,488	1,076,246
Total Departmental Expenses	6,544,750	5,826,000	6,558,775	3,711,042	2,926,478	3,305,594

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PALMDALE WATER DISTRICT 2016 BUDGET

Facilities

PERSONNEL BUDGET:

		PROPOSED 2016	PROJECTED 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
1-04-4000-000	Salaries	2,178,000	1,922,000	2,049,000	1,553,408	1,307,909	1,423,089
1-04-4000-100	Salaries - Departmental Overtime	100,000	98,000	65,000	78,544	51,484	29,565
	Subtotal (Salaries)	2,278,000	2,020,000	2,114,000	1,631,952	1,359,393	1,452,654
Employee Benefits							
1-04-4005-000	Payroll Taxes	166,500	156,000	157,000	129,425	106,666	113,849
1-04-4010-000	Health Insurance	428,000	427,500	466,000	349,246	380,429	393,665
1-04-4015-000	PERS	276,500	285,500	362,000	278,180	224,502	269,180
	Subtotal (Benefits)	871,000	869,000	985,000	756,851	711,598	776,694
	Personnel Expenses	3,149,000	2,889,000	3,099,000	2,388,803	2,070,991	2,229,348

OPERATING EXPENSES:

1-04-4050-000	Staff Travel	-	-	-	6,943	731	78
1-04-4060-000	Staff Conferences & Seminars	-	-	-	1,652	2,225	449
1-04-4155-000	Contracted Services	-	-	-	-	65,671	27,017
1-04-4155-405	Contracted Services - Landscape Svcs (All Sites)	15,500	11,000	15,500	1,675	-	-
1-04-4155-410	Contracted Services - Landscape Svcs (Wells)	30,000	30,000	26,000	28,640	-	-
1-04-4155-415	Contracted Services - Alarm Services	5,000	3,125	5,000	3,076	-	-
1-04-4155-420	Contracted Services - Janitorial Services (All Sites)	24,000	30,000	24,000	7,143	-	-
1-04-4155-425	Contracted Services - Pest Control Svcs (Contracted)	5,500	3,500	5,500	1,729	-	-
1-04-4155-430	Contracted Services - Pest Control Svcs (Plm Dam)	23,000	23,050	23,000	23,040	1,920	-
1-04-4155-435	Contracted Services - Elevator Services	3,500	3,225	3,500	-	-	-
1-04-4155-440	Contracted Services - SCADA Software	12,000	12,000	12,000	-	-	-
1-04-4155-445	Contracted Services - SCADA Hardware	3,500	-	3,500	-	-	-
1-04-4155-450	Contracted Services - Seismic Valve Controllers	6,000	-	6,000	-	-	-
1-04-4155-455	Contracted Services - Annual Tank Service	330,000	330,000	330,000	319,100	-	-
1-04-4155-499	Contracted Services - Miscellaneous	1,000	-	1,000	5,357	-	-
1-04-4175-000	Permits (Littlerock & Palmdale Dams)	50,000	30,000	50,000	27,026	45,887	-
1-04-4215-100	Natural Gas - Wells & Boosters	225,000	180,000	236,000	-	-	-
1-04-4215-200	Natural Gas - Buildings	9,000	7,500	9,000	3,052	3,185	3,093
1-04-4220-100	Electricity - Wells & Boosters	1,480,000	1,345,000	1,515,000	-	-	-
1-04-4220-200	Electricity - Buildings	80,000	85,750	75,000	22,579	19,777	28,758
1-04-4225-000	Maint. & Repair - Vehicles	35,000	30,000	40,000	28,861	33,536	34,347
1-04-4230-100	Maint. & Rep. Operations - Office Building	15,000	6,500	15,000	11,007	4,036	79,565
1-04-4235-110	Maint. & Rep. Operations - Equipment	6,500	6,000	6,500	10,424	7,156	7,259
1-04-4235-400	Maint. & Rep. Operations - Wells	75,000	72,500	75,000	81,768	41,435	67,600
1-04-4235-405	Maint. & Rep. Operations - Boosters	50,000	30,000	50,000	29,172	56,137	39,274
1-04-4235-410	Maint. & Rep. Operations - Shop Bldgs	10,000	3,000	10,000	8,959	9,209	6,618
1-04-4235-415	Maint. & Rep. Operations - Facilities	15,000	32,000	15,000	9,395	13,145	18,919
1-04-4235-420	Maint. & Rep. Operations - Water Lines	225,000	175,000	240,000	313,799	242,173	342,999
1-04-4235-425	Maint. & Rep. Operations - Littlerock Dam	15,000	-	15,000	3,164	-	16,524
1-04-4235-430	Maint. & Rep. Operations - Palmdale Dam	7,500	1,000	7,500	1,020	-	27,339
1-04-4235-435	Maint. & Rep. Operations - Palmdale Canal	10,000	1,000	10,000	960	230	373
1-04-4235-440	Maint. & Rep. Operations - Large Meters	10,000	2,000	7,870	-	-	-
1-04-4235-445	Maint. & Rep. Operations - Telemetry	2,250	3,500	2,250	-	-	-
1-04-4235-450	Maint. & Rep. Operations - Hypo Generators	10,000	1,000	12,000	-	-	-
1-04-4235-455	Maint. & Rep. Operations - Heavy Equipment	45,000	47,750	35,000	54,748	29,289	33,212
1-04-4235-460	Maint. & Rep. Operations - Storage Reservoirs	5,000	2,500	5,000	381	223	104
1-04-4235-470	Maint. & Rep. Operations - Meter Exchanges	225,000	128,000	211,950	-	-	-
1-04-4250-100	Materials - Hot Tapping	-	5,550	-	-	-	-
1-04-4270-300	Telecommunication - Other	4,000	3,550	2,750	-	-	-
1-04-4300-200	Testing - Large Meter Testing	12,500	12,000	10,955	-	-	-
1-04-4300-300	Testing - Edison Testing	6,000	-	6,000	-	-	-
1-04-6000-000	Waste Disposal	20,000	13,000	25,000	12,987	21,687	39,172
1-04-6100-100	Fuel and Lube - Vehicle	105,000	85,000	130,000	115,177	114,837	135,193
1-04-6100-200	Fuel and Lube - Machinery	40,000	36,500	43,000	41,755	25,012	40,573
1-04-6200-000	Uniforms	22,500	25,500	22,500	22,624	20,783	17,031
1-04-6300-100	Supplies - General	47,500	47,000	47,500	51,515	39,783	38,922
1-04-6300-200	Supplies - Hypo Generators	6,500	1,000	6,500	-	-	-
1-04-6300-300	Supplies - Electrical	3,000	-	3,000	-	-	-
1-04-6300-400	Supplies - Telemetry	5,000	4,000	5,000	-	-	-
1-04-6300-800	Supplies - Construction Materials	35,000	40,000	35,000	48,419	33,398	46,509
1-04-6400-000	Tools	12,000	14,000	12,000	11,065	11,207	12,863
1-04-7000-100	Leases -Equipment	12,500	14,000	12,500	14,027	12,817	12,457
	Total Operating Expense	3,395,750	2,937,000	3,459,775	1,322,239	855,488	1,076,246
	Total Departmental Expenses	6,544,750	5,826,000	6,558,775	3,711,042	2,926,478	3,305,594

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Operations

Budget 2015: 2,622,000
Projected Actual 2015: 2,285,070
Requested 2016: 2,408,000

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-05-4000-000 Salaries	1,061,000	1,078,500	1,104,500	1,496,842	1,620,378	1,643,361
1-05-4000-100 Salaries - Departmental Overtime	56,000	53,000	53,750	96,084	96,652	88,128
Subtotal (Salaries - Departmental)	1,117,000	1,131,500	1,158,250	1,592,926	1,717,029	1,731,489
Employee Benefits (Departmental)						
1-05-4005-000 Payroll Taxes	76,000	86,000	90,750	126,006	130,648	132,513
1-05-4010-000 Health Insurance	200,000	206,000	200,000	319,084	357,431	359,376
1-05-4015-000 Pers	137,000	161,500	203,000	292,061	274,670	308,076
Subtotal (Benefits - Departmental)	413,000	453,500	493,750	737,151	762,750	799,965
Personnel Expenses	1,530,000	1,585,000	1,652,000	2,330,077	2,479,779	2,531,453
OPERATING EXPENSES:						
Total Operating Expense	878,000	700,070	970,000	3,011,712	2,751,063	2,206,755
Total Departmental Expenses	2,408,000	2,285,070	2,622,000	5,341,789	5,230,842	4,738,208

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PALMDALE WATER DISTRICT 2016 BUDGET

Operations

PERSONNEL BUDGET:

		PROPOSED 2016	PROJECTED 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2013	ACTUAL 2012
1-05-4000-000	Salaries	1,061,000	1,078,500	1,104,500	1,496,842	1,620,378	1,643,361
1-05-4000-100	Salaries - Departmental Overtime	56,000	53,000	53,750	96,084	96,652	88,128
	Subtotal (Salaries)	1,117,000	1,131,500	1,158,250	1,592,926	1,717,029	1,731,489
Employee Benefits							
1-05-4005-000	Payroll Taxes	76,000	86,000	90,750	126,006	130,648	132,513
1-05-4010-000	Health Insurance	200,000	206,000	200,000	319,084	357,431	359,376
1-05-4015-000	PERS	137,000	161,500	203,000	292,061	274,670	308,076
	Subtotal (Benefits)	413,000	453,500	493,750	737,151	762,750	799,965
	Personnel Expenses	1,530,000	1,585,000	1,652,000	2,330,077	2,479,779	2,531,453

OPERATING EXPENSES:

1-05-4050-000	Staff Travel	-	-	-	8,563	9,618	7,329
1-05-4060-000	Staff Conferences & Seminars	-	-	-	3,472	6,177	10,530
1-05-4120-100	Training - Lab Equipment	-	-	-	6,867	-	1,962
1-05-4120-200	Training - SCADA Network Equipment	-	-	-	5,401	3,729	-
1-05-4155-000	Contracted Services	-	-	-	-	127,564	57,871
1-05-4155-505	Contracted Services - Landscape Services	2,000	1,620	2,000	1,620	-	-
1-05-4155-510	Contracted Services - Alarm Services	1,000	900	1,000	900	-	-
1-05-4155-515	Contracted Services - Janitorial Services	-	-	-	5,989	-	-
1-05-4155-520	Contracted Services - Pest Control Services	-	-	-	400	-	-
1-05-4155-525	Contracted Services - Wind Turbine Services	20,000	40,000	30,000	10,769	3,507	-
1-05-4155-530	Contracted Services - CMMS Software	10,000	2,000	10,000	10,025	-	-
1-05-4155-535	Contracted Services - SCADA Software	-	-	-	11,509	-	-
1-05-4155-540	Contracted Services - Lab Software	1,500	-	1,500	1,470	-	-
1-05-4155-545	Contracted Services - Lab Equipment Services	6,000	20,000	6,000	2,970	-	-
1-05-4155-550	Contracted Services - Water Quality Services	25,000	27,200	25,000	24,883	-	-
1-05-4155-555	Contracted Services - SCADA Hardware	-	-	-	3,574	-	-
1-05-4155-560	Contracted Services - Seismic Valve Controllers	-	-	-	5,685	-	-
1-05-4155-599	Contracted Services - Miscellaneous	2,000	-	2,000	-	-	-
1-05-4175-000	Permits	40,000	28,000	40,000	28,733	36,598	39,536
1-05-4215-100	Natural Gas - Wells & Boosters	-	-	-	309,877	152,638	100,834
1-05-4215-200	Natural Gas - Water Treatment Plant	3,000	1,500	3,000	1,616	2,571	914
1-05-4220-100	Electricity - Wells & Boosters	-	-	-	1,682,458	1,455,798	1,113,121
1-05-4220-200	Electricity - Water Treatment Plant	125,000	93,000	125,000	147,472	112,683	131,036
1-05-4230-110	Maint. & Rep. Office - Equipment	500	-	500	463	395	-
1-05-4235-110	Maint. & Rep. Operations - Equipment	11,500	10,000	11,500	17,730	10,787	12,475
1-05-4235-410	Maint. & Rep. Operations - Shop Bldgs	6,000	2,250	6,000	10,301	15,254	2,674
1-05-4235-415	Maint. & Rep. Operations - Facilities	45,000	38,000	45,000	84,532	49,150	43,234
1-05-4235-445	Maint. & Rep. Operations - Telemetry	-	-	-	663	4,807	4,962
1-05-4235-450	Maint. & Rep. Operations - Hypo Generators	18,000	-	18,000	48,265	22,296	4,013
1-05-4235-500	Maint. & Repair - Wind Turbine	6,000	3,000	6,000	6,183	-	-
1-05-4236-000	Palmdale Lake Management	-	21,000	25,000	10,575	10,114	14,742
1-05-4270-300	Telecommunication - Other	-	-	-	3,087	2,784	2,557
1-05-4300-300	Testing - Edison Testing	-	-	-	9,770	5,385	11,700
1-05-6000-000	Waste Disposal	14,000	4,000	14,000	24,600	23,904	3,161
1-05-6200-000	Uniforms	12,000	14,100	12,000	14,763	12,355	9,973
1-05-6300-100	Supplies - General	15,000	9,000	15,000	24,817	21,774	17,897
1-05-6300-200	Supplies - Hypo Generators	-	-	-	6,535	3,750	5,785
1-05-6300-300	Supplies - Electrical	-	-	-	405	2,414	4,145
1-05-6300-400	Supplies - Telemetry	-	-	-	2,055	7,819	7,577
1-05-6300-600	Supplies - Lab	35,000	35,000	35,000	35,387	35,310	34,075
1-05-6300-700	Outside Lab Work	70,000	67,000	64,000	44,565	103,006	46,580
1-05-6400-000	Tools	6,500	6,500	6,500	6,827	5,807	4,190
1-05-6500-000	Chemicals	400,000	275,000	463,000	384,205	502,609	513,587
1-05-7000-100	Leases -Equipment	3,000	1,000	3,000	1,729	460	297
	Total Operating Expense	878,000	700,070	970,000	3,011,712	2,751,063	2,206,755
	Total Departmental Expenses	2,408,000	2,285,070	2,622,000	5,341,789	5,230,842	4,738,208

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview)

Finance

Budget 2015: 1,598,025
Projected Actual 2015: 1,545,455
Requested 2016: 1,158,500

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-06-4000-000 Salaries	653,000	801,000	819,000	1,540,946	1,524,644	1,533,269
1-06-4000-100 Salaries - Departmental Overtime	5,500	4,750	5,500	18,203	32,826	18,656
Subtotal (Salaries - Departmental)	658,500	805,750	824,500	1,559,149	1,557,470	1,551,925
Employee Benefits (Departmental)						
1-06-4005-000 Payroll Taxes	50,000	61,500	64,500	120,148	119,116	117,568
1-06-4010-000 Health Insurance	83,000	136,000	143,000	334,581	344,111	369,836
1-06-4015-000 Pers	91,000	138,000	165,000	306,168	272,569	289,841
Subtotal (Benefits - Departmental)	224,000	335,500	372,500	760,897	735,796	777,245
Personnel Expenses	882,500	1,141,250	1,197,000	2,320,046	2,293,266	2,329,170
OPERATING EXPENSES:						
Total Operating Expense	276,000	404,205	401,025	728,713	614,632	511,180
Total Departmental Expenses	1,158,500	1,545,455	1,598,025	3,048,759	2,907,898	2,840,351

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PALMDALE WATER DISTRICT 2016 BUDGET

Finance

PERSONNEL BUDGET:

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
		2016	2015	2015	2014	2013	2012
1-06-4000-000	Salaries	653,000	801,000	819,000	1,540,946	1,524,644	1,533,269
1-06-4000-100	Salaries - Departmental Overtime	5,500	4,750	5,500	18,203	32,826	18,656
	Subtotal (Salaries)	658,500	805,750	824,500	1,559,149	1,557,470	1,551,925
Employee Benefits							
1-06-4005-000	Payroll Taxes	50,000	61,500	64,500	120,148	119,116	117,568
1-06-4010-000	Health Insurance	83,000	136,000	143,000	334,581	344,111	369,836
1-06-4015-000	PERS	91,000	138,000	165,000	306,168	272,569	289,841
	Subtotal (Benefits)	224,000	335,500	372,500	760,897	735,796	777,245
	Personnel Expenses	882,500	1,141,250	1,197,000	2,320,046	2,293,266	2,329,170
OPERATING EXPENSES:							
1-06-4050-000	Staff Travel	-	-	-	269	412	-
1-06-4060-000	Staff Conferences & Seminars	-	-	-	562	920	928
1-06-4155-100	Contracted Services - Infosend	225,000	198,000	205,000	200,535	185,652	215,422
1-06-4155-200	Contracted Services - Infosend Drought Related	-	4,000	-	3,224	-	-
1-06-4155-300	Contracted Services - Vendors	-	-	-	-	9,088	12,577
1-06-4155-605	Contracted Services - Assessor Data (Realquest)	-	1,650	1,750	9,900	-	-
1-06-4155-610	Contracted Services - Credit Reporting Services	-	290	300	3,979	262	-
1-06-4155-615	Contracted Services - AMR Services (Itron)	-	-	-	6,298	-	-
1-06-4155-620	Contracted Services - Letter Extractor (OPEX)	2,500	2,500	2,500	2,590	-	-
1-06-4155-625	Contracted Services - GASB Actuarial Reports	3,500	3,150	3,250	-	-	-
1-06-4165-000	Memberships/Subscriptions	500	220	500	220	-	220
1-06-4230-110	Maintenance & Repair - Office Equipment	500	-	500	-	-	117
1-06-4235-440	Maint. & Rep. Operations - Large Meters	-	2,130	2,130	45,117	7,520	13,802
1-06-4235-470	Maint. & Rep. Operations - Meter Exchanges	-	138,045	138,050	392,128	351,146	210,001
1-06-4250-000	General Material & Supplies	3,000	3,000	4,500	5,111	8,056	2,810
1-06-4260-000	Business Forms	7,500	7,500	6,500	8,675	10,394	7,851
1-06-4270-100	Telecommunication - Office	12,000	18,500	12,000	13,814	10,863	13,995
1-06-4270-200	Telecommunication - Cellular Stipend	18,500	18,075	17,000	15,570	14,465	15,170
1-06-4270-300	Telecommunication - Cellular (District On-Call)	-	-	-	-	213	1,564
1-06-4300-200	Testing - Large Meter Testing	-	4,045	4,045	18,122	13,140	14,335
1-06-7000-100	Leases - Equipment	3,000	3,100	3,000	2,600	2,501	2,389
	Total Operating Expense	276,000	404,205	401,025	728,713	614,632	511,180
	Total Departmental Expenses	1,158,500	1,545,455	1,598,025	3,048,759	2,907,898	2,840,351

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Water Conservation

Budget 2015: 284,000
Projected Actual 2015: 267,750
Requested 2016: 298,000

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-07-4000-000 Salaries	189,500	177,000	175,000	113,405	159,129	152,210
1-07-4000-100 Salaries - Departmental Overtime	2,000	1,250	1,000	2,792	1,104	1,000
Subtotal (Salaries - Departmental)	191,500	178,250	176,000	116,197	160,233	153,210
Employee Benefits (Departmental)						
1-07-4005-000 Payroll Taxes	14,500	13,750	13,500	9,373	12,244	11,710
1-07-4010-000 Health Insurance	38,000	37,250	38,000	22,807	27,415	20,340
1-07-4015-000 Pers	17,500	16,250	20,000	16,332	28,866	29,602
Subtotal (Benefits - Departmental)	70,000	67,250	71,500	48,512	68,524	61,652
Personnel Expenses	261,500	245,500	247,500	164,709	228,757	214,862
OPERATING EXPENSES:						
Total Operating Expense	36,500	22,250	36,500	15,318	8,953	8,942
Total Departmental Expenses	298,000	267,750	284,000	180,027	237,710	223,804

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PALMDALE WATER DISTRICT 2016 BUDGET

Water Conservation

PERSONNEL BUDGET:

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
		2016	2015	2015	2014	2013	2012
1-07-4000-000	Salaries	189,500	177,000	175,000	113,405	159,129	152,210
1-07-4000-100	Salaries - Departmental Overtime	2,000	1,250	1,000	2,792	1,104	1,000
	Subtotal (Salaries)	191,500	178,250	176,000	116,197	160,233	153,210
Employee Benefits							
1-07-4005-000	Payroll Taxes	14,500	13,750	13,500	9,373	12,244	11,710
1-07-4010-000	Health Insurance	38,000	37,250	38,000	22,807	27,415	20,340
1-07-4015-000	PERS	17,500	16,250	20,000	16,332	28,866	29,602
	Subtotal (Benefits)	70,000	67,250	71,500	48,512	68,524	61,652
	Personnel Expenses	261,500	245,500	247,500	164,709	228,757	214,862
OPERATING EXPENSES:							
1-07-4050-000	Staff Travel	-	-	-	1,224	571	116
1-07-4060-000	Staff Conferences & Seminars	-	-	-	695	1,338	399
1-07-4190-300	Public Relations - Landscape Workshop/Training	1,000	250	1,000	71	243	442
1-07-4190-400	Public Relations - Contests	1,000	1,000	1,000	-	709	-
1-07-4190-500	Public Relations - Education Programs	2,500	-	2,500	413	906	3,995
1-07-4190-700	Public Relations - General Media (Public Outreach)	25,000	15,000	25,000	4,418	1,535	875
1-07-4190-900	Public Relations - Other	2,000	2,000	2,000	787	180	3,116
1-07-6300-100	Supplies - Misc.	5,000	4,000	5,000	7,710	3,472	-
	Total Operating Expense	36,500	22,250	36,500	15,318	8,953	8,942
	Total Departmental Expenses	298,000	267,750	284,000	180,027	237,710	223,804

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Human Resources

Budget 2015: 381,850
Projected Actual 2015: 404,000
Requested 2016: 440,600

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-08-4000-000 Salaries	109,000	110,000	101,000	95,372	90,676	105,474
1-08-4000-100 Salaries - Departmental Overtime	80,000	48,300	55,750	9,249	-	-
Subtotal (Salaries - Departmental)	189,000	158,300	156,750	104,621	90,676	105,474
Employee Benefits (Departmental)						
1-08-4005-000 Payroll Taxes	17,500	12,225	7,750	8,333	6,677	8,432
1-08-4010-000 Health Insurance	18,250	17,725	18,000	16,993	-	14,396
1-08-4015-000 Pers	7,250	7,000	6,500	6,170	434	18,557
Subtotal (Benefits - Departmental)	43,000	36,950	32,250	31,496	7,110	41,384
Personnel Expenses	232,000	195,250	189,000	136,117	97,787	146,858
OPERATING EXPENSES:						
Total Operating Expense	208,600	208,750	192,850	116,414	101,887	45,348
Total Departmental Expenses	440,600	404,000	381,850	252,531	199,673	192,206

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PALMDALE WATER DISTRICT 2016 BUDGET

Human Resources

PERSONNEL BUDGET:

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
		2016	2015	2015	2014	2013	2012
1-08-4000-000	Salaries	109,000	110,000	101,000	95,372	90,676	105,474
1-08-4000-200	Salaries - Intern Program	80,000	48,300	55,750	9,249	-	-
	Subtotal (Salaries)	189,000	158,300	156,750	104,621	90,676	105,474
Employee Benefits							
1-08-4005-000	Payroll Taxes	17,500	12,225	7,750	8,333	6,677	8,432
1-08-4010-000	Health Insurance	18,250	17,725	18,000	16,993	-	14,396
1-08-4015-000	Pers	7,250	7,000	6,500	6,170	434	18,557
	Subtotal (Benefits)	43,000	36,950	32,250	31,496	7,110	41,384
	Personnel Expenses	232,000	195,250	189,000	136,117	97,787	146,858
OPERATING EXPENSES:							
1-08-4050-000	Staff Travel	27,500	26,000	25,250	1,721	60	231
1-08-4060-000	Staff Conferences & Seminars	25,000	24,250	20,500	749	-	250
1-08-4070-000	Employee Expense	45,000	46,000	40,000	40,673	-	-
1-08-4090-000	Temporary Staffing	-	-	-	-	59,256	-
1-08-4095-000	Employee Recruitment	3,000	2,500	3,000	18,848	3,611	515
1-08-4100-000	Employee Retention	20,000	20,000	20,000	17,757	1,457	2,014
1-08-4105-000	Employee Relations	3,500	3,500	3,500	2,683	3,506	2,974
1-08-4110-000	Consultants	1,000	-	1,000	-	-	-
1-08-4120-100	Training - Safety	35,000	45,000	35,000	13,031	25,710	17,118
1-08-4120-200	Training - Speciality	25,000	20,000	21,000	-	-	-
1-08-4121-000	Safety/HR Program	1,000	500	1,000	68	-	-
1-08-4165-000	Memberships/Subscriptions	1,600	500	1,600	1,093	599	1,946
1-08-4165-100	HR/Safety Publications	1,000	500	1,000	1,546	289	348
1-08-6300-500	Supplies - Safety	20,000	20,000	20,000	18,245	7,400	19,952
	Total Operating Expense	208,600	208,750	192,850	116,414	101,887	45,348
	Total Departmental Expenses	440,600	404,000	381,850	252,531	199,673	192,206

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Information Technology

Budget 2015: 784,350
Projected Actual 2015: 738,350
Requested 2016: 770,250

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-09-4000-000 Salaries	221,500	224,650	221,500	221,954	220,881	218,357
1-09-4000-100 Salaries - Departmental Overtime	2,500	2,500	2,500	1,676	2,583	1,956
Subtotal (Salaries - Departmental)	224,000	227,150	224,000	223,630	223,463	220,313
Employee Benefits (Departmental)						
1-09-4005-000 Payroll Taxes	17,000	17,350	17,000	16,153	16,193	15,942
1-09-4010-000 Health Insurance	38,000	37,000	37,500	38,400	41,624	39,804
1-09-4015-000 Pers	31,000	37,000	44,000	44,888	38,495	39,467
Subtotal (Benefits - Departmental)	86,000	91,350	98,500	99,441	96,312	95,212
Personnel Expenses	310,000	318,500	322,500	323,071	319,775	315,525
OPERATING EXPENSES:						
Total Operating Expense	460,250	419,850	461,850	517,167	319,178	405,648
Total Departmental Expenses	770,250	738,350	784,350	840,237	638,953	721,173

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PALMDALE WATER DISTRICT 2016 BUDGET

Information Technology

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
PERSONNEL BUDGET:		2016	2015	2015	2014	2013	2012
1-09-4000-000	Salaries	221,500	224,650	221,500	221,954	220,881	218,357
1-09-4000-100	Salaries - Departmental Overtime	2,500	2,500	2,500	1,676	2,583	1,956
	Subtotal (Salaries)	224,000	227,150	224,000	223,630	223,463	220,313
Employee Benefits							
1-09-4005-000	Payroll Taxes	17,000	17,350	17,000	16,153	16,193	15,942
1-09-4010-000	Health Insurance	38,000	37,000	37,500	38,400	41,624	39,804
1-09-4015-000	PERS	31,000	37,000	44,000	44,888	38,495	39,467
	Subtotal (Benefits)	86,000	91,350	98,500	99,441	96,312	95,212
	Personnel Expenses	310,000	318,500	322,500	323,071	319,775	315,525
OPERATING EXPENSES:							
1-09-4050-000	Staff Travel	-	-	-	397	997	500
1-09-4060-000	Staff Conferences & Seminars	-	-	-	12,628	11,402	8,167
1-09-4120-100	Cogsdale Reimplementation and Templates	-	-	-	-	-	21,236
1-09-4155-300	Contracted Services - Computer Vendors	-	-	-	-	56,850	119,450
1-09-4155-905	Contracted Services - Offsite Services	5,000	5,000	5,000	4,920	-	-
1-09-4155-910	Contracted Services - Printer Services	1,500	3,000	1,500	3,957	-	-
1-09-4155-915	Contracted Services - Website Design Services	45,000	20,000	45,000	33,535	-	-
1-09-4155-920	Contracted Services - Telephony Services	3,500	-	3,500	1,200	-	-
1-09-4155-925	Contracted Services - Cloud Services	25,000	25,000	25,000	29,775	-	-
1-09-4155-930	Contracted Services - Network Services	45,000	42,500	45,000	43,509	-	-
1-09-4165-000	Memberships/Subscriptions	1,000	250	1,000	1,607	-	240
1-09-4230-120	Maintenance & Repair - Computer	-	-	-	-	-	-
1-09-4270-100	Telecommunication - Office Phone	16,500	16,500	16,500	16,897	16,235	-
1-09-4270-125	Telecommunication - Office Backbone	18,750	18,750	18,750	14,035	13,188	-
1-09-4270-150	Telecommunication - WTP Backbone	13,500	14,350	13,500	13,188	13,188	-
1-09-4270-300	Telecommunication - Cellular (Data & On-Call)	29,000	26,000	29,000	22,079	12,199	-
1-09-8000-100	Computer Equipment - Computers	20,000	20,000	20,000	21,104	18,251	53,420
1-09-8000-200	Computer Equipment - Mobility	5,000	7,000	6,600	579	-	87
1-09-8000-300	Computer Equipment - Monitors	2,000	-	2,000	-	493	1,918
1-09-8000-400	Computer Equipment - Printers	-	-	-	-	12	1,905
1-09-8000-500	Computer Equipment - Printer Supplies	3,000	1,500	3,000	1,883	1,324	5,503
1-09-8000-550	Computer Equipment - Telephony	2,500	-	2,500	-	-	-
1-09-8000-600	Computer Equipment - Other	20,000	3,000	20,000	38,264	8,684	35,723
1-09-8100-100	Computer Software - Maint. and Support	44,000	48,000	44,000	50,332	37,321	49,534
1-09-8100-140	Computer Software - Starnik Maint. & Support	110,000	110,000	110,000	166,375	94,800	39,500
1-09-8100-150	Computer Software - Dynamics GP Maint. & Support	36,000	49,000	36,000	40,580	27,795	43,124
1-09-8100-200	Computer Software - Software and Upgrades	14,000	10,000	14,000	322	6,441	25,339
	Total Operating Expense	460,250	419,850	461,850	517,167	319,178	405,648
	Total Departmental Expenses	770,250	738,350	784,350	840,237	638,953	721,173

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PALMDALE WATER DISTRICT FINANCE COMMITTEE - 2016 BUDGET (Departmental Overview) Customer Care

Budget 2015: 1,121,950
Projected Actual 2015: 1,157,550
Requested 2016: 1,372,000

	PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
	2016	2015	2015	2014	2013	2012
DEPARTMENT PERSONNEL BUDGET:						
1-10-4000-000 Salaries	915,000	767,000	727,000	-	-	-
1-10-4000-100 Salaries - Departmental Overtime	10,000	8,000	13,500	-	-	-
Subtotal (Salaries - Departmental)	925,000	775,000	740,500	-	-	-
Employee Benefits (Departmental)						
1-10-4005-000 Payroll Taxes	68,500	63,250	54,000	-	-	-
1-10-4010-000 Health Insurance	221,000	176,500	173,000	-	-	-
1-10-4015-000 Pers	119,500	116,250	132,000	-	-	-
Subtotal (Benefits - Departmental)	409,000	356,000	359,000	-	-	-
Personnel Expenses	1,334,000	1,131,000	1,099,500	-	-	-
OPERATING EXPENSES:						
Total Operating Expense	38,000	26,550	22,450	-	-	-
Total Departmental Expenses	1,372,000	1,157,550	1,121,950	-	-	-

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PALMDALE WATER DISTRICT 2016 BUDGET

Customer Care

PERSONNEL BUDGET:

		PROPOSED	PROJECTED	BUDGET	ACTUAL	ACTUAL	ACTUAL
		2016	2015	2015	2014	2013	2012
1-10-4000-000	Salaries	915,000	767,000	727,000	-	-	-
1-10-4000-100	Salaries - Departmental Overtime	10,000	8,000	13,500	-	-	-
	Subtotal (Salaries)	925,000	775,000	740,500	-	-	-
Employee Benefits							
1-10-4005-000	Payroll Taxes	68,500	63,250	54,000	-	-	-
1-10-4010-000	Health Insurance	221,000	176,500	173,000	-	-	-
1-10-4015-000	PERS	119,500	116,250	132,000	-	-	-
	Subtotal (Benefits)	409,000	356,000	359,000	-	-	-
	Personnel Expenses	1,334,000	1,131,000	1,099,500	-	-	-
OPERATING EXPENSES:							
1-10-4155-005	Contracted Services - Assessor Data (Realquest)	10,000	8,250	8,250	-	-	-
1-10-4155-010	Contracted Services - Credit Reporting Services	4,000	3,500	3,700	-	-	-
1-10-4155-015	Contracted Services - AMR Services (Itron)	6,000	5,800	5,000	-	-	-
1-10-4230-110	Mtce & Rep Office - Equipment	500	-	500	-	-	-
1-10-4250-000	General Material & Supplies	7,500	6,500	1,500	-	-	-
1-10-4260-000	Business Forms	10,000	2,500	3,500	-	-	-
	Total Operating Expense	38,000	26,550	22,450	-	-	-
	Total Departmental Expenses	1,372,000	1,157,550	1,121,950	-	-	-

PALMDALE WATER DISTRICT
Debt Service Coverage (\$000s)

Fiscal Year Ending September 30	Audited 2012	Audited 2013	Audited 2014	Apr 2014 - Mar 2015	Jul 2014 - Jun 2015	Aug 2014 - Jul 2015
OPERATING REVENUES	22,597	24,125	23,342	22,918	22,409	22,079
Rate Stabilization Fund		(480)				
	22,597	23,645	23,342	22,918	22,409	22,079
OPERATING EXPENSES						
Gross operating expenses	22,216	20,665	22,405	21,701	20,370	20,461
Overhead adjustment	(43)	(217)	(509)			
SWP Fixed operations and maint	(915)	(720)	(363)	(320)	(276)	(253)
Capital portion included above						
TOTAL EXPENSES	21,258	19,728	21,534	21,381	20,094	20,208
NET OPERATING REVENUES	1,339	3,917	1,808	1,537	2,316	1,870
NON-OPERATING REVENUE						
Ad valorem property taxes	1,704	2,573	2,132	2,157	2,054	2,177
Interest income	25	44	45	46	46	46
Capital improvement fees	1,258	245	14	125	142	142
Other income	843	421	306	277	315	315
Rate Assistance Program						
TOTAL NON-OPERATING INCOME	3,830	3,284	2,497	2,604	2,557	2,680
NET REV AVAILABLE FOR DEBT SERVICE	5,169	7,201	4,305	4,141	4,872	4,550
NET DEBT SERVICE						
1998 Certificates of Participation	1,507					
2004A Certificates of Participation	2,127	1,373	1,373			
2012 Issue - Bank of Nevada				1,373	1,373	1,373
2013A Water Revenue Bond		2,247	2,344	2,339	2,339	2,339
2017 Issue						
2012 Capital Lease		190	190	218	218	218
TOTAL DEBT SERVICE	3,634	3,810	3,908	3,930	3,930	3,930
DEBT SERVICE COVERAGE	1.42	1.89	1.10	1.05	1.24	1.16
NET REV AVAILABLE AFTER D/S	1,535	3,391	397	211	943	621