

Since 1918



PALMDALE WATER DISTRICT

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Attorneys

September 29, 2016

***Agenda for a Meeting
of the Finance Committee of the Palmdale Water District
Committee Members: Marco Henriquez-Chair, Robert Alvarado
to be held at the District's office at 2029 East Avenue Q, Palmdale
Thursday, October 6, 2016
4:00 p.m.***

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

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (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.)



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



- 4.1) Consideration and possible action on approval of minutes of regular meeting held September 13, 2016.
- 4.2) Discussion and overview of Cash Flow Statement and Current Cash Balances as of August, 2016. (Financial Advisor Egan)
- 4.3) Discussion and overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for August, 2016. (Finance Manager Williams)
- 4.4) Discussion and overview of committed contracts issued and water revenue bond projects. (Assistant General Manager Knudson)
- 4.5) Discussion and review of draft 2017 Budget. (Finance Manager Williams)
- 4.6) Consideration and possible action on long term financial planning and adoption of remaining three years of approved Proposition 218 Water Rate Plan to ensure future water rate stability and long-term water sustainability projects to meet current and future water demands. (Assistant General Manager Knudson/Finance Manager Williams)
- 4.7) Consideration and possible action on Request for Proposals for hiring an outside consultant to determine additional cost reductions for the District. (Chair Henriquez)
- 5) Information items.
 - 5.1) Status of Debt Service Coverage. (Financial Advisor Egan)
 - 5.2) Status of refunding 2012 Installment Purchase Agreement and a portion of the 2013A Water Revenue Bonds. (Finance Manager Williams)
 - 5.3) Other.
- 6) Board members' requests for future agenda items.
- 7) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	September 29, 2016	October 6, 2016
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 AUGUST, 2016.</i>	

Attached is the Investment Funds Report and current cash balance as of August 31, 2016. The reports will be reviewed in detail at the Finance Committee meeting.

**PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
August 31, 2016**

						<u>August 2016</u>	<u>June 2016</u>
CASH							
1-00-0103-100	Citizens - Checking					554,265.49	39,065.87
1-00-0103-200	Citizens - Refund					-	343.73
1-00-0103-300	Citizens - Merchant					83,146.90	41,877.70
Bank Total						637,412.39	81,287.30
1-00-0110-000	PETTY CASH					300.00	300.00
1-00-0115-000	CASH ON HAND					5,400.00	5,400.00
TOTAL CASH						643,112.39	86,987.30
INVESTMENTS							
1-00-0135-000	Local Agency Investment Fund			Acct. Total		11,806.40	11,806.40
1-00-0120-000	UBS Money Market Account General (SS 11469)						
	UBS RMA Government Portfolio					3,085,133.18	2,690,933.75
	UBS Bank USA Dep acct					250,000.00	250,000.00
	Accrued interest					3,887.92	9,876.31
						3,339,021.10	2,950,810.06
US Government Securities							
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value	
912828SJ0	US Treasury Note	02/28/2017	0.87	1,000,000	1,001,750.00	1,002,360.00	
					1,000,000	1,001,750.00	1,002,360.00
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	Safra National Bank	08/16/2016	0.60	-	-	240,014.40	
2	First Bank PR	11/07/2016	0.80	240,000	240,110.40	240,156.00	
3	Compass Bank	02/07/2017	0.95	240,000	240,381.60	240,408.00	
4	GE Cap Retail Bank	04/27/2017	1.84	200,000	201,212.00	201,370.00	
5	Discover Bank	05/02/2017	1.73	240,000	241,660.80	241,869.60	
6	Merrick Bank	06/12/2017	1.00	100,000	100,346.00	100,340.00	
7	Level One Bank	06/19/2017	0.65	101,000	101,269.67	101,253.51	
8	GE Cap Retail Bank	06/22/2017	1.78	200,000	201,840.00	201,960.00	
9	Capitol One Bank	08/14/2017	1.20	240,000	241,051.20	241,060.80	
10	Triumph Bank	09/26/2017	0.80	200,000	200,686.00	200,704.00	
11	MB Finl Bank	10/26/2017	0.85	200,000	200,158.00	200,126.00	
					1,961,000	1,968,715.67	2,209,262.31
Acct. Total						6,309,486.77	6,162,432.37
1-00-1110-000	UBS Money Market Account Capital (SS 11475)						
	UBS Bank USA Dep acct					234,467.35	234,466.76
	UBS RMA Government Portfolio					-	-
Acct. Total						234,467.35	234,466.76
1-00-0125-000	UBS Access Account General (SS 11432)						
	UBS Bank USA Dep acct					245,705.99	221,327.63
	UBS RMA Government Portfolio					-	-
	Accrued interest					10,743.55	27,993.64
						256,449.54	249,321.27
US Government Securities							
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value	
912828XF2	US Treasury Note	06/15/2018	1.125	1,000,000	1,005,700.00	1,008,480.00	
912828KD1	US Treasury Note	02/15/2019	2.610	1,500,000	1,569,375.00	1,577,520.00	
912828P53	US Treasury Note	02/15/2019	0.75	1,000,000	997,270.00	1,000,630.00	
					3,500,000	3,572,345.00	3,586,630.00
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	Goldman Sachs Bk	11/07/2016	1.00	240,000	240,213.60	240,314.40	
2	CIT Bank	11/06/2017	1.60	240,000	240,225.60	240,259.20	
3	BMW Bank	11/15/2018	1.96	240,000	245,234.40	245,354.40	
4	American Express	04/29/2019	1.44	240,000	243,847.20	243,921.60	
5	Synchrony Bank	04/14/2020	1.83	240,000	246,566.40	246,573.60	
					1,200,000	1,216,087.20	1,216,423.20
Acct. Total						5,044,881.74	5,052,374.47
Total Managed Accounts						11,600,642.26	11,461,080.00
1-00-1121-000	UBS Rate Stabilization Fund (SS 24016) - District Restricted						
	UBS Bank USA Dep acct					250,000.00	250,000.00
	UBS RMA Government Portfolio					230,306.39	230,298.83
Acct. Total						480,306.39	480,298.83
GRAND TOTAL CASH AND INVESTMENTS						12,724,061.04	12,028,366.13
Increase (Decrease) in Funds						695,694.91	
1-00-1130-000	2013A Bonds - Project Funds (BNY Mellon)						
	Construction Funds					497,545.23	533,272.15

PALMDALE WATER DISTRICT

2016 Cash Flow Report (Based on Jan. 19, 2016 Approved Budget)

2016 Cash Flow Report (Based on Jan. 19, 2016 Approved Budget)														Budget 2017 Carryover Information
	January	February	March	April	May	June	July	August	September	October	November	December	YTD	
Total Cash Beginning Balance (BUDGET)	12,253,595	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781		(805,960)
Total Cash Beginning Balance	12,253,595	12,534,672	12,719,333	10,275,232	12,340,454	13,316,414	12,675,338	12,028,366	12,724,061	10,102,277	9,935,783	9,548,551		
Budgeted Water Receipts	1,541,128	1,523,788	1,575,809	1,590,982	1,790,396	1,946,460	2,165,382	2,202,231	2,030,994	1,946,460	1,688,521	1,673,349	21,675,500	
Water Receipts	1,836,145	1,903,857	1,602,349	1,518,640	1,618,564	1,843,912	1,793,757	2,585,375	2,030,994	1,946,460	1,688,521	1,673,349	22,041,923	
DWR Refund (Operational Related)				1,718	28								1,746	
Other													-	
Total Operating Revenue (BUDGET)													-	
Total Operating Revenue (ACTUAL)	1,836,145	1,903,857	1,602,349	1,520,358	1,618,592	1,843,912	1,793,757	2,585,375	2,030,994	1,946,460	1,688,521	1,673,349	22,043,669	
Total Operating Expenses excl GAC (BUDGET)	(1,237,486)	(1,217,967)	(1,591,629)	(1,550,533)	(1,568,100)	(1,439,060)	(1,770,025)	(1,614,651)	(1,795,266)	(1,449,785)	(1,434,170)	(1,550,028)	(18,218,700)	
GAC (BUDGET)	(362,730)		(190,000)			(190,000)			(190,000)		(190,000)		(1,122,730)	
Operating Expenses excl GAC (ACTUAL)	(1,356,117)	(1,281,496)	(1,961,054)	(1,361,831)	(1,377,208)	(1,883,577)	(1,989,499)	(1,716,208)	(1,795,266)	(1,449,785)	(1,434,170)	(1,550,028)	(19,156,239)	
GAC	(62,730)	(183,290)	(275,135)						(190,000)		(190,000)		(901,154)	
Prepaid Insurance (paid)/refunded		(66,457)											(66,457)	
Total Operating Expense (ACTUAL)	(1,418,847)	(1,531,243)	(2,236,189)	(1,361,831)	(1,377,208)	(1,883,577)	(1,989,499)	(1,716,208)	(1,985,266)	(1,449,785)	(1,624,170)	(1,550,028)	(20,123,851)	
Non-Operating Revenue Expenses:														
Assessments, net (BUDGET)	664,439	253,955	14,289	2,027,090	739,781	11,042	75,342	127,302	-	-	129,251	2,452,512	6,495,000	
Actual/Projected Assessments, net	684,181	313,172	15,308	2,078,805	818,666	12,539	70,859	145,201	-	-	129,251	2,452,512	6,720,493	
RDA Pass-through (Successor Agency)					307,851								307,851	
Interest	3,168	4,991	9,069	8,540	9,385	9,296	9,120	10,254	2,915	2,915	2,915	2,935	75,503	
Market Adjustment	7,983	(12,780)	7,384	(3,392)	(4,736)	19,028	(5,943)	(15,778)					(8,235)	
Grant Re-imbursement						306,915							483,915	
Capital Improvement Fees							234,459						234,459	
DWR Refund (Capital Related)				98,537	37,228				50,000			50,000	235,765	
Other	3,415	26	590	(202)	(33)	89	21,976	324	8,330	8,330	8,330	8,370	59,545	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	698,746	305,408	32,351	2,182,288	1,168,361	347,866	330,472	140,001	61,245	11,245	140,496	2,690,817	8,109,297	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(514,999)	(306,567)	(287,878)	(40,796)	(48,676)	(26,296)	(91,743)	(91,743)	(91,743)	(91,743)	(91,744)	(918,263)	(2,602,191)	
Actual/Projected Capital Expenditures	(93,505)	(302,341)	(24,615)	(62,302)	(242,404)	(31,036)	(43,219)	(122,092)	(384,001)	(248,035)	(262,700)	(35,000)	(1,851,251)	
Uncommitted Capital Expenditures	-	-	-	-	-	-	-	-	(25,000)	(235,000)	(138,000)	(205,000)	(603,000)	
WRB Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	(444,629)	(444,629)	
SWP Capitalized	(717,495)	(170,388)	(196,069)	(170,390)	(170,390)	(170,390)	(717,492)	(170,390)	(201,804)	(170,388)	(170,388)	(170,388)	(3,195,972)	
Butte County Water Transfer						(726,859)						(726,859)	(1,453,719)	
Bond Payments - Interest			(1,084,814)						(1,076,522)				(2,161,336)	
Principal			(537,114)						(1,020,439)				(1,557,553)	
Capital leases - Go West (2012 Lease)	(17,296)	(17,296)	-	(35,624)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(17,296)	(208,585)	
Capital leases - Wells Fargo (Printer Lease)	(6,672)	(3,336)	-	(7,277)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(3,695)	(46,846)	
Total Non-Operating Expenses (ACTUAL)	(834,969)	(493,362)	(1,842,612)	(275,592)	(433,785)	(949,277)	(781,702)	(313,474)	(2,728,757)	(674,414)	(592,079)	(1,602,868)	(11,522,890)	
Total Cash Ending Balance (BUDGET)	11,996,708	12,070,140	9,443,313	11,240,278	11,923,901	11,779,269	10,981,346	11,574,708	9,220,541	9,395,698	9,267,781	10,300,285		
Total Cash Ending Balance (ACTUAL)	12,534,672	12,719,333	10,275,232	12,340,454	13,316,414	12,675,338	12,028,366	12,724,061	10,102,277	9,935,783	9,548,551	10,759,821		
											Budget	10,300,285		
											Difference	459,536		
Indicates actual expenditures/revenues:														
Indicates anticipated expenditures/revenues:														

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: September 29, 2016
TO: FINANCE COMMITTEE
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 AUGUST, 2016*

October 6, 2016
Committee Meeting

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending August 31, 2016. 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 August, 2016.

This is the eighth month of the District's Budget Year 2016. The target percentage is 67%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Page 1 is our balance sheet on August 31, 2016.
- The significant change is the increased cash and reduction in receivables. This is the result of customer bill payment activity.

Profit/Loss Statement:

- Page 3 is our profit/loss statement on August 31, 2016.
- Operating revenue is at 66% of budget.
- Cash operating expense is at 68% of budget.
- Net operating profit for the month of August was \$801K. Net operating profit year to date is at \$564K.
- Drought Surcharge year-to-date is at \$765K and continues to be an important part in stabilizing revenues during the drought.
- Page 6 is showing the distribution of operating expense between labor and operations. Labor costs are currently at 51% of total expenses with salaries making up 35% of that.

Year-To-Year Comparison P&L:

- Page 7 is our comparison of August, 2015 to August, 2016.
- Total operating revenue is up \$216K, or 11%.
- Operating expenditures are up \$72K, or 5%.
- Page 7-1 is our comparison of August, 2014 to August, 2016.
- Total operating revenue is down \$128K, or 5%.

FINANCE COMMITTEE
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

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September 29, 2016

- Total operating expenses were down \$356, or 20%.
- Page 8 and 8-1 is a graphic presentation of the water consumption comparison for 2015 and 2014, respectively.
 - Units billed in acre feet for 2015 comparison were up by, 135 or 9%.
 - Total revenue per unit sold is up \$0.05, or 2%.
 - Total revenue per connection is up \$8.27, or 12.5%.
 - Units billed per connection is up 2.14, or 8.5%.

 - Units billed in acre feet for 2014 comparison were down by 458, or 21.5%.
 - Total revenue per unit sold is up \$0.52, or 21%.
 - Total revenue per connection is down \$10.70, or 13%.
 - Units billed per connection is down 7.69, or 22%.

Revenue Analysis Year-To-Date:

- Page 9 is our comparison of revenue, year-to-date.
- Operating revenue through August, 2016 is up \$566K, or 4%.
- Retail water revenue from all areas are up by \$297K from last year. That's shown by the combined green highlighted area.
- Retail water sales, including the drought surcharge but excluding meter fees, is up \$441K.
- Total revenue is up \$1.08MM. This is due primarily to strong assessment collection and grant funding.
- Operating revenue is at 66% of budget; last year was at 59% of budget. However, our 2016 revenue budget is \$1.5MM less than 2015.

Expense Analysis Year-To-Date:

- Page 11 is our comparison of expense, year-to-date.
- Cash Operating Expenses through August, 2016 are up \$812K, or 6%, compared to 2015.
- Total Expenses are down \$600K, or 3%.

Departments:

- Pages 14 through 24 are detailed individual departmental budgets for your review.

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.

FINANCE COMMITTEE
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

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September 29, 2016

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.

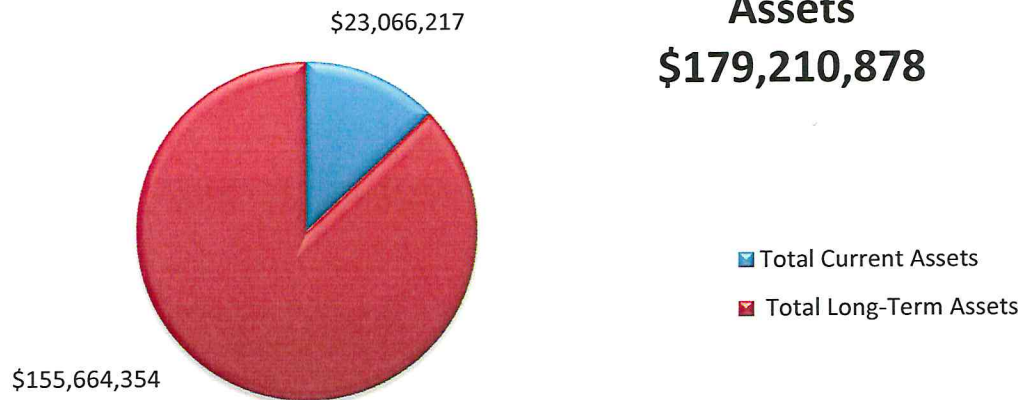
Capitalized Construction: The value of our labor force used to construct our asset infrastructure.

Palmdale Water District
Balance Sheet Report
For the Eight Months Ending 8/31/2016

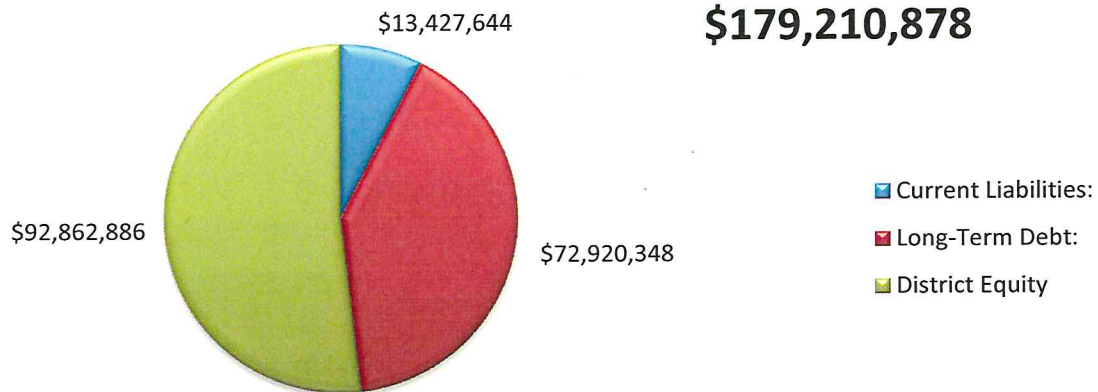
	August 2016	July 2016
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 643,112	\$ 86,961
Investments	11,600,642	11,461,080
2013A Bonds - Project Funds	497,545	497,437
	<u>\$ 12,741,300</u>	<u>\$ 12,045,478</u>
Receivables:		
Accounts Receivables - Water Sales	\$ 1,950,202	\$ 2,216,182
Accounts Receivables - Miscellaneous	33,676	37,417
Allowance for Uncollected Accounts	(196,113)	(196,113)
	<u>\$ 1,787,765</u>	<u>\$ 2,057,486</u>
Assessments Receivables	\$ 7,719,610	\$ 7,864,811
Meters, Materials and Supplies	731,196	731,954
Prepaid Expenses	86,347	77,058
Total Current Assets	\$ 23,066,217	\$ 22,776,786
Long-Term Assets:		
Property, Plant, and Equipment, net	\$ 110,198,913	\$ 110,599,561
Participation Rights in State Water Project, net	44,314,157	44,340,668
Investment in PRWA	229,923	229,923
2013A Bonds - Insurance & Surety Bond	216,560	217,226
CalPERS Contributions	704,801	704,801
	<u>\$ 155,664,354</u>	<u>\$ 156,092,179</u>
Restricted Cash:		
Rate Stabilization Fund	480,306	480,299
Total Long-Term Assets & Restricted Cash	\$ 156,144,661	\$ 156,572,478
Total Assets	\$ 179,210,878	\$ 179,349,264
LIABILITIES AND DISTRICT EQUITY		
Current Liabilities:		
Current Interest Installment of Long-term Debt	\$ 897,149	\$ 717,724
Current Principal Installment of Long-term Debt	1,082,342	1,113,290
Accounts Payable and Accrued Expenses	5,614,820	5,597,061
Deferred Assessments	5,833,333	6,416,667
Total Current Liabilities	\$ 13,427,644	\$ 13,844,742
Long-Term Debt:		
Pension-Related Debt	\$ 9,177,550	\$ 9,177,550
OPEB Liability	12,672,538	12,492,726
2013A Water Revenue Bonds	42,941,460	42,943,711
2012 - Certificates of Participation	8,081,514	8,074,716
2011 - Capital Lease Payable	47,286	47,286
Total Long-Term Liabilities	\$ 72,920,348	\$ 72,735,989
Total Liabilities	\$ 86,347,992	\$ 86,580,731
District Equity		
Revenue from Operations	\$ (1,792,511)	\$ (1,886,864)
Retained Earnings	94,655,397	94,655,397
Total Liabilities and District Equity	\$ 179,210,878	\$ 179,349,264

BALANCE SHEET AS OF AUGUST 31, 2016

Assets \$179,210,878



Liability & Equity \$179,210,878



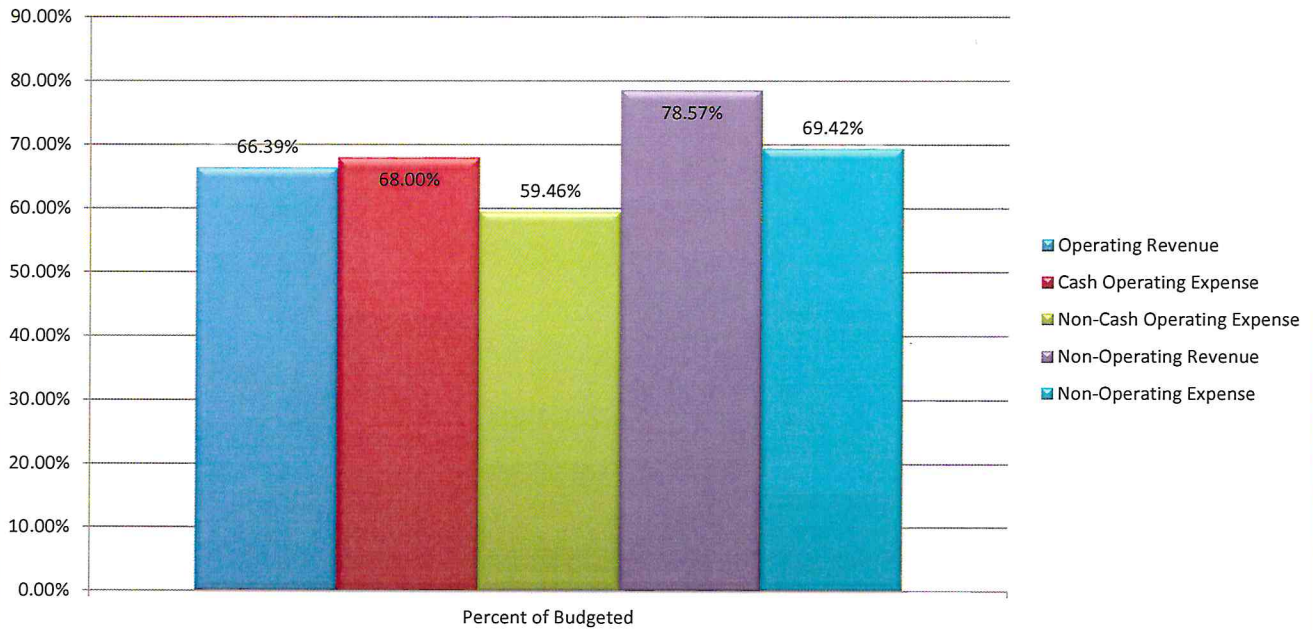
Palmdale Water District
Consolidated Profit and Loss Statement
For the Eight Months Ending 8/31/2016

	Thru July	August	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:						
Wholesale Water	\$ 58,108	\$ 63,768	\$ 121,876		\$ 160,000	76.17%
Water Sales	3,369,187	761,463	4,130,650		7,242,000	57.04%
Meter Fees	7,099,093	1,013,613	8,112,707		12,079,000	67.16%
Water Quality Fees	447,838	94,248	542,086		934,500	58.01%
Elevation Fees	176,713	40,748	217,461		400,000	54.37%
Other (Page 3-1)	427,412	71,979	499,391		860,000	58.07%
Drought Surcharge	583,865	181,724	765,590		-	
Total Operating Revenue	\$ 12,162,217	\$ 2,227,543	\$ 14,389,760	\$ -	\$ 21,675,500	66.39%
Cash Operating Expenses:						
Directors	\$ 89,328	\$ 14,436	\$ 103,764		\$ 145,750	71.19%
Administration-Services	949,601	134,374	1,083,975		1,588,750	68.23%
Administration-District	807,822	108,505	916,327		1,612,750	56.82%
Engineering	717,284	87,880	805,164		1,279,250	62.94%
Facilities	3,900,519	551,818	4,452,336		6,513,750	68.35%
Operations	1,576,130	214,945	1,791,075		2,449,250	73.13%
Finance	722,400	97,048	819,448		1,168,250	70.14%
Water Conservation	139,667	14,981	154,648		239,250	64.64%
Human Resources	227,258	30,148	257,406		420,350	61.24%
Information Technology	438,891	42,518	481,409		867,750	55.48%
Customer Care	833,906	85,449	919,355		1,386,750	66.30%
Source of Supply-Purchased Water	1,195,239	715	1,195,954		1,725,000	69.33%
Plant Expenditures	280,165	43,438	323,603		-	
GAC Filter Media Replacement	521,064	-	521,064		934,500	55.76%
Total Cash Operating Expenses	\$ 12,399,274	\$ 1,426,255	\$ 13,825,528	\$ -	\$ 20,331,350	68.00%
Net Cash Operating Profit/(Loss)	\$ (237,057)	\$ 801,289	\$ 564,232	\$ -	\$ 1,344,150	41.98%
Non-Cash Operating Expenses:						
Depreciation	\$ 3,324,650	\$ 458,639	\$ 3,783,289		\$ 7,200,000	52.55%
OPEB Accrual Expense	1,371,021	195,860	1,566,881		2,250,000	69.64%
Bad Debts	69,347	181	69,528		50,000	139.06%
Service Costs Construction	89,567	(2,885)	86,682		125,000	69.35%
Capitalized Construction	(378,060)	-	(378,060)		(1,000,000)	37.81%
Total Non-Cash Operating Expenses	\$ 4,476,526	\$ 651,795	\$ 5,128,321	\$ -	\$ 8,625,000	59.46%
Net Operating Profit/(Loss)	\$ (4,713,583)	\$ 149,494	\$ (4,564,089)	\$ -	\$ (7,280,850)	62.69%
Non-Operating Revenues:						
Assessments (Debt Service)	\$ 3,120,667	\$ 440,417	\$ 3,561,083		\$ 4,670,000	76.25%
Assessments (1%)	1,320,518	142,917	1,463,434		2,025,000	72.27%
DWR Fixed Charge Recovery	134,839	56,357	191,196		200,000	95.60%
Interest	61,112	(5,523)	55,589		35,000	158.82%
Capital Improvement Fees	234,459	-	234,459		50,000	468.92%
Grants - State and Federal	306,915	-	306,915		485,000	63.28%
Other	146,571	324	146,895		120,000	122.41%
Total Non-Operating Revenues	\$ 5,325,080	\$ 634,491	\$ 5,959,571	\$ -	\$ 7,585,000	78.57%
Non-Operating Expenses:						
Interest on Long-Term Debt	\$ 1,301,239	\$ 185,426	\$ 1,486,665		\$ 2,228,000	66.73%
Amortization of SWP	1,378,280	196,900	1,575,180		2,238,000	70.38%
Change in Investments in PRWA	105,316	-	105,316		-	
Water Conservation Programs	20,833	-	20,833		126,500	16.47%
Total Non-Operating Expenses	\$ 2,805,668	\$ 382,326	\$ 3,187,993	\$ -	\$ 4,592,500	69.42%
Net Earnings	\$ (2,194,170)	\$ 401,659	\$ (1,792,511)	\$ -	\$ (4,288,350)	41.80%

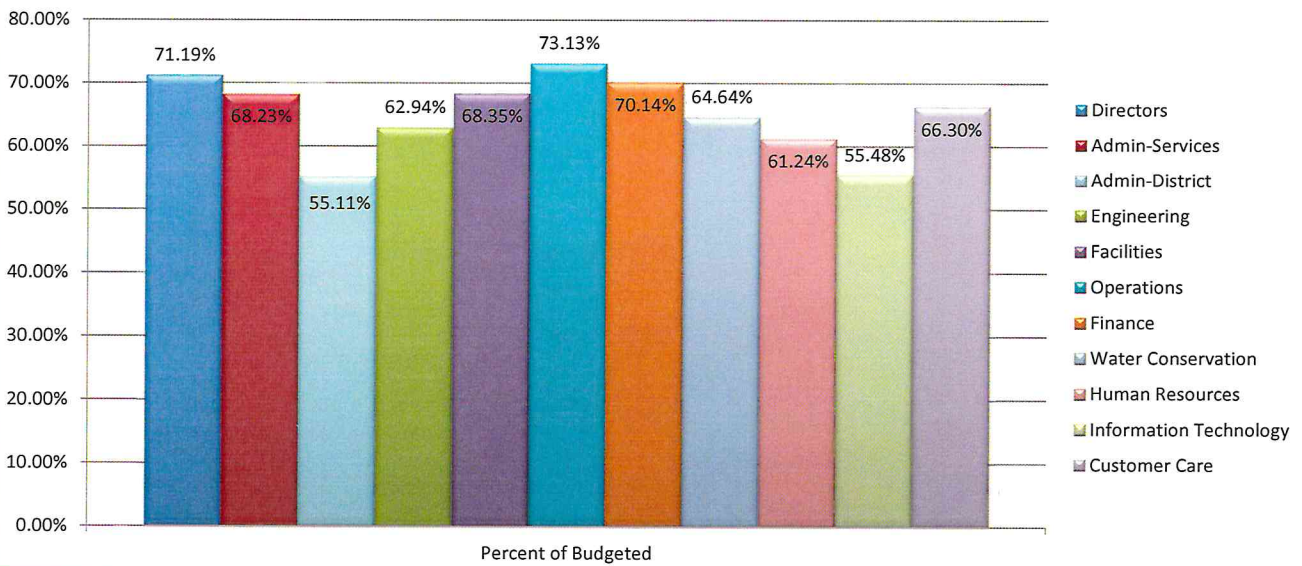
OTHER OPERATING REVENUE

	Current	YTD
Account Setup Charge(\$25)	\$4,575.00	\$30,960.00
Customer Request Turn On/Off(\$15)	\$45.00	\$60.00
Account Setup Charge/CC (\$35)	\$0.00	\$1,085.00
5/8" Meter W/Itron Assembly(\$212)	\$0.00	(\$212.00)
After Hours Service Call	\$80.00	\$620.00
Construction Meter Install(\$250)	\$750.00	\$750.00
Credit Check(\$10)	\$0.00	\$690.00
ERT (87.20)	\$0.00	\$87.20
Grind Down Angle Stop (\$230)	\$0.00	(\$230.00)
Lock Broken or Missing(\$15)	\$105.00	\$510.00
Miscellaneous Charge	\$0.00	\$931.70
Non-Compliance Fee Backflow(\$50)	\$300.00	\$900.00
Pulled Meter Service Charge(\$60)	\$300.00	\$960.00
Rejected Payment Notification	\$360.00	\$2,380.00
Repair Angle Stop After Hours(\$600.00)	\$600.00	\$600.00
Repair Angle Stop(\$440.00)	\$880.00	\$6,160.00
Shut-Off Charge(\$30)	\$7,560.00	\$50,730.00
Shut-Off Notice Fee (\$5)	\$12,200.00	\$69,550.00
Standard Trip Charge(\$15)	\$210.00	\$1,650.00
Waste Water 1st Notice(\$50.00)	\$0.00	\$6,150.00
Waste Water 2nd Notice (\$250.00)	\$0.00	(\$250.00)
Late Fees	\$42,224.59	\$262,250.98
NSF Fee	\$675.00	\$3,525.00

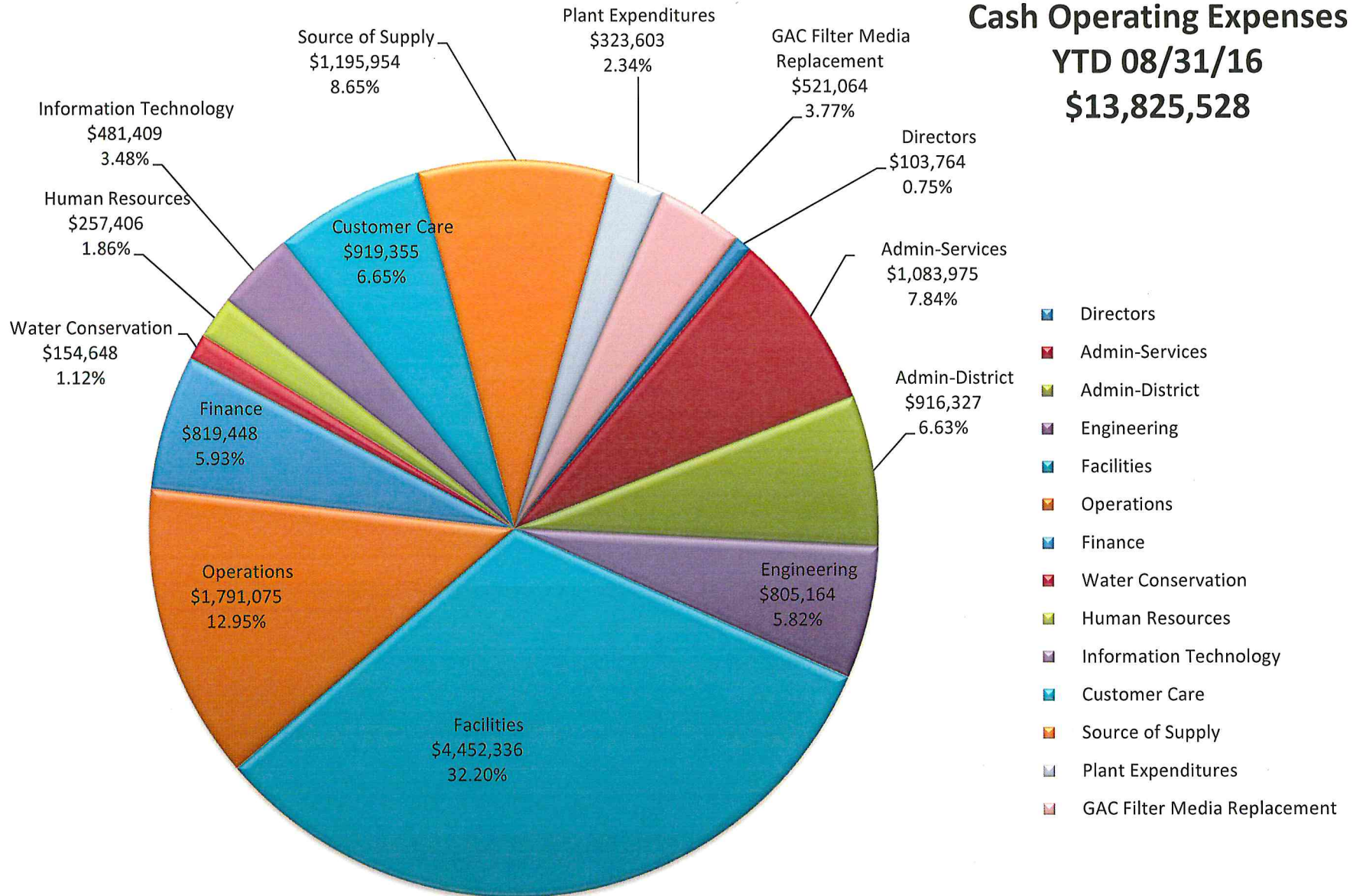
P & L BUDGET vs. ACTUAL



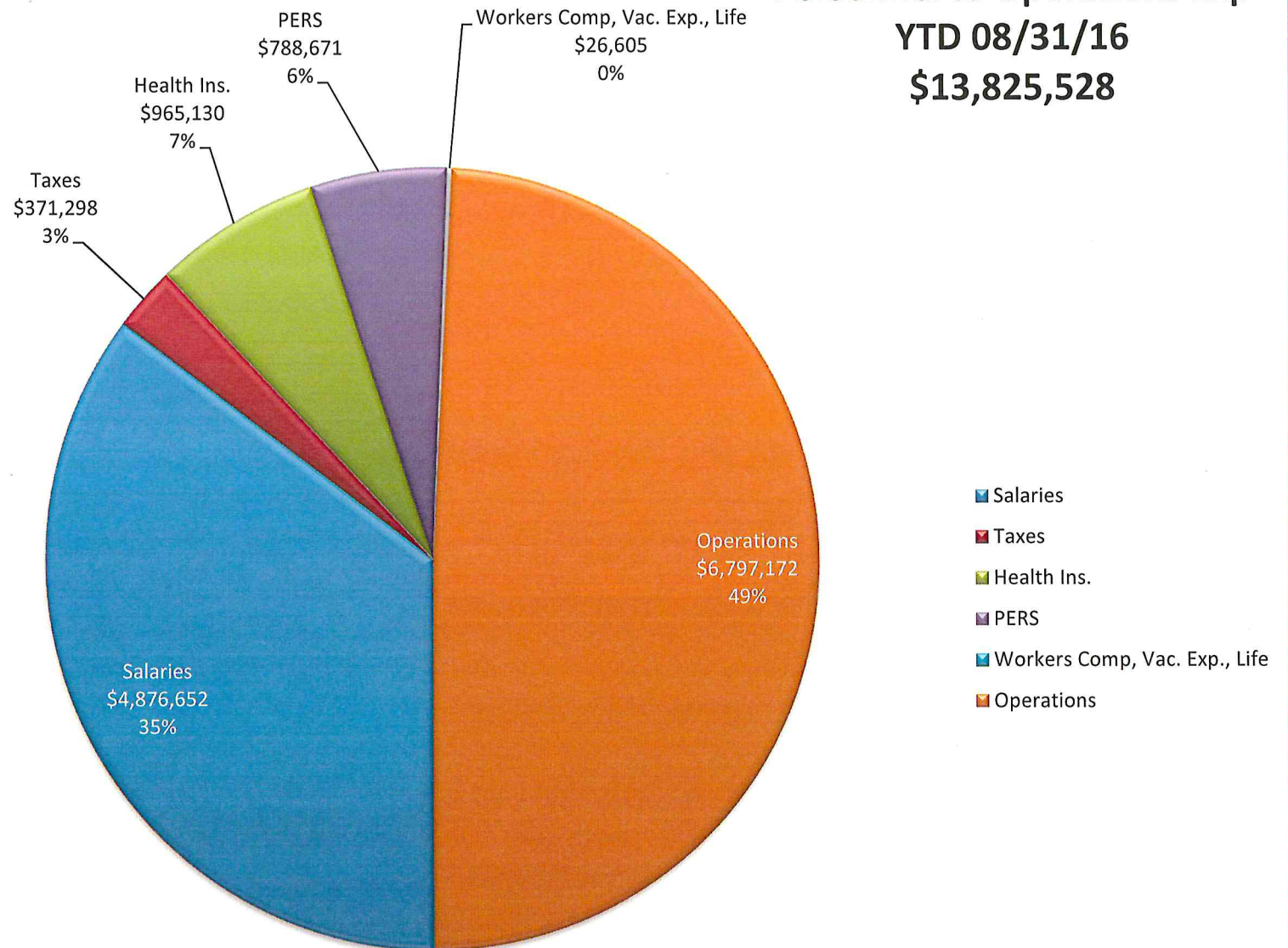
DEPARTMENTAL - BUDGET vs. ACTUAL



Cash Operating Expenses YTD 08/31/16 \$13,825,528



Personnel to Operations Exp
YTD 08/31/16
\$13,825,528



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

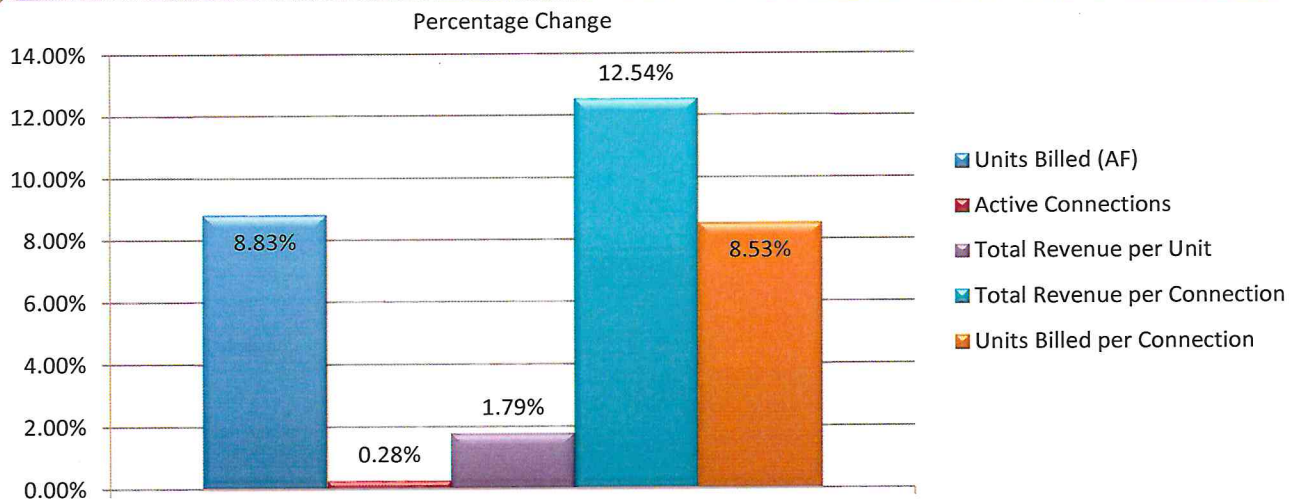
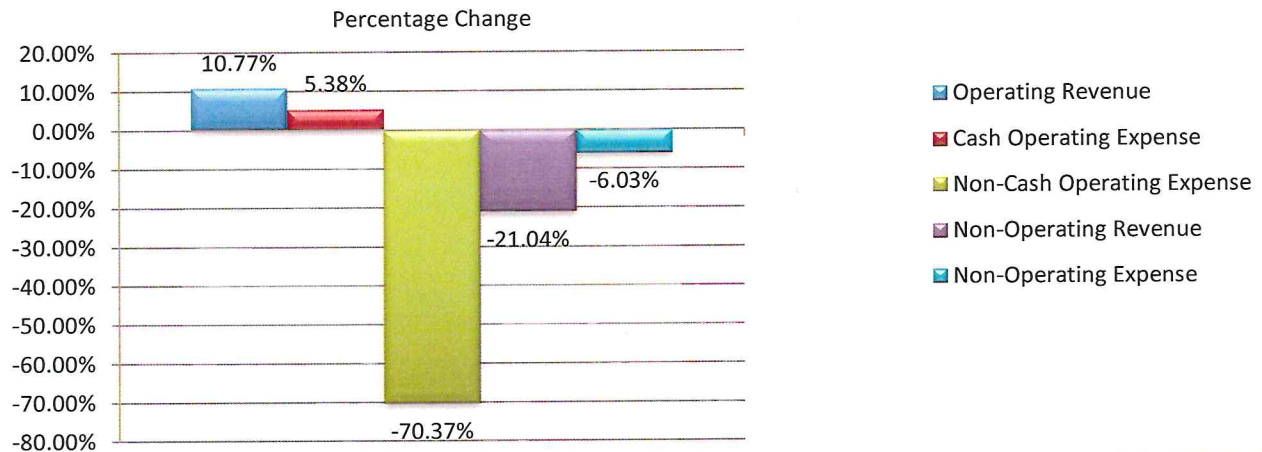
	2015 August	2016 August	Change	% Change		Consumption Comparison	
					Units Billed	2015	2016
						666,193	724,986
Operating Revenue:							
Wholesale Water	\$ 21,128	\$ 63,768	\$ 42,640	201.82%	Active	26,527	26,600
Water Sales	619,013	761,463	142,450	23.01%	Vacant	860	805
Meter Fees	976,353	1,013,613	37,261	3.82%			
Water Quality Fees	93,036	94,248	1,212	1.30%			
Elevation Fees	39,496	40,748	1,252	3.17%	Rev/unit	\$ 3.02	\$ 3.07
Other	124,070	71,979	(52,091)	-41.99%	Rev/con	\$ 65.93	\$ 74.20
Drought Surcharge	137,862	181,724	43,862	31.82%	Unit/con	25.11	27.26
Total Operating Revenue	\$ 2,010,957	\$ 2,227,543	\$ 216,586	10.77%			
Cash Operating Expenses:							
Directors	\$ 15,246	\$ 14,436	\$ (810)	-5.31%			
Administration-Services	200,220	134,374	42,659	21.31%			
Administration-District		108,505					
Engineering	80,413	87,880	7,468	9.29%			
Facilities	433,261	551,818	118,557	27.36%			
Operations	233,164	214,945	(18,219)	-7.81%			
Finance	79,119	97,048	17,929	22.66%			
Water Conservation	45,552	14,981	(30,570)	-67.11%			
Human Resources	41,470	30,148	(11,322)	-27.30%			
Information Technology	42,054	42,518	464	1.10%			
Customer Care	101,267	85,449	(15,818)	-15.62%			
Source of Supply-Purchased Water	15,510	715	(14,795)	-95.39%			
Plant Expenditures	66,164	43,438	(22,726)	-34.35%			
GAC Filter Media Replacement	-	-	-				
Total Cash Operating Expenses	\$ 1,353,437	\$ 1,426,255	\$ 72,817	5.38%			
Non-Cash Operating Expenses:							
Depreciation	\$ 2,059,116	\$ 458,639	\$ (1,600,478)	-77.73%			
OPEB Accrual Expense	183,580	195,860	12,280	6.69%			
Bad Debts	93	181	88	93.85%			
Service Costs Construction	46,311	(2,885)	(49,196)	-106.23%			
Capitalized Construction	(89,641)	-	89,641	-100.00%			
Total Non-Cash Operating Expenses	\$ 2,199,459	\$ 651,795	\$ (1,547,664)	-70.37%			
Net Operating Profit/(Loss)	\$ (1,541,940)	\$ 149,494	\$ 1,691,433	-109.70%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 443,333	\$ 440,417	\$ (2,917)	-0.66%			
Assessments (1%)	140,000	142,917	2,917	2.08%			
DWR Fixed Charge Recovery	-	56,357	56,357				
Interest	5,111	(5,523)	(10,635)	-208.06%			
Capital Improvement Fees	215,189	-	(215,189)				
Grants - State and Federal	-	-	-				
Other	(28)	324	352				
Total Non-Operating Revenues	\$ 803,606	\$ 634,491	\$ (169,115)	-21.04%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 189,198	\$ 185,426	\$ (3,773)	-1.99%			
Amortization of SWP	172,877	196,900	24,023	13.90%			
Change in Investments in PRWA	89	-	(89)				
Water Conservation Programs	44,696	-	(44,696)	-100.00%			
Total Non-Operating Expenses	\$ 406,860	\$ 382,326	\$ (24,534)	-6.03%			
Net Earnings	\$ (1,145,194)	\$ 401,659	\$ 1,546,853	-135.07%			

Palmdale Water District
Profit and Loss Statement
Year-To-Year Comparison-2 Years - August

	2014 August	2016 August	Change	% Change		Consumption Comparison	
					Units Billed	2014	2016
Operating Revenue:						924,520	724,986
Wholesale Water	\$ 44,126	\$ 63,768	\$ 19,642	44.51%	Active	26,458	26,600
Water Sales	1,012,600	761,463	(251,137)	-24.80%	Vacant	911	805
Meter Fees	948,925	1,013,613	64,688	6.82%			
Water Quality Fees	183,347	94,248	(89,099)	-48.60%			
Elevation Fees	57,345	40,748	(16,597)	-28.94%	Rev/unit	\$ 2.55	\$ 3.07
Other	109,135	71,979	(37,156)	-34.05%	Rev/con	\$ 84.90	\$ 74.20
Drought Surcharge	-	181,724	181,724		Unit/con	34.94	27.26
Total Operating Revenue	\$ 2,355,478	\$ 2,227,543	\$ (127,935)	-5.43%			
Cash Operating Expenses:							
Directors	\$ 9,839	\$ 14,436	\$ 4,597	46.72%			
Administration-Services	148,059	134,374	94,820	64.04%			
Administration-District	-	108,505					
Engineering	77,449	87,880	10,431	13.47%			
Facilities	260,467	551,818	291,350	111.86%			
Operations	589,081	214,945	(374,136)	-63.51%			
Finance	229,638	97,048	(132,591)	-57.74%			
Water Conservation	12,307	14,981	2,675	21.73%			
Human Resources	18,810	30,148	11,337	60.27%			
Information Technology	42,170	42,518	348	0.83%			
Customer Care	-	85,449	85,449				
Source of Supply-Purchased Water	34,361	715	(33,646)	-97.92%			
Plant Expenditures	58,932	43,438	(15,494)	-26.29%			
GAC Filter Media Replacement	301,055	-	(301,055)				
Total Cash Operating Expenses	\$ 1,782,169	\$ 1,426,255	\$ (355,915)	-19.97%			
Non-Cash Operating Expenses:							
Depreciation	\$ 547,770	\$ 458,639	\$ (89,131)	-16.27%			
OPEB Accrual Expense	166,875	195,860	28,985	17.37%			
Bad Debts	49	181	132	266.91%			
Service Costs Construction	7,136	(2,885)	(10,021)	-140.43%			
Capitalized Construction	(174,092)	-	174,092	-100.00%			
Total Non-Cash Operating Expenses	\$ 547,738	\$ 651,795	\$ 104,057	19.00%			
Net Operating Profit/(Loss)	\$ 25,571	\$ 149,494	\$ 123,922	484.61%			
Non-Operating Revenues:							
Assessments (Debt Service)	\$ 92,446	\$ 440,417	\$ 347,971	376.40%			
Assessments (1%)	77,609	142,917	65,307	84.15%			
DWR Fixed Charge Recovery	-	56,357	56,357				
Interest	6,850	(5,523)	(12,373)	-180.63%			
Capital Improvement Fees	-	-	-				
Grants - State and Federal	-	-	-				
Other	10,342	324	(10,018)	-96.87%			
Total Non-Operating Revenues	\$ 187,247	\$ 634,491	\$ 447,244	238.85%			
Non-Operating Expenses:							
Interest on Long-Term Debt	\$ 191,596	\$ 185,426	\$ (6,170)	-3.22%			
Amortization of SWP	159,510	196,900	37,390	23.44%			
Change in Investments in PRWA	-	-	-				
Water Conservation Programs	25,742	-	(25,742)	-100.00%			
Total Non-Operating Expenses	\$ 376,848	\$ 382,326	\$ 5,478	1.45%			
Net Earnings	\$ (164,029)	\$ 401,659	\$ 565,688	-344.87%			

YEAR-TO-YEAR COMPARISON

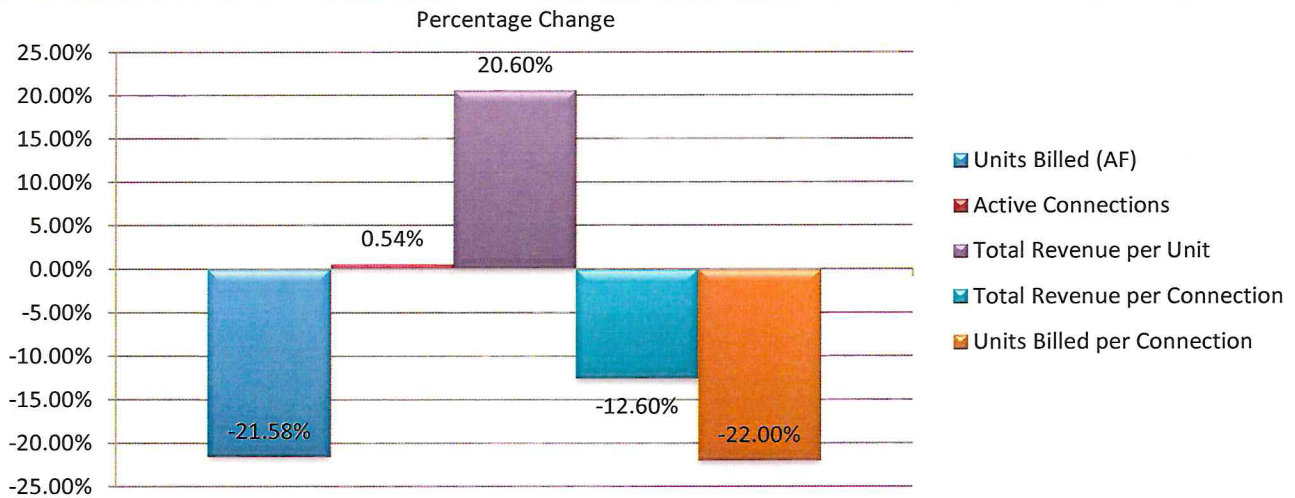
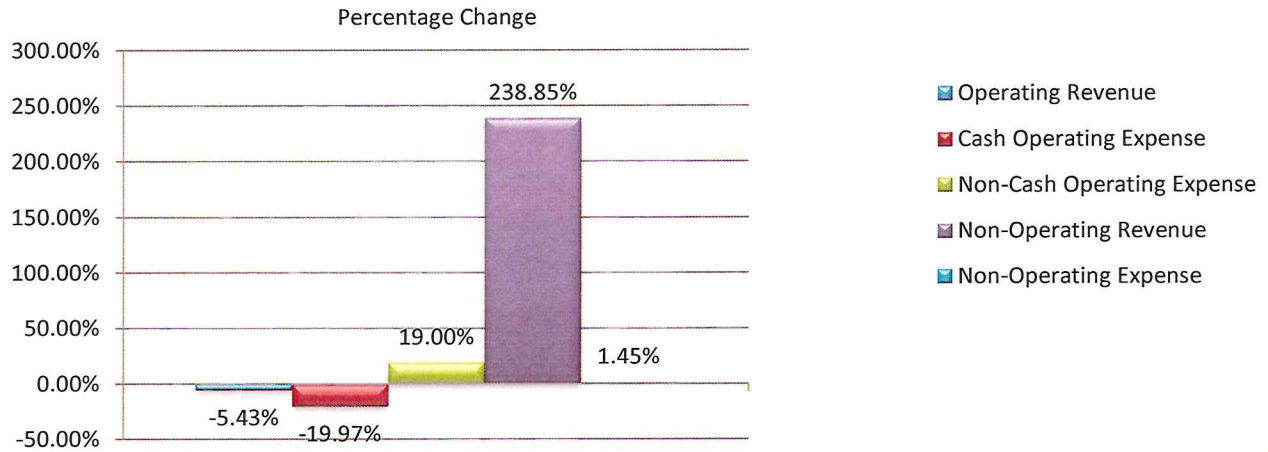
August 2015 -To - August 2016



	2015	2016	Change	
Units Billed (AF)	1,529	1,664	135	8.83%
Active Connections	26,527	26,600	73	0.28%
Non-Active	860	805	-55	-6.40%
Total Revenue per Unit	\$3.02	\$3.07	\$0.05	1.79%
Total Revenue per Connection	\$65.93	\$74.20	\$8.27	12.54%
Units Billed per Connection	25.11	27.26	2.14	8.53%

YEAR-TO-YEAR COMPARISON

August 2014 -To - August 2016



	2014	2016	Change	
Units Billed (AF)	2,122	1,664	-458	-21.58%
Active Connections	26,458	26,600	142	0.54%
Non-Active	911	805	-106	-11.64%
Total Revenue per Unit	\$2.55	\$3.07	\$0.52	20.60%
Total Revenue per Connection	\$84.90	\$74.20	-\$10.70	-12.60%
Units Billed per Connection	34.94	27.26	-7.69	-22.00%

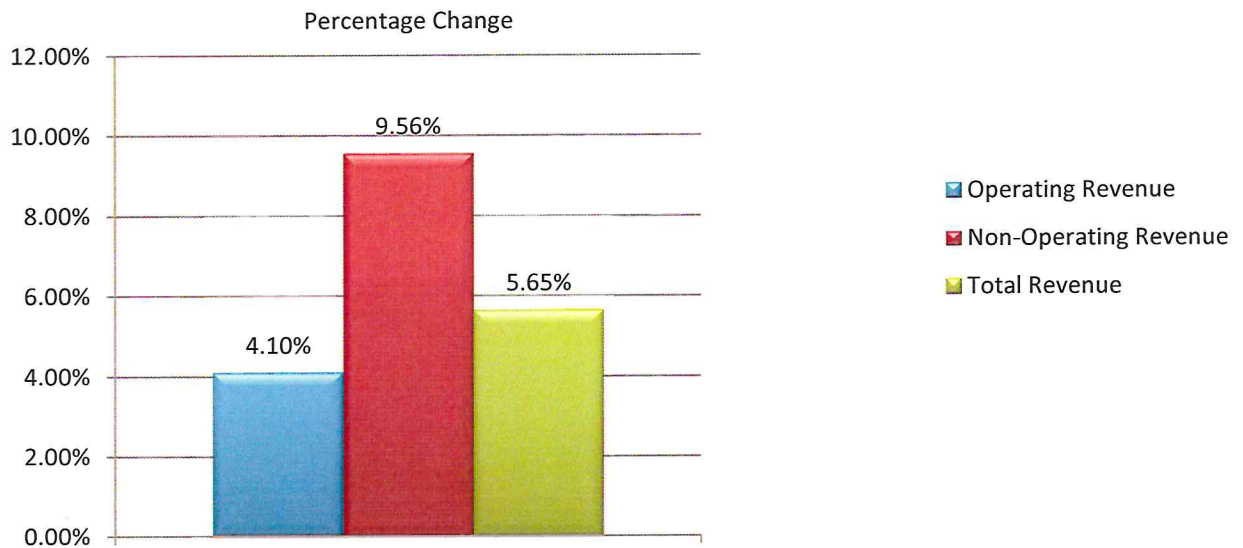
Palmdale Water District
Revenue Analysis
For the Eight Months Ending 8/31/2016
2016

	Thru July	August	Year-to-Date	Adjusted Budget	% of Budget	Thru July	August	Year-to-Date	% Change
Operating Revenue:									
Wholesale Water	\$ 58,108	\$ 63,768	\$ 121,876	\$ 160,000	76.17%	\$ 47,388	\$ 42,640	\$ 90,028	282.68%
Water Sales	3,369,187	761,463	4,130,650	7,242,000	57.04%	(101,549)	142,450	40,901	1.00%
Meter Fees	7,099,093	1,013,613	8,112,707	12,079,000	67.16%	300,098	37,261	337,359	4.34%
Water Quality Fees	447,838	94,248	542,086	934,500	58.01%	(53,841)	1,212	(52,629)	-8.85%
Elevation Fees	176,713	40,748	217,461	400,000	54.37%	(29,171)	1,252	(27,919)	-11.38%
Other	427,412	71,979	499,391	860,000	58.07%	(250,863)	(52,091)	(302,953)	-37.76%
Drought Surcharge	583,865	181,724	765,590	-		437,499	43,862	481,361	
Total Water Sales	\$ 12,162,217	\$ 2,227,543	\$ 14,389,760	\$ 21,675,500	66.39%	\$ 349,562	\$ 216,586	\$ 566,148	4.10%
Non-Operating Revenues:									
Assessments (Debt Service)	\$ 3,120,667	\$ 440,417	\$ 3,561,083	\$ 4,670,000	76.25%	\$ 165,843	\$ (2,917)	\$ 162,926	4.79%
Assessments (1%)	1,320,518	142,917	1,463,434	2,025,000	72.27%	69,346	2,917	72,262	5.19%
DWR Fixed Charge Recovery	134,839	56,357	191,196	200,000	95.60%	(118,893)	56,357	(62,536)	-24.65%
Interest	61,112	(5,523)	55,589	35,000	158.82%	34,933	(10,635)	24,298	77.65%
Capital Improvement Fees	234,459	-	234,459	50,000	468.92%	95,757	(215,189)	(119,433)	-33.75%
Grants - State and Federal	306,915	-	306,915	485,000	63.28%	306,915	-	306,915	
Other	146,571	324	146,895	120,000	122.41%	135,347	352	135,699	1212.07%
Total Non-Operating Revenues	\$ 5,325,080	\$ 634,491	\$ 5,959,571	\$ 7,585,000	78.57%	\$ 689,247	\$ (169,115)	\$ 520,133	9.56%
Total Revenue	\$ 17,487,298	\$ 2,862,034	\$ 20,349,332	\$ 29,260,500	69.55%	\$ 1,038,809	\$ 47,472	\$ 1,086,281	5.65%

	Thru July	August	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 10,720	\$ 21,128	\$ 31,848	\$ 225,000	14.15%
Water Sales	3,470,737	619,013	4,089,749	8,550,500	47.83%
Meter Fees	6,798,995	976,353	7,775,347	11,506,000	67.58%
Water Quality Fees	501,679	93,036	594,715	1,146,500	51.87%
Elevation Fees	205,884	39,496	245,380	525,000	46.74%
Other	678,275	124,070	802,345	1,450,000	55.33%
Drought Surcharge	146,366	137,862	284,228	-	
Total Water Sales	\$ 11,801,935	\$ 1,989,829	\$ 13,791,764	\$ 23,178,000	59.50%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 2,954,824	\$ 443,333	\$ 3,398,157	\$ 5,100,000	66.63%
Assessments (1%)	1,251,172	140,000	1,391,172	1,950,000	71.34%
DWR Fixed Charge Recovery	253,732	-	253,732	100,000	253.73%
Interest	26,179	5,111	31,290	35,000	89.40%
Capital Improvement Fees	138,702	215,189	353,892	50,000	707.78%
Grants - State and Federal	-	-	-	-	
Other	11,224	(28)	11,196	5,000	223.91%
Total Non-Operating Revenues	\$ 4,635,833	\$ 803,606	\$ 5,439,439	\$ 7,240,000	75.13%
Total Revenue	\$ 16,437,768	\$ 2,793,435	\$ 19,231,203	\$ 30,418,000	63.22%

REVENUE COMPARISON YEAR-TO-DATE

August 2015-To-August 2016



Palmdale Water District
Operating Expense Analysis
For the Eight Months Ending 8/31/2016
2016

						2015 to 2016 Comparison			
	Thru July	August	Year-to-Date	Adjusted Budget	% of Budget	Thru July	August	Year-to-Date	% Change
Cash Operating Expenses:									
Directors	\$ 89,328	\$ 14,436	\$ 103,764	\$ 145,750	71.19%	\$ 10,750	\$ (810)	\$ 9,940	10.59%
Administration-Services	949,601	134,374	1,083,975	1,588,750	68.23%	145,194	42,659	187,853	10.36%
Administration-District	807,822	108,505	916,327	1,612,750	56.82%				
Engineering	717,284	87,880	805,164	1,279,250	62.94%	(48,866)	7,468	(41,398)	-4.89%
Facilities	3,900,519	551,818	4,452,336	6,513,750	68.35%	555,463	118,557	674,020	17.84%
Operations	1,576,130	214,945	1,791,075	2,449,250	73.13%	161,331	(18,219)	143,112	8.68%
Finance	722,400	97,048	819,448	1,168,250	70.14%	(365,161)	17,929	(347,232)	-29.76%
Water Conservation	139,667	14,981	154,648	239,250	64.64%	(24,382)	(30,570)	(54,952)	-26.22%
Human Resources	227,258	30,148	257,406	420,350	61.24%	(24,640)	(11,322)	(35,962)	-12.26%
Information Technology	438,891	42,518	481,409	867,750	55.48%	(49,885)	464	(49,421)	-9.31%
Customer Care	833,906	85,449	919,355	1,386,750	66.30%	234,763	(15,818)	218,946	31.26%
Source of Supply-Purchased Water	1,195,239	715	1,195,954	1,725,000	69.33%	331,827	(14,795)	317,032	24.47%
Plant Expenditures	280,165	43,438	323,603	-		(111,334)	(22,726)	(134,060)	-29.29%
GAC Filter Media Replacement	521,064	-	521,064	934,500	55.76%	(74,980)	-	(74,980)	-12.58%
Total Cash Operating Expenses	\$ 12,399,274	\$ 1,426,255	\$ 13,825,528	\$ 20,331,350	68.00%	\$ 740,080	\$ 72,817	\$ 812,897	5.88%
Non-Cash Operating Expenses:									
Depreciation	\$ 3,324,650	\$ 458,639	\$ 3,783,289	\$ 7,200,000	52.55%	\$ (417,818)	\$ (1,600,478)	\$ (2,018,295)	-34.79%
OPEB Accrual Expense	1,371,021	195,860	1,566,881	2,250,000	69.64%	85,961	12,280	98,241	6.69%
Bad Debts	69,347	181	69,528	50,000	139.06%	62,767	88	62,855	941.88%
Service Costs Construction	89,567	(2,885)	86,682	125,000	69.35%	54,798	(49,196)	5,602	6.91%
Capitalized Construction	(378,060)	-	(378,060)	(1,000,000)	37.81%	262,635	89,641	352,276	-48.23%
Total Non-Cash Operating Expenses	\$ 4,476,526	\$ 651,795	\$ 5,128,321	\$ 8,625,000	59.46%	\$ 48,344	\$ (1,547,664)	\$ (1,499,321)	-29.24%
Non-Operating Expenses:									
Interest on Long-Term Debt	\$ 1,301,239	\$ 185,426	\$ 1,486,665	\$ 2,228,000	66.73%	\$ (28,560)	\$ (3,773)	\$ (32,333)	-2.13%
Amortization of SWP	1,378,280	196,900	1,575,180	2,238,000	70.38%	168,141	24,023	192,164	13.89%
Change in Investments in PRWA	105,316	-	105,316	-		91,311	(89)	91,222	647.25%
Water Conservation Programs	20,833	-	20,833	126,500	16.47%	(120,815)	(44,696)	(165,511)	-88.82%
Total Non-Operating Expenses	\$ 2,805,668	\$ 382,326	\$ 3,187,993	\$ 4,592,500	69.42%	\$ 110,077	\$ (24,534)	\$ 85,542	2.76%
Total Expenses	\$ 19,681,467	\$ 2,460,375	\$ 22,141,843	\$ 33,548,850	66.00%	\$ 898,500	\$ (1,499,381)	\$ (600,881)	-2.64%

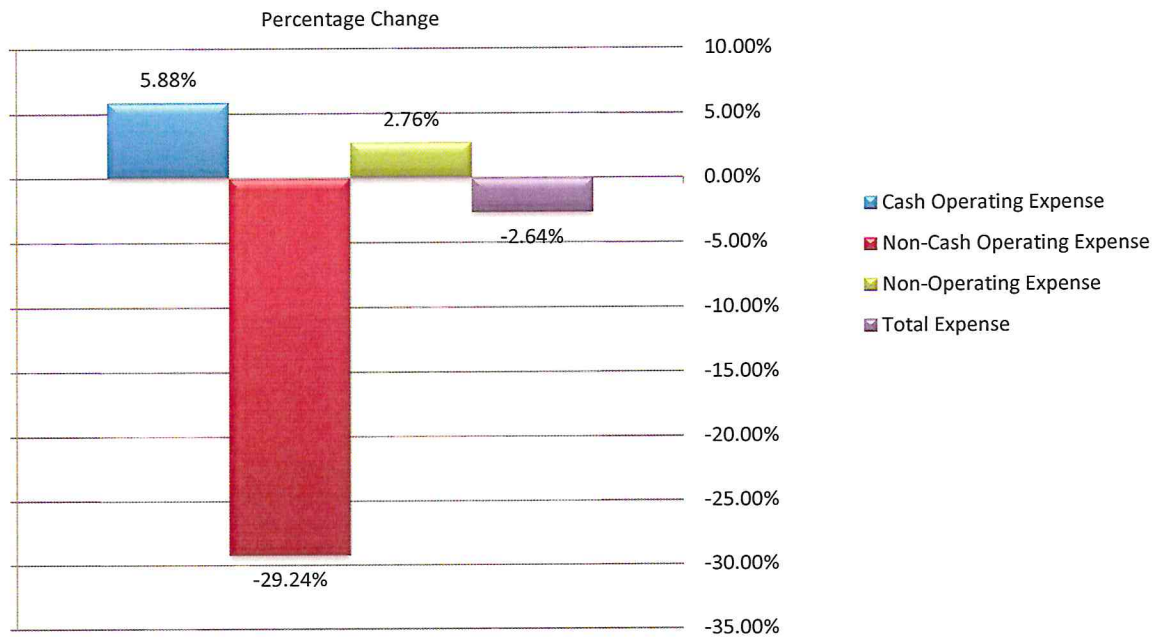
**Palmdale Water District
Operating Expense Analysis
For the Eight Months Ending 8/31/2016**

2015 to 2016 Comparison

	Thru July	August	Year-to-Date	Adjusted Budget	% of Budget
Cash Operating Expenses:					
Directors	\$ 78,578	\$ 15,246	\$ 93,823	\$ 118,500	79.18%
Administration-Services	1,612,229	200,220	1,812,448	2,667,250	67.95%
Administration-District	-	-	-	-	-
Engineering	766,150	80,413	846,562	1,252,750	67.58%
Facilities	3,345,056	433,261	3,778,317	5,998,000	62.99%
Operations	1,414,798	233,164	1,647,963	2,624,000	62.80%
Finance	1,087,561	79,119	1,166,680	2,950,750	39.54%
Water Conservation	164,049	45,552	209,600	284,000	73.80%
Human Resources	251,898	41,470	293,367	326,100	89.96%
Information Technology	488,776	42,054	530,830	782,750	67.82%
Customer Care	599,143	101,267	700,410	-	-
Source of Supply-Purchased Water	1,279,850	15,510	1,295,360	2,400,000	53.97%
Water Purchases-Prior Year OAP	(36,045)	-	(36,045)	250,000	-14.42%
Water Recovery	(380,393)	-	(380,393)	(100,000)	380.39%
Plant Expenditures	391,499	66,164	457,663	1,146,500	39.92%
GAC Filter Media Replacement	596,045	-	596,045	1,896,000	31.44%
Total Cash Operating Expenses	\$ 11,659,194	\$ 1,353,437	\$ 13,012,631	\$ 22,596,600	57.59%
Non-Cash Operating Expenses:					
Depreciation	\$ 3,742,468	\$ 2,059,116	\$ 5,801,584	\$ 6,450,000	89.95%
OPEB Accrual Expense	1,285,060	183,580	1,468,640	2,000,000	73.43%
Bad Debts	6,580	93	6,673	100,000	6.67%
Service Costs Construction	34,769	46,311	81,080	125,000	64.86%
Capitalized Construction	(640,695)	(89,641)	(730,336)	(1,000,000)	73.03%
Total Non-Cash Operating Expenses	\$ 4,428,182	\$ 2,199,459	\$ 6,627,641	\$ 7,675,000	86.35%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,329,799	\$ 189,198	\$ 1,518,997	\$ 2,111,000	71.96%
Amortization of SWP	1,210,139	172,877	1,383,016	1,679,000	82.37%
Change in Investments in PRWA	14,005	89	14,094	-	-
Water Conservation Programs	141,648	44,696	186,344	200,000	93.17%
Total Non-Operating Expenses	\$ 2,695,591	\$ 406,860	\$ 3,102,451	\$ 3,990,000	77.76%
Total Expenses	\$ 18,782,967	\$ 3,959,756	\$ 22,742,723	\$ 34,261,600	66.38%

EXPENSE COMPARISON YEAR-TO-DATE

August 2015-To-August 2016



Palmdale Water District
2016 Directors Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ 37,650	\$ 50,000	\$ -	\$ 12,350	75.30%
Employee Benefits					
1-01-4005-000 Payroll Taxes	2,880	5,500		2,620	52.37%
1-01-4010-000 Health Insurance	51,091	76,250		25,159	67.00%
Subtotal (Benefits)	53,971	81,750	-	25,159	66.02%
Total Personnel Expenses	<u>\$ 91,621</u>	<u>\$ 131,750</u>	<u>\$ -</u>	<u>\$ 37,509</u>	<u>69.54%</u>
OPERATING EXPENSES:					
1-01-4050-000 Directors Travel, Seminars & Meetings	12,143	14,000		1,857	86.73%
Subtotal Operating Expenses	12,143	14,000	-	1,857	86.73%
Total O & M Expenses	<u>\$ 103,764</u>	<u>\$ 145,750</u>	<u>\$ -</u>	<u>\$ 39,367</u>	<u>71.19%</u>

**Palmdale Water District
2016 Directors Budget
For The Month Of August 2016**

	<u>2016</u>	<u>2015</u>
Personnel Budget:		
1-01-4000-000 Directors Pay	\$ 5,850	\$ 7,950
Employee Benefits		
1-01-4005-000 Payroll Taxes	448	608
1-01-4010-000 Health Insurance	6,168	4,868
Subtotal (Benefits)	<u>6,616</u>	<u>5,476</u>
Total Personnel Expenses	<u>\$ 12,466</u>	<u>\$ 13,426</u>
OPERATING EXPENSES:		
1-01-4050-000 Directors Travel, Seminars & Meetings	1,970	1,858
Subtotal Operating Expenses	<u>1,970</u>	<u>1,858</u>
Total O & M Expenses	<u>\$ 14,436</u>	<u>\$ 15,284</u>

	<u>Directors Pay</u>		<u>Health Ins.</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Alvarado	1,350	900	1,600	1,591
Dino	1,500	1,200	1,134	1,125
Dizmang	0	900	0	0
Estes	1,050	3,750	1,591	1,566
Henriquez	1,050	0	1,257	0
Mac Laren	900	1,200	587	586
	<u>5,850</u>	<u>7,950</u>	<u>6,168</u>	<u>4,868</u>
	<u>Operating</u>			
	<u>2016</u>	<u>2015</u>		
Alvarado	0	0		
Dino	580	0		
Dizmang	0	600		
Estes	695	19		
Henriquez	695	0		
Mac Laren	0	1,239		
	<u>1,970</u>	<u>1,858</u>		

Palmdale Water District
2016 Administration District Wide Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	\$ 55,051	\$ 95,000		\$ 39,949	57.95%
Subtotal (Salaries)	\$ 55,051	\$ 95,000	\$ -	\$ 39,949	57.95%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	\$ 261,464	\$ 404,750		143,286	-64.60%
1-02-5070-003 Workers Compensation	60,474	125,000		64,526	48.38%
1-02-5070-004 Vacation Benefit Expense	(38,172)	35,000		73,172	-109.06%
1-02-5070-005 Life Insurance	4,302	8,000		3,698	53.78%
Subtotal (Benefits)	\$ 288,068	\$ 572,750	\$ -	\$ 284,682	50.30%
Total Personnel Expenses	\$ 343,119	\$ 667,750	\$ -	\$ 324,631	51.38%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	\$ 15,838	\$ 20,000		4,162	79.19%
1-02-5070-007 Consultants	51,924	160,000		108,076	32.45%
1-02-5070-008 Insurance	197,401	300,000		102,599	65.80%
1-02-5070-009 Groundwater Adjudication	35,208	80,000		44,792	44.01%
1-02-5070-010 Legal Services	92,591	160,000		67,409	57.87%
1-02-5070-011 Memberships/Subscriptions	75,362	150,000		74,638	50.24%
1-02-5070-012 Elections	104,882	75,000		(29,882)	139.84%
Subtotal Operating Expenses	\$ 573,207	\$ 945,000	\$ -	\$ 371,793	60.66%
Total Departmental Expenses	\$ 916,327	\$ 1,612,750	\$ -	\$ 696,423	56.82%

Palmdale Water District
2016 Administration Services Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 666,953	\$ 982,000		\$ 315,047	67.92%
1-02-4000-100 Overtime	3,837	8,250		4,413	46.51%
Subtotal (Salaries)	\$ 670,789	\$ 990,250	\$ -	\$ 319,461	67.74%
Employee Benefits					
1-02-4005-000 Payroll Taxes	\$ 48,750	\$ 74,000		25,250	65.88%
1-02-4010-000 Health Insurance	88,665	135,000		46,335	65.68%
1-02-4015-000 PERS	74,581	117,500		42,919	63.47%
Subtotal (Benefits)	\$ 211,995	\$ 326,500	\$ -	\$ 114,505	64.93%
Total Personnel Expenses	\$ 882,784	\$ 1,316,750	\$ -	\$ 433,966	67.04%
OPERATING EXPENSES:					
1-02-4050-100 General Manager Travel	\$ 4,382	\$ 5,000		618	87.65%
1-02-4060-100 General Manager Conferences & Seminars	2,150	4,000		1,850	53.75%
1-02-4130-000 Bank Charges	103,823	140,000		36,177	74.16%
1-02-4150-000 Accounting Services	22,385	27,500		5,115	81.40%
1-02-4175-000 Permits	10,225	10,000		(225)	102.25%
1-02-4180-000 Postage	9,265	27,500		18,235	33.69%
1-02-4190-100 Public Relations - Publications	29,642	35,000		5,358	84.69%
1-02-4190-900 Public Relations - Other	851	1,000		149	85.12%
1-02-4200-000 Advertising	1,495	4,000		2,505	37.37%
1-02-4205-000 Office Supplies	11,638	18,000		6,362	64.66%
1-02-4210-000 Office Furniture	5,333	-		(5,333)	0.00%
Subtotal Operating Expenses	\$ 201,190	\$ 272,000	\$ -	\$ 70,810	73.97%
Total Departmental Expenses	\$ 1,083,975	\$ 1,588,750	\$ -	\$ 504,775	68.23%

Palmdale Water District
2016 Engineering Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 564,396	\$ 852,000		\$ 287,604	66.24%
1-03-4000-100 Overtime	3,716	6,750		3,034	55.06%
Subtotal (Salaries)	\$ 568,113	\$ 858,750		\$ 290,637	66.16%
Employee Benefits					
1-03-4005-000 Payroll Taxes	43,169	64,000		20,831	67.45%
1-03-4010-000 Health Insurance	107,395	155,000		47,605	69.29%
1-03-4015-000 PERS	63,840	101,000		37,160	63.21%
Subtotal (Benefits)	\$ 214,404	\$ 320,000	\$ -	\$ 105,596	67.00%
Total Personnel Expenses	\$ 782,516	\$ 1,178,750	\$ -	\$ 396,234	66.39%
OPERATING EXPENSES:					
1-03-4155-000 Contracted Services	12,900	64,000		51,100	20.16%
1-03-4165-000 Memberships/Subscriptions	1,670	2,500		830	66.80%
1-03-4250-000 General Materials & Supplies	2,401	3,000		599	80.03%
1-03-8100-100 Computer Software - Maint. & Support	5,676	31,000		25,324	18.31%
Subtotal Operating Expenses	\$ 22,647	\$ 100,500	\$ -	\$ 77,853	22.53%
Total Departmental Expenses	\$ 805,164	\$ 1,279,250	\$ -	\$ 474,086	62.94%

Palmdale Water District
2016 Facilities Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 1,355,588	\$ 2,083,750		\$ 728,162	65.06%
1-04-4000-100 Overtime	72,765	90,000		17,235	80.85%
Subtotal (Salaries)	\$ 1,428,353	\$ 2,173,750	\$ -	\$ 745,397	65.71%
Employee Benefits					
1-04-4005-000 Payroll Taxes	110,860	166,500		55,640	66.58%
1-04-4010-000 Health Insurance	300,220	444,500		144,280	67.54%
1-04-4015-000 PERS	147,825	257,500		109,675	57.41%
Subtotal (Benefits)	\$ 558,904	\$ 868,500	\$ -	\$ 309,596	64.35%
Total Personnel Expenses	\$ 1,987,257	\$ 3,042,250	\$ -	\$ 1,054,993	65.32%
OPERATING EXPENSES:					
1-04-4155-000 Contracted Services	\$ 427,263	\$ 488,000		\$ 60,737	87.55%
1-04-4175-000 Permits-Dams	10,985	50,000		39,015	21.97%
1-04-4215-100 Natural Gas - Wells & Boosters	121,070	225,000		103,930	53.81%
1-04-4215-200 Natural Gas - Buildings	31,817	9,000		(22,817)	353.53%
1-04-4220-100 Electricity - Wells & Boosters	847,560	1,480,000		632,440	57.27%
1-04-4220-200 Electricity - Buildings	48,953	88,000		39,047	55.63%
1-04-4225-000 Maint. & Repair - Vehicles	24,601	35,000		10,399	70.29%
1-04-4230-100 Maint. & Rep. Office Building	24,567	15,000		(9,567)	163.78%
1-04-4230-110 Maint. & Rep. Office Equipment	65	-		(65)	
1-04-4235-110 Maint. & Rep. Equipment	871	6,500		5,629	13.40%
1-04-4235-400 Maint. & Rep. Operations - Wells	71,621	75,000		3,379	95.49%
1-04-4235-405 Maint. & Rep. Operations - Boosters	44,518	50,000		5,482	89.04%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	6,534	10,000		3,466	65.34%
1-04-4235-415 Maint. & Rep. Operations - Facilities	21,626	15,000		(6,626)	144.18%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	217,935	225,000		7,065	96.86%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	23,134	15,000		(8,134)	154.23%
1-04-4235-430 Maint. & Rep. Operations - Palmdale Dam	795	7,500		6,705	10.60%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	-	10,000		10,000	0.00%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	28,447	10,000		(18,447)	284.47%
1-04-4235-445 Maint. & Rep. Operations - Telemetry	1,038	4,000		2,962	25.95%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	-	10,000		10,000	0.00%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	27,149	45,000		17,851	60.33%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	2,624	5,000		2,376	52.48%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	240,263	225,000		(15,263)	106.78%
1-04-4270-300 Telecommunication - Other	4,613	4,000		(613)	115.33%
1-04-4300-200 Testing - Large Meters	12,322	12,500		178	98.57%
1-04-4300-300 Testing - Edison Testing	-	30,000		30,000	0.00%
1-04-6000-000 Waste Disposal	19,255	20,000		745	96.28%
1-04-6100-100 Fuel and Lube - Vehicle	45,029	105,000		59,971	42.88%
1-04-6100-200 Fuel and Lube - Machinery	13,919	40,000		26,081	34.80%
1-04-6200-000 Uniforms	18,139	22,500		4,361	80.62%
1-04-6300-100 Supplies - General	46,831	47,500		669	98.59%
1-04-6300-200 Supplies - Hypo Generators	6,094	6,500		406	93.75%
1-04-6300-300 Supplies - Electrical	970	3,000		2,030	32.33%
1-04-6300-400 Supplies - Telemetry	203	5,000		4,797	4.07%
1-04-6300-800 Supplies - Construction Materials	42,931	35,000		(7,931)	122.66%
1-04-6400-000 Tools	19,886	25,000		5,114	79.54%
1-04-7000-100 Leases -Equipment	11,450	12,500		1,050	91.60%
Subtotal Operating Expenses	\$ 2,465,079	\$ 3,471,500	\$ -	\$ 1,006,421	71.01%
Total Departmental Expenses	\$ 4,452,336	\$ 6,513,750	\$ -	\$ 2,061,414	68.35%

Palmdale Water District
2016 Operation Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 687,682	\$ 1,012,500		\$ 324,818	67.92%
1-05-4000-100 Overtime	38,742	56,000		17,258	69.18%
Subtotal (Salaries)	\$ 726,424	\$ 1,068,500	\$ -	\$ 342,076	67.99%
Employee Benefits					
1-05-4005-000 Payroll Taxes	55,776	84,500		28,724	66.01%
1-05-4010-000 Health Insurance	128,578	183,500		54,922	70.07%
1-05-4015-000 PERS	80,011	137,750		57,739	58.08%
Subtotal (Benefits)	\$ 264,365	\$ 405,750	\$ -	\$ 141,385	65.15%
Total Personnel Expenses	\$ 990,789	\$ 1,474,250	\$ -	\$ 483,461	67.21%
OPERATING EXPENSES:					
1-05-4155-000 Contracted Services	\$ 49,841	\$ 93,500		\$ 43,659	53.31%
1-05-4175-000 Permits	14,015	40,000		25,985	35.04%
1-05-4215-200 Natural Gas - WTP	731	3,000		2,269	24.35%
1-05-4220-200 Electricity - WTP	88,202	125,000		36,798	70.56%
1-05-4230-110 Maint. & Rep. - Office Equipment	126	500		374	25.17%
1-05-4235-110 Maint. & Rep. Operations - Equipment	12,517	11,500		(1,017)	108.84%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	14,161	6,000		(8,161)	236.02%
1-05-4235-415 Maint. & Rep. Operations - Facilities	48,960	45,000		(3,960)	108.80%
1-05-4235-450 Maint. & Rep. Operations - Hypo Generator	64,014	18,000		(46,014)	355.63%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	18,893	10,000		(8,893)	188.93%
1-05-6000-000 Waste Disposal	2,896	20,000		17,104	14.48%
1-05-6200-000 Uniforms	9,775	16,000		6,225	61.09%
1-05-6300-100 Supplies - General	11,074	15,000		3,926	73.82%
1-05-6300-600 Supplies - Lab	38,696	40,000		1,304	96.74%
1-05-6300-700 Outside Lab Work	54,620	92,000		37,380	59.37%
1-05-6400-000 Tools	1,933	6,500		4,567	29.74%
1-05-6500-000 Chemicals	369,834	400,000		30,166	92.46%
1-05-7000-100 Leases -Equipment	-	3,000		3,000	0.00%
3-05-4300-100 Filter Media Testing/Inspection	-	30,000		30,000	0.00%
Subtotal Operating Expenses	\$ 800,286	\$ 975,000	\$ -	\$ 144,714	82.08%
Total Departmental Expenses	\$ 1,791,075	\$ 2,449,250	\$ -	\$ 628,175	73.13%

Palmdale Water District
2016 Finance Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 448,298	\$ 670,250		\$ 221,952	66.89%
1-06-4000-100 Overtime	236	3,000		2,764	7.88%
Subtotal (Salaries)	\$ 448,534	\$ 673,250	\$ -	\$ 224,716	66.62%
Employee Benefits					
1-06-4005-000 Payroll Taxes	33,795	49,000		15,205	68.97%
1-06-4010-000 Health Insurance	62,404	83,000		20,596	75.19%
1-06-4015-000 PERS	54,231	87,000		32,769	62.33%
Subtotal (Benefits)	\$ 150,430	\$ 219,000	\$ -	\$ 68,570	68.69%
Total Personnel Expenses	\$ 598,964	\$ 892,250	\$ -	\$ 293,286	67.13%
OPERATING EXPENSES:					
1-06-4155-000 Contracted Services	\$ 3,000	\$ 6,000		\$ 3,000	50.00%
1-06-4155-100 Contracted Services - Infosend	183,292	225,000		41,708	81.46%
1-06-4165-000 Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	-	500		500	0.00%
1-06-4250-000 General Material & Supplies	321	3,000		2,679	10.69%
1-06-4260-000 Business Forms	2,842	7,500		4,658	37.90%
1-06-4270-100 Telecommunication - Office	15,330	12,000		(3,330)	127.75%
1-06-4270-200 Telecommunication - Cellular Stipend	13,610	18,500		4,890	73.57%
1-06-7000-100 Leases - Equipment	1,869	3,000		1,131	62.31%
Subtotal Operating Expenses	\$ 220,484	\$ 276,000	\$ -	\$ 55,516	79.89%
Total Departmental Expenses	\$ 819,448	\$ 1,168,250	\$ -	\$ 348,802	70.14%

Palmdale Water District
2016 Water Conservation Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-07-4000-000 Salaries	\$ 71,153	\$ 129,000		\$ 57,847	55.16%
1-07-4000-100 Overtime	142	1,000		858	14.18%
Subtotal (Salaries)	\$ 71,295	\$ 130,000		\$ 58,705	54.84%
Employee Benefits					
1-07-4005-000 Payroll Taxes	7,780	10,000		2,220	77.80%
1-07-4010-000 Health Insurance	26,483	38,000		11,517	69.69%
1-07-4015-000 PERS	6,335	17,250		10,915	36.73%
Subtotal (Benefits)	\$ 40,599	\$ 65,250	\$ -	\$ 24,651	62.22%
Total Personnel Expenses	\$ 111,894	\$ 195,250	\$ -	\$ 82,498	57.31%
OPERATING EXPENSES:					
1-07-4190-300 Public Relations - Landscape Workshop/Training	\$ 5,135	\$ 1,000		\$ (4,135)	513.54%
1-07-4190-400 Public Relations - Contests	-	1,000		1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	299	2,500		2,201	11.96%
1-07-4190-700 Public Relations -General Media	31,266	25,000		(6,266)	125.06%
1-07-4190-900 Public Relations - Other	3,297	2,000		(1,297)	164.86%
1-07-4500-000 Drought Enforcement	714	7,500		6,786	9.52%
1-07-6300-100 Supplies - Misc.	2,043	5,000		2,957	40.86%
Subtotal Operating Expenses	\$ 42,754	\$ 44,000	\$ -	\$ 1,246	97.17%
Total Departmental Expenses	\$ 154,648	\$ 239,250	\$ -	\$ 83,744	64.64%

Palmdale Water District
2016 Human Resources Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 76,036	\$ 116,000		39,964	65.55%
1-08-4000-100 Salaries - Overtime	4				
1-08-4000-200 Salaries - Intern Program	28,066	40,000		11,934	70.17%
Subtotal (Salaries)	\$ 104,106	\$ 156,000		\$ 51,898	66.73%
Employee Benefits					
1-08-4005-000 Payroll Taxes	8,004	15,250		7,246	52.48%
1-08-4010-000 Health Insurance	13,053	18,250		5,197	71.52%
1-08-4015-000 PERS	5,002	7,250		2,248	68.99%
Subtotal (Benefits)	\$ 26,059	\$ 40,750	\$ -	\$ 14,691	63.95%
Total Personnel Expenses	\$ 130,164	\$ 196,750	\$ -	\$ 66,590	66.16%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 27,787	\$ 27,500		\$ (287)	101.04%
1-08-4060-000 Staff Conferences & Seminars	13,143	25,000		11,857	52.57%
1-08-4070-000 Employee Expense	40,718	60,000		19,282	67.86%
1-08-4090-000 Temporary Staffing	3,702	-		(3,702)	
1-08-4095-000 Employee Recruitment	909	3,000		2,092	30.28%
1-08-4100-000 Employee Retention	3,184	20,000		16,816	15.92%
1-08-4105-000 Employee Relations	1,746	3,500		1,754	49.88%
1-08-4110-000 Consultants	3,797	1,000		(2,797)	379.68%
1-08-4120-100 Training-Safety	12,603	35,000		22,397	36.01%
1-08-4120-200 Training-Specialty	6,652	25,000		18,348	26.61%
1-08-4121-000 Safety Program	307	1,000		693	30.65%
1-08-4165-000 Membership/Subscriptions	714	1,600		886	44.63%
1-08-4165-100 HR/Safety Publications	79	1,000		921	7.93%
1-08-6300-500 Supplies - Safety	11,900	20,000		8,100	59.50%
Subtotal Operating Expenses	\$ 127,241	\$ 223,600	\$ -	\$ 96,359	56.91%
Total Departmental Expenses	\$ 257,406	\$ 420,350	\$ -	\$ 162,949	61.24%

Palmdale Water District
2016 Information Technology Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 150,179	\$ 225,500		\$ 75,321	66.60%
1-09-4000-100 Overtime	1,761	2,500		739	70.45%
Subtotal (Salaries)	\$ 151,941	\$ 228,000		\$ 76,059	66.64%
Employee Benefits					
1-09-4005-000 Payroll Taxes	11,557	16,000		4,443	72.23%
1-09-4010-000 Health Insurance	26,202	38,000		11,798	68.95%
1-09-4015-000 PERS	18,787	29,500		10,713	63.69%
Subtotal (Benefits)	\$ 56,546	\$ 83,500	\$ -	\$ 26,954	67.72%
Total Personnel Expenses	\$ 208,487	\$ 311,500	\$ -	\$ 102,274	66.93%
OPERATING EXPENSES:					
1-09-4155-000 Contracted Services	\$ 55,379	\$ 121,500		\$ 66,121	45.58%
1-09-4165-000 Memberships/Subscriptions	310	2,000		1,690	15.50%
1-09-4270-000 Telecommunications	53,263	79,250		25,987	67.21%
1-09-8000-100 Computer Equipment - Computers	15,183	20,000		4,817	75.91%
1-09-8000-200 Computer Equipment - Laptops	14,349	16,000		1,651	89.68%
1-09-8000-300 Computer Equipment - Monitors	-	2,000		2,000	0.00%
1-09-8000-500 Computer Equipment - Toner Cartridges	71	3,000		2,929	2.37%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	14,597	40,000		25,403	36.49%
1-09-8100-100 Computer Software - Maint. and Support	25,171	60,000		34,829	41.95%
1-09-8100-140 Computer Software - Starnik	63,200	130,000		66,800	48.62%
1-09-8100-150 Computer Software - Dynamics GP Support	29,935	60,000		30,065	49.89%
1-09-8100-200 Computer Software - Software and Upgrades	1,464	20,000		18,536	7.32%
Subtotal Operating Expenses	\$ 272,922	\$ 556,250	\$ -	\$ 283,328	49.06%
Total Departmental Expenses	\$ 481,409	\$ 867,750	\$ -	\$ 385,602	55.48%

Palmdale Water District
2016 Customer Care Budget
For the Eight Months Ending Wednesday, August 31, 2016

	YTD ACTUAL 2016	ORIGINAL BUDGET 2016	ADJUSTMENTS 2016	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-10-4000-000 Salaries	\$ 608,836	\$ 929,250		\$ 320,414	65.52%
1-10-4000-100 Overtime	5,561	10,000		4,439	55.61%
Subtotal (Salaries)	\$ 614,397	\$ 939,250	\$ -	\$ 324,853	65.41%
Employee Benefits					
1-10-4005-000 Payroll Taxes	48,727	71,500		22,773	68.15%
1-10-4010-000 Health Insurance	161,039	217,000		55,961	74.21%
1-10-4015-000 PERS	76,597	119,000		42,403	64.37%
Subtotal (Benefits)	\$ 286,363	\$ 407,500	\$ -	\$ 121,137	70.27%
Total Personnel Expenses	\$ 900,760	\$ 1,346,750	\$ -	\$ 445,990	66.88%
OPERATING EXPENSES:					
1-10-4155-000 Contracted Services	\$ 12,960	\$ 22,000		\$ 9,040	58.91%
1-10-4230-110 Maintenance & Repair-Office Equipment	499	500		1	99.84%
1-10-4250-000 General Material & Supplies	5,136	7,500		2,364	68.48%
1-10-4260-000 Business Forms	-	10,000		10,000	0.00%
Subtotal Operating Expenses	\$ 18,595	\$ 40,000	\$ -	\$ 21,405	46.49%
Total Departmental Expenses	\$ 919,355	\$ 1,386,750	\$ -	\$ 467,395	66.30%

**PALMDALE WATER DISTRICT
RESOLUTION NO. 16-__**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT ADOPTING A REDUCED WATER RATE
ADJUSTMENT OF 4.25% FOR EACH CALENDAR YEAR 2017, 2018, AND 2019 AND
AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF THE
PALMDALE WATER DISTRICT**

WHEREAS, the Palmdale Water District (the “District”) is authorized to collect charges and set rates for water service pursuant to the Irrigation District Law, codified at Division 11 of the Water Code, specifically at Sections 22280 through 22284; and

WHEREAS, the Board of Directors of the Palmdale Water District has developed and adopted several water supply and infrastructure plans outlining long range water supply projects to meet the water supply needs of the community’s growing population and the future growth of Palmdale, and long range financial planning to finance these projects is required; and

WHEREAS, the Board of Directors of the Palmdale Water District previously approved a Water Rate Plan authorizing annual water rate adjustments up to 5.5% through calendar year 2019; and

WHEREAS, the Board of Directors of the Palmdale Water District approved a reduced water rate adjustment of 2.5% in 2015 and a reduced water rate adjustment of 4.0% in 2016; and

WHEREAS, the Board of Directors of the Palmdale Water District now desires to approve a reduced water rate adjustment of 4.25% for each calendar year 2017, 2018, and 2019 to ensure adequate funds to meet current and future water demands; to continue to maintain the Rate Assistance Program, the Internship Program, the Cash for Grass Program, and other Rebate Programs; to continue to provide high quality water through innovative treatment technologies; and to construct long range water supply projects, including the Palmdale Regional Groundwater Recharge and Recovery Project and the necessary removal of sediment from Littlerock Reservoir; and

WHEREAS, the benefits of the Palmdale Regional Groundwater Recharge and Recovery Project include meeting the water supply needs of the community’s growing population and the water supplies required for growth within the City of Palmdale; utilizing local recycled water; diversifying the District’s water supply portfolio; maximizing the State Water Project supply and additional State Water Project supplies acquired through water transfer options; preparing to meet water supply needs during a natural disaster; reducing the impact to the District and to its customers from groundwater adjudication and droughts; and being the most cost effective long-term water supply strategy, which can potentially reduce future water rate adjustments; and

WHEREAS, the benefits of the Littlerock Reservoir Sediment Removal Project include maximizing the water supply from Littlerock Reservoir; maintaining this critical and cost effective water resource; diversifying the District’s water supply portfolio; and maintaining a recreational opportunity for the residents of Palmdale and the Antelope Valley; and

WHEREAS, District staff will continue to search for cost saving measures, including the active pursuit of grant funding; and

WHEREAS, these measures, along with proposed annual projects and expenditures, will continue to be reviewed with the Board of Directors during annual budget discussions for each calendar year 2017, 2018, and 2019, and the Board of Directors can request an additional review on a semi-annual basis; and

WHEREAS, if circumstances allow and a water rate adjustment less than 4.25% is sufficient to meet all District operations, expenses, projects, and current and future water demands, said reduction will be presented to the Board of Directors for consideration; and

WHEREAS, the adoption of this resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273 because the resolution pertains to the adoption of charges necessary to maintain services within the District's existing service area.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Directors does hereby:

- 1) Approve a reduced water rate adjustment of 4.25% for each calendar year 2017, 2018, and 2019, the remaining three years of the previously approved Proposition 218 Rate Study/Plan, effective January 1, 2017.
- 2) Revise Appendix C of the Palmdale Water District's Rules and Regulations to reflect this reduction.
- 3) Direct District staff to continue researching cost saving measures, including grants, to lessen future rate increases beyond the current Water Rate Study/Plan.

PASSED AND ADOPTED this _____ day of _____, _____ by the Board of Directors, the governing body of the Palmdale Water District.

PALMDALE WATER DISTRICT

ROBERT ALVARADO, President

ATTEST

JOE ESTES, Secretary

APPROVED AS TO FORM:

By: _____
Aleshire & Wynder, General Counsel

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

Fiscal Year Ending September 30	Audited 2012	Audited 2013	Audited 2014	Audited 2015	Jul 2015 - Jun 2016	Aug 2015 - Jul 2016	Sep 2015 - Aug 2016
OPERATING REVENUES	22,597	24,125	23,342	21,248	21,375	21,712	21,929
Rate Stabilization Fund		(480)					
	22,597	23,645	23,342	21,248	21,375	21,712	21,929
OPERATING EXPENSES							
Gross operating expenses	22,216	20,665	22,405	20,974	20,173	20,077	19,909
Overhead adjustment	(43)	(217)	(509)	(26)			
SWP Fixed operations and maint	(915)	(720)	(363)	(126)	(127)	(127)	(131)
Non-Cash Related OPEB Expense	(1,565)	(1,455)	(1,786)	(1,828)			
Capital portion included above							
TOTAL EXPENSES	19,693	18,273	19,748	18,994	20,046	19,950	19,778
NET OPERATING REVENUES	2,904	5,372	3,594	2,254	1,329	1,762	2,151
NON-OPERATING REVENUE							
Ad valorem property taxes	1,704	2,573	2,132	2,146	2,212	2,215	2,218
Interest income	25	44	45	43	68	74	79
Capital improvement fees	1,258	245	14	367	229	463	248
Other income	843	421	306	768	343	364	420
TOTAL NON-OPERATING INCOME	3,830	3,284	2,497	3,324	2,852	3,116	2,966
NET REV AVAILABLE FOR DEBT SERVICE	6,734	8,655	6,091	5,578	4,181	4,878	5,117
NET DEBT SERVICE							
1998 Certificates of Participation	1,507						
2004A Certificates of Participation	2,127	1,373	1,373				
2012 Issue - Bank of Nevada				1,372	1,373	1,373	1,373
2013A Water Revenue Bond		2,247	2,344	2,350	2,339	2,339	2,339
2012 Capital Lease		190	190	190	218	218	218
TOTAL DEBT SERVICE	3,634	3,810	3,908	3,912	3,930	3,930	3,930
DEBT SERVICE COVERAGE	1.85	2.27	1.56	1.43	1.06	1.24	1.30
NET REV AVAILABLE AFTER D/S	3,100	4,846	2,183	1,665	251	948	1,187