



**PALMDALE WATER DISTRICT**  
A CENTURY OF SERVICE

**BOARD OF DIRECTORS**

**W. SCOTT KELLERMAN**  
Division 1

**DON WILSON**  
Division 2

**CYNTHIA SANCHEZ**  
Division 3

**KATHY MAC LAREN-GOMEZ**  
Division 4

**VINCENT DINO**  
Division 5

September 12, 2024

**AGENDA FOR A MEETING  
OF THE FINANCE COMMITTEE  
OF THE PALMDALE WATER DISTRICT  
TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE  
Committee Members: Don Wilson-Chair, Scott Kellerman**

**TUESDAY, SEPTEMBER 17, 2024**

**2:00 p.m.**

**DENNIS D. LaMOREAUX**  
General Manager

**ALESHIRE & WYNDER LLP**  
Attorneys

**NOTE:** To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Danielle Henry at 661-947-4111 x1059 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 or on the District's website at <https://www.palmdalewater.org/governance/committee-activity/2023-committee-agendas-and-minutes/> (Government Code Section 54957.5). Please call Danielle Henry at 661-947-4111 x1059 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 conduct 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 for non-agenda items.
- 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 20, 2024.
- 4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of August 2024. (Financial Advisor Egan)
- 4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for August 2024. (Finance Manager Hoffmeyer)
- 4.4) Discussion and Overview of Committed Contracts Issued. (Finance Manager Hoffmeyer)
- 4.5) Discussion and Possible Action to Create New Bank Account for Cash Flow Payments Related to the Pure Water AV Demonstration Facility and Palmdale Ditch Enclosure Federal and State Grant Programs. (Finance Manager Hoffmeyer/Financial Advisor Egan)
- 4.6) Discussion and Possible Action on a Recommendation for Performing a WIFIA Loan Interest Rate Reset through Re-Execution of the Loan Agreement. (Finance Manager Hoffmeyer)
- 4.7) Consideration and Possible Action on a Recommendation to Approve Computer Equipment Leasing Program. (Up to \$250,000.00 – Budgeted – Finance Manager Hoffmeyer)
- 5) Reports.
  - 5.1) Finance Manager Hoffmeyer:
    - a) Accounts Receivable Overview.
    - b) Revenue Projections.
  - 5.2) Financial Advisor Egan:
    - a) Debt Service Coverage Status.
  - 5.3) Other.
- 6) Board Members' Requests for Future Agenda Items.
- 7) Date of Next Committee Meeting.
- 8) Adjournment.



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DENNIS D. LaMOREAUX,  
General Manager

DDL/dh



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024  
**TO:** **FINANCE COMMITTEE**  
**FROM:** Mr. Bob Egan, Financial Advisor  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***DISCUSSION AND OVERVIEW OF CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF AUGUST 2024. (FINANCIAL ADVISOR EGAN)***

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Attached are the Cash Notes, the Investment Funds Report, and the Cash Flow Report as of August 2024. The reports will be reviewed in detail at the Finance Committee meeting.

		<b>2024</b>			
		<b>July to August 2024 Major account Activity</b>			
		<b>acct 11469</b>			
		<b>Balance</b>	<b>8/31/2024</b>	<b>2,582,293.66</b>	
		<b>Balance</b>	<b>7/31/2024</b>	<b>2,342,703.71</b>	
		<b>Increase</b>		<b>239,589.95</b>	
		<b>One month activity</b>			
		<b>Interest/Mkt value received</b>		<b>11,401.98</b>	<b>YTD expected 5,302,990</b>
		<b>Transfer from 11432</b>		<b>739,541.78</b>	<b>YTD received 6,076,156</b>
		<b>Transfer to Citizens Bank</b>		<b>(725,000.00)</b>	
		<b>Taxes received</b>		<b>213,646.19</b>	<b>Increase 773,166</b>
		<b>Increase</b>		<b>239,589.95</b>	
		<b>Acct 11475</b>			
		<b>Balance</b>	<b>8/31/2024</b>	<b>619,045.61</b>	
		<b>Balance</b>	<b>7/31/2024</b>	<b>594,005.02</b>	
		<b>Increase</b>		<b>25,040.59</b>	<b>all accounts</b>
		<b>One month activity</b>			<b>FACE 17,071,000</b>
					<b>Value 16,126,734</b>
					<b>Future earnings 944,266</b>
		<b>Capital Improvement received</b>		<b>22,344.44</b>	
		<b>Interest/Mkt value received</b>		<b>2,696.15</b>	
		<b>Increase</b>		<b>25,040.59</b>	
				<b>Int/Mkt</b>	<b>Month YTD</b>
				<b>Jan</b>	<b>64,161.00</b>
				<b>Feb</b>	<b>49,335.00</b>
				<b>Mar</b>	<b>54,843.00</b>
		<b>Acct 11432</b>		<b>Apr</b>	<b>52,135.00</b>
		<b>Balance</b>	<b>8/31/2024</b>	<b>12,718,588.65</b>	<b>May 74,939.00</b>
		<b>Balance</b>	<b>7/31/2024</b>	<b>13,381,306.19</b>	<b>Jun 75,132.00</b>
		<b>Decrease</b>		<b>(662,717.54)</b>	<b>Jul 96,760.99</b>
		<b>One month activity</b>			<b>Aug 96,609.53 563,915.52</b>
		<b>Transfer to 11469</b>		<b>(739,541.78)</b>	<b>Sep</b>
		<b>Interest/Mkt value received</b>		<b>76,824.24</b>	<b>Oct</b>
		<b>Decrease</b>		<b>(662,717.54)</b>	<b>Nov</b>
					<b>Dec</b>
		<b>Acct 24016.</b>			<b>2023 interest</b>
		<b>Balance</b>	<b>8/31/2024</b>	<b>986,818.92</b>	<b>573,394</b>
		<b>Balance</b>	<b>7/31/2024</b>	<b>981,131.76</b>	
		<b>Increase</b>		<b>5,687.16</b>	
		<b>One month activity</b>			
		<b>Interest/Mkt value received</b>		<b>5,687.16</b>	
		<b>Increase</b>		<b>5,687.16</b>	

**PALMDALE WATER DISTRICT  
INVESTMENT FUNDS REPORT  
August 31, 2024**

		<u>August 2024</u>	<u>July 2024</u>
<b>CASH</b>			
1-00-0103-100	Citizens - Checking	896,239.87	1,237,370.66
1-00-0103-200	Citizens - Refund	-	-
1-00-0103-300	Citizens - Merchant	208,215.01	299,307.22
<b>Bank Total</b>		<b>1,104,454.88</b>	<b>1,536,677.88</b>
1-00-0110-000	PETTY CASH	300.00	300.00
1-00-0115-000	CASH ON HAND	5,400.00	5,400.00
<b>TOTAL CASH</b>		<b>1,110,154.88</b>	<b>1,542,377.88</b>

INVESTMENTS				
1-00-0135-000	Local Agency Investment Fund	Acct. Total	13,575.57	13,575.57
1-00-0120-000	UBS Money Market Account General (SS 11469)			
	UBS USA Core Savings		-	-
	UBS Select Government Preferred Fund		324,477.98	95,790.34
	UBS Bank USA Deposit Account		-	-
	Accrued interest		32,631.55	24,818.71
			357,109.53	120,609.05

**US Government Securities**

CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
				-	-	-

**Certificates of Deposit**

	Issuer	Maturity Date	Rate	Face Value		
1	Truist Bank	09/09/2024	5.200	250,000	250,012.50	249,982.50
2	Jersey Shore St Bank	10/15/2024	5.150	250,000	250,040.00	249,937.50
3	Industrial and Com Ny	10/18/2024	0.600	175,000	173,976.25	173,258.75
4	State Bank IL	11/25/2024	5.350	250,000	250,192.50	250,120.00
5	BMW Bank	12/11/2024	0.400	194,000	191,534.26	190,684.54
6	Wells Fargo Bank	12/27/2024	4.800	135,000	134,904.15	134,762.40
7	Mountainone Bank	01/13/2025	5.000	223,000	223,086.97	222,863.97
8	Banc of California	01/27/2025	5.200	250,000	250,367.50	250,122.50
9	Bank of Baroda NY	02/28/2025	5.300	250,000	250,725.00	250,362.50
10	JPMorgan Chase Bank	08/06/2025	5.050	250,000	250,345.00	250,000.00
				<b>2,227,000</b>	<b>2,225,184.13</b>	<b>2,222,094.66</b>
				<b>Acct. Total</b>	<b>2,582,293.66</b>	<b>2,342,703.71</b>

1-00-1110-000	<b>UBS Money Market Account Capital (SS 11475)</b>				
	UBS Bank USA Deposit Account			22,344.97	-
	Accrued interest			8,542.91	6,442.18
				<b>30,887.88</b>	<b>6,442.18</b>

**US Government Securities**

CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value
91282CFQ9	US Treasury Note	10/31/2024	4.375	589,000	588,157.73	587,562.84
				<b>589,000</b>	<b>588,157.73</b>	<b>587,562.84</b>

**Certificates of Deposit**

	Issuer	Maturity Date	Rate	Face Value		
					-	-
				-	-	-
				<b>Acct. Total</b>	<b>619,045.61</b>	<b>594,005.02</b>

<b>1-00-0125-000 UBS Access Account General (SS 11432)</b>						
UBS Bank USA Deposit Account					1,061.64	-
UBS Select Government Preferred Fund					249,771.01	118,790.23
Accrued interest					86,069.13	82,781.50
					<b>336,901.78</b>	<b>201,571.73</b>
<b>US Government Securities</b>						
<b>CUSIP #</b>	<b>Issuer</b>	<b>Maturity Date</b>	<b>Rate</b>	<b>PAR</b>	<b>Market Value</b>	<b>Market Value</b>
912797GL5	US Treasury Bill	09/05/2024		600,000	599,826.00	596,922.00
912797GL5	US Treasury Bill	09/05/2024		600,000	599,826.00	596,922.00
91282CCX7	US Treasury Note	09/15/2024	0.375	1,500,000	1,497,585.00	1,490,760.00
91282CDN8	US Treasury Note	12/15/2024	1.000	1,000,000	989,180.00	984,670.00
9128283P3	US Treasury Note	12/31/2024	2.250	940,000	931,577.60	928,814.00
91282CDS7	US Treasury Note	01/15/2025	1.125	447,000	440,969.97	438,980.82
91282CDZ1	US Treasury Note	02/15/2025	1.500	400,000	394,008.00	392,380.00
91282CED9	US Treasury Note	03/15/2025	1.750	1,500,000	1,477,185.00	1,470,585.00
91282CED9	US Treasury Note	03/15/2025	1.750	500,000	492,395.00	490,195.00
91282CFK2	US Treasury Note	09/15/2025	3.500	1,500,000	1,486,800.00	1,480,140.00
91282CFK2	US Treasury Note	09/15/2025	3.500	775,000	768,180.00	764,739.00
91282CFK2	US Treasury Note	09/15/2025	3.500	1,214,000	1,203,316.80	1,197,926.64
					<b>10,976,000</b>	<b>10,880,849.37</b>
						<b>10,833,034.46</b>
<b>Certificates of Deposit</b>						
	<b>Issuer</b>	<b>Maturity Date</b>	<b>Rate</b>	<b>Face Value</b>		
	Comerica Bank Tx	08/16/2024	5.450		-	100,005.00
	Umpqua Bank	08/26/2024	5.350		-	250,022.50
	American Express Natl	08/26/2024	3.300		-	249,665.00
	Ally Bank	08/26/2024	3.150		-	249,637.50
1	Homestreet Bank	09/30/2024	5.000	250,000	249,982.50	249,862.50
2	Continental Bank	11/21/2024	0.550	250,000	247,505.00	246,457.50
3	Beal Bank	03/12/2025	5.050	250,000	250,505.00	250,000.00
4	Bank of India	04/16/2025	4.950	250,000	250,432.50	249,982.50
5	Valley National Bank NJ	04/23/2025	4.950	250,000	250,437.50	249,985.00
6	Flagstar BK NA	09/11/2025	5.180	250,000	251,975.00	251,082.50
					<b>1,500,000</b>	<b>1,500,837.50</b>
						<b>2,346,700.00</b>
<b>Acct. Total</b>					<b>12,718,588.65</b>	<b>13,381,306.19</b>
<b>Total Managed Accounts</b>					<b>15,933,503.49</b>	<b>16,331,590.49</b>
<b>1-00-1121-000 UBS Rate Stabilization Fund (SS 24016) - District Restricted</b>						
UBS Bank USA Deposit Account					5,385.29	-
UBS Select Government Preferred Fund					27,391.29	27,270.59
Accrued interest					22,337.43	23,803.76
					<b>55,114.01</b>	<b>51,074.35</b>
<b>Certificates of Deposit</b>						
	<b>Issuer</b>	<b>Maturity Date</b>	<b>Rate</b>	<b>Face Value</b>		
1	Blue Ridge Bank	09/26/2024	5.510	144,000	144,034.56	144,020.16
2	Popular Bank	10/24/2024	5.450	60,000	60,026.40	60,004.80
3	US Bank OH	12/13/2024	5.400	235,000	235,086.95	235,030.55
4	Morgan Stanley	02/10/2025	4.500	240,000	239,772.00	239,414.40
5	Bank Hapoalim B M	12/18/2025	5.200	250,000	252,785.00	251,587.50
					<b>929,000</b>	<b>931,704.91</b>
						<b>930,057.41</b>
<b>Acct. Total</b>					<b>986,818.92</b>	<b>981,131.76</b>
<b>TOTAL CASH AND INVESTMENTS</b>					<b>18,030,477.29</b>	<b>18,855,100.13</b>
<b>Increase (Decrease) in Funds</b>					<b>(824,622.84)</b>	
<b>1-00-1138-000 2024 Capital Lease - Project Funds (Citizens Business Bank)</b>						
<b>Construction Funds</b>					<b>100,571.46</b>	<b>100,571.46</b>
					<b>100,571.46</b>	<b>100,571.46</b>
<b>1-00-1139-000 2023A Bonds - Project Funds (BNY Mellon)</b>						
<b>Construction Funds</b>					<b>11,837,972.25</b>	<b>12,423,865.42</b>
<b>Issuance Funds</b>					<b>13,329.19</b>	<b>13,329.19</b>
					<b>11,837,972.25</b>	<b>12,423,865.42</b>
<b>1-00-1145-000 2024A Bonds - Project Funds (BNY Mellon)</b>						
<b>Construction Funds</b>					<b>20,647,869.11</b>	<b>20,751,468.26</b>
<b>Issuance Funds</b>					<b>9,311.44</b>	<b>9,311.44</b>
					<b>20,657,180.55</b>	<b>20,760,779.70</b>

PALMDALE WATER DISTRICT														Budget 2023 Carryover Information
2024 Cash Flow Report (Based on Oct. 23, 2023 Adopted Budget - Amended: Feb. 12, 2024)														
	January	February	March	April	May	June	July	August	September	October	November	December	YTD	
Total Cash Beginning Balance (BUDGET)	15,636,283	15,465,579	15,298,730	13,308,438	16,058,057	16,587,697	15,773,193	15,301,687	15,033,236	13,265,921	12,452,038	11,983,374		
Total Cash Beginning Balance	15,636,283	15,964,988	16,113,748	15,037,769	19,039,218	20,639,801	20,661,519	18,855,100	18,030,477	15,237,806	14,778,923	15,010,260		
Budgeted Water Receipts	2,384,138	2,303,420	2,482,697	2,826,963	2,680,892	3,167,792	3,133,160	3,348,417	3,242,337	3,073,623	2,798,508	2,558,054	34,000,000	
Water Receipts	2,720,803	2,557,010	2,447,215	2,501,127	2,493,976	2,693,221	3,181,827	3,425,708	3,242,337	3,073,623	2,798,508	2,558,054	33,693,410	
DWR Refund (Operational Related)					13,430	460							13,890	
RWA Agreement (AV Watermaster/AVSWCA)			57,401										57,401	
Other (Gain on Sale of Equipment)						1,455	435						1,890	
Total Operating Revenue (ACTUAL)	2,720,803	2,557,010	2,504,616	2,501,127	2,507,406	2,695,136	3,182,262	3,425,708	3,242,337	3,073,623	2,798,508	2,558,054	33,766,591	
Total Operating Expenses excl GAC (BUDGET)	(2,500,365)	(2,323,470)	(2,512,219)	(2,633,074)	(2,644,897)	(2,804,264)	(2,763,214)	(3,384,051)	(2,866,581)	(2,967,368)	(2,879,529)	(2,449,852)	(32,728,884)	
GAC (BUDGET)			(160,000)			(110,000)			(160,000)	(160,000)		(160,000)	(750,000)	
Operating Expenses excl GAC (ACTUAL)	(3,274,048)	(2,641,320)	(1,834,589)	(1,987,947)	(2,015,289)	(1,981,204)	(3,397,098)	(2,695,516)	(3,008,539)	(3,109,326)	(2,861,488)	(2,591,810)	(31,398,174)	
LCID Water Purchase													-	
Littlerock Dam - Sediment Removal	(2,509)	(402)					(7,677)						(10,588)	
GAC	(216,007)		(167,000)				(167,000)	(167,000)					(717,007)	
Prepaid Insurance (paid)/refunded													-	
Total Operating Expense (ACTUAL)	(3,492,564)	(2,641,722)	(2,001,589)	(1,987,947)	(2,015,289)	(1,981,204)	(3,571,776)	(2,862,516)	(3,008,539)	(3,109,326)	(2,861,488)	(2,591,810)	(32,125,769)	
Non-Operating Revenue:														
Assessments, net (BUDGET)	860,390	399,640	42,680	2,590,870	994,250	28,130	148,410	238,620	-	-	162,960	4,234,050	9,700,000	
Actual/Projected Assessments, net	1,011,439	438,718	27,308	3,063,443	1,209,150	16,584	84,231	213,646	-	-	162,960	4,234,050	10,461,527	
Asset Sale/Unencumbered Money (Taxes)				11,639									11,639	
RDA Pass-through (Successor Agency)	406,015					574,205							980,220	
Interest	36,457	31,453	60,628	33,598	40,141	48,914	44,662	39,350	23,750	23,750	23,750	23,750	430,202	
Market Adjustment	27,704	17,882	(5,785)	18,537	34,798	26,218	55,247	57,284					231,884	
Grant Re-imbursement	126,251			371,863	819,915		31,339				600,000		1,949,368	
Arrearage Funds													-	
Capital Improvement Fees - Infrastructure		25,567	12,416	13,084	10,725	24,207	1,164	6,510		125,000			218,673	
Capital Improvement Fees - Water Supply		15,966		8,981		15,296		15,835		150,000			206,078	
Water Transfer Agreement Sales		382,600		1,196,059									1,578,659	
DWR Refund (Capital Related)				237,515	33,278					30,000			300,793	
Other	589,689	5,215	54,145	15,252	9,890	11,625	15,947	4,721		4,167		4,167	714,818	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	2,197,555	917,400	148,712	4,969,971	2,157,896	717,048	232,589	337,347	23,750	332,917	786,710	4,261,967	15,505,203	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(251,833)	(3,022,000)	
Budgeted Capital Expenditures (Committed During Year)													-	
Actual/Projected Capital Expenditures	(34,596)	(350,522)	(48,658)	(230,494)	(709,645)	(120,594)	(596,041)	(1,382,141)	(251,833)	(151,833)	(151,833)	(145,683)	(4,173,874)	
Land Purchase (Groundwater Augmentation Pilot)													-	
Const. of Monitoring Wells/Test Basin (Water Supply)													-	
Meter Exchange Project (Meters Purchased)				(649,214)									(649,214)	
SWP Capitalized	(1,036,784)	(322,522)	(322,522)	(322,522)	(322,522)	(322,522)	(1,036,779)	(322,521)	(350,705)	(322,520)	(322,519)	(322,519)	(5,326,957)	
Investment in PRWA (Suspended Contribution for 2022)													-	
Butte County Water Transfer						(949,455)						(949,455)	(1,898,910)	
Bond Payments - Interest			(1,346,285)						(671,666)				(2,017,951)	
Principal									(1,757,974)				(1,757,974)	
Capital leases - Citizens Business Bank (2024 Lease)				(263,701)						(263,701)			(527,402)	
Capital leases - Enterprise FM Trust (Vehicles)	(10,668)	(10,668)	(5,148)	(10,668)	(12,158)	(11,587)	(11,570)	(15,396)	(13,333)	(13,333)	(13,333)	(13,333)	(141,197)	
Capital leases - Wells Fargo (Printers)	(15,041)	(217)	(5,104)	(5,104)	(5,104)	(5,104)	(5,104)	(5,104)	(4,708)	(4,708)	(4,708)	(4,708)	(64,717)	
Total Non-Operating Expenses (ACTUAL)	(1,097,089)	(683,929)	(1,727,717)	(1,481,703)	(1,049,430)	(1,409,263)	(1,649,494)	(1,725,162)	(3,050,220)	(756,095)	(492,394)	(1,435,699)	(16,558,194)	
Total Cash Ending Balance (BUDGET)	15,465,579	15,298,730	13,308,438	16,058,057	16,587,697	15,773,193	15,301,687	15,033,236	13,265,921	12,452,038	11,983,374	14,619,468		
Total Cash Ending Balance (ACTUAL)	15,964,988	16,113,748	15,037,769	19,039,218	20,639,801	20,661,519	18,855,100	18,030,477	15,237,806	14,778,923	15,010,260	17,802,771		
</														

Indicates actual expenditures/revenues:

Indicates anticipated expenditures/revenues:



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024  
**TO:** FINANCE COMMITTEE  
**FROM:** Mr. Dennis J. Hoffmeyer, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***DISCUSSION AND OVERVIEW OF FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR AUGUST 2024. (FINANCE MANAGER HOFFMEYER)***

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## Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending August 31, 2024. Also included are individual departmental budget reports.

This is the eighth month of the District's Budget Year 2024. Historical trends for the District have our revenues at 65.8% and expenses are 66.0%. This would typically be 66.7% for traditional budgetary percentages. Operating revenues are above, and expenses are below for the actuals. Please refer to Diagram A for a graphical representation of this information.

## **Balance Sheet:**

- Pages 1 and 2 are the balance sheet for the 8-month period and a graphic presentation of Assets, Liabilities, and Net Position on August 31, 2024.
- The net change for the month-to-month (July to August) was a decrease of \$689,492.
- The month saw decreases in Cash and cash equivalents of \$431,823 and Investments by \$392,400. Restricted – cash and cash equivalents decreased to \$32,609,053.
- First, the decrease in Cash and cash equivalents and Investments is directly related to payment of expenses. The decrease in Restricted – cash and cash equivalents are directly related to project payouts from the bond funds (Highlighted in orange).
- Second, the Capital assets – not being depreciated (highlighted in yellow) had an increase of \$1.16 million. This is direct expenditures related to capital assets.
- Finally, the Accounts payable and accrued expenses (highlighted in green) showed a decrease of \$1.17 million. This is the direct offset of the decrease in cash and investments as mentioned above.

## **Profit/Loss Statement:**

- Page 3 is our consolidated profit and loss statement trending for the eight months. Starting with the operating revenues, the District is above the historical average at 67.2%.
- The District's operating expenses are below historical averages at 57.5%.
- The Operating Revenue continues to see water sales increase for the month of August. As reported last month, Staff continues to see increased usage from the previous year. The year-to-year increase of 804 ac. ft. of additional billed usage. Part of this might be attributed to the continued installation of new meters replacing out stuck equipment and under registration of usage. The other contributing factor was August continued to see



excessive heat warnings throughout the month where temperatures were at or above 110° (Highlighted in green).

- All departmental budgets except for the two highlighted in yellow that continue to be above historical averages.
- Page 4 is the graphical representations of the operational and departmental budgets.
- Page 5 is the graphical representation of personnel to operations expenses.

#### Department Indicators

- Review of Operations shows the increase was related to Palmdale Lake Management and Chemicals. The Palmdale Lake Management account had the contributing factor being the disposal costs related to the Bob O Construction contract to haul away debris. This one-time expense exhausted the full budget for this account.
- Review of Customer Care continues to see increases related to salaries and overtime with contributing factors being the use of temporary staffing and overtime. Please refer to July's month analysis since this is unchanged. Customer Care – Field. Contracted Services has now hit 111% of budget, with majority of this cost related to annual contract for the AMR/AMI services as reported last month.

#### **Departments:**

Pages 6 through 16 are the 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.

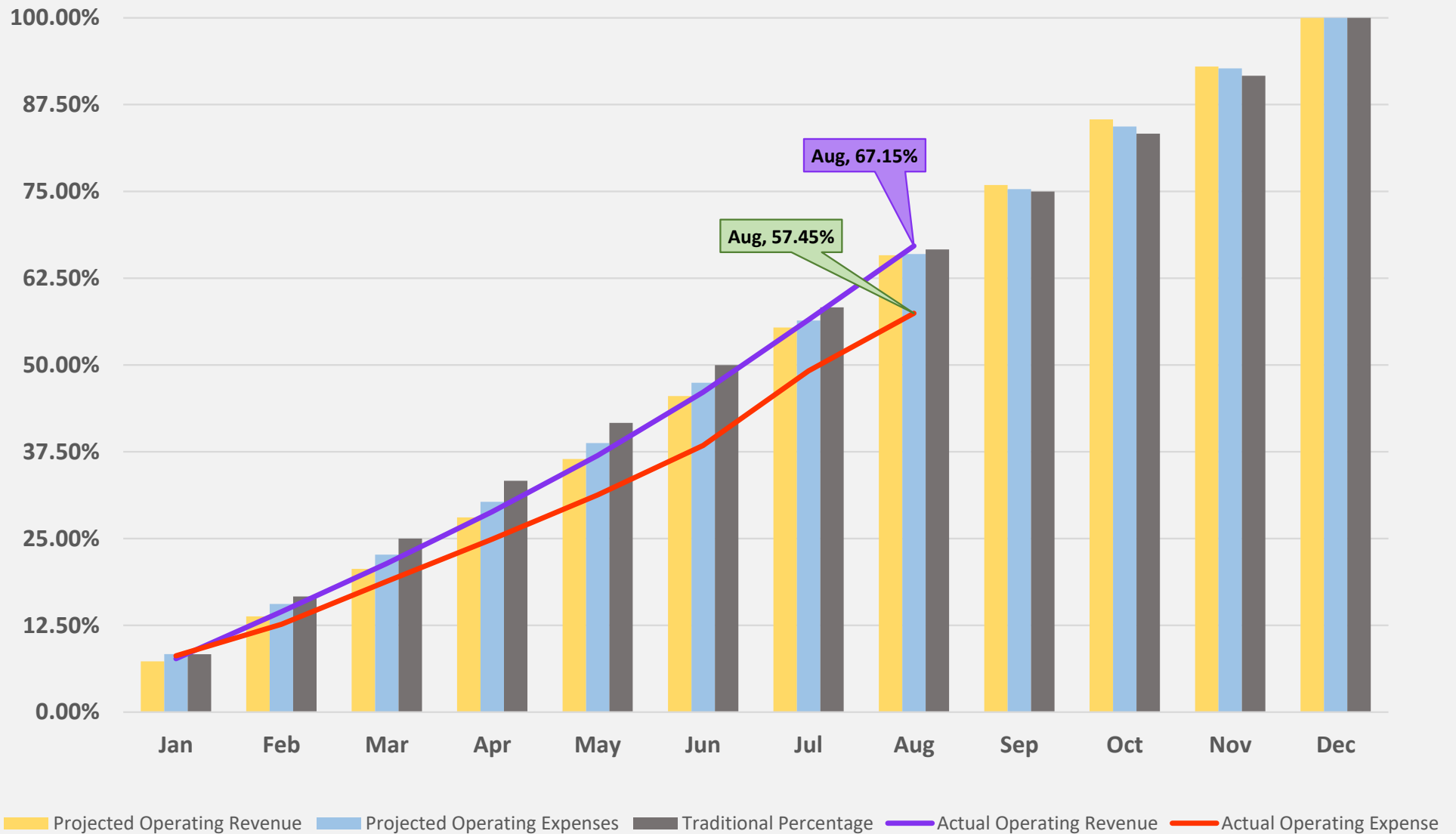
**OPEB Accrual Expense:** Other Post-Employment Benefits (OPEB) is the recognized annual required contribution to the benefit. The amount is actuarially determined in accordance with the parameters of GASB 45. The amount represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs 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.

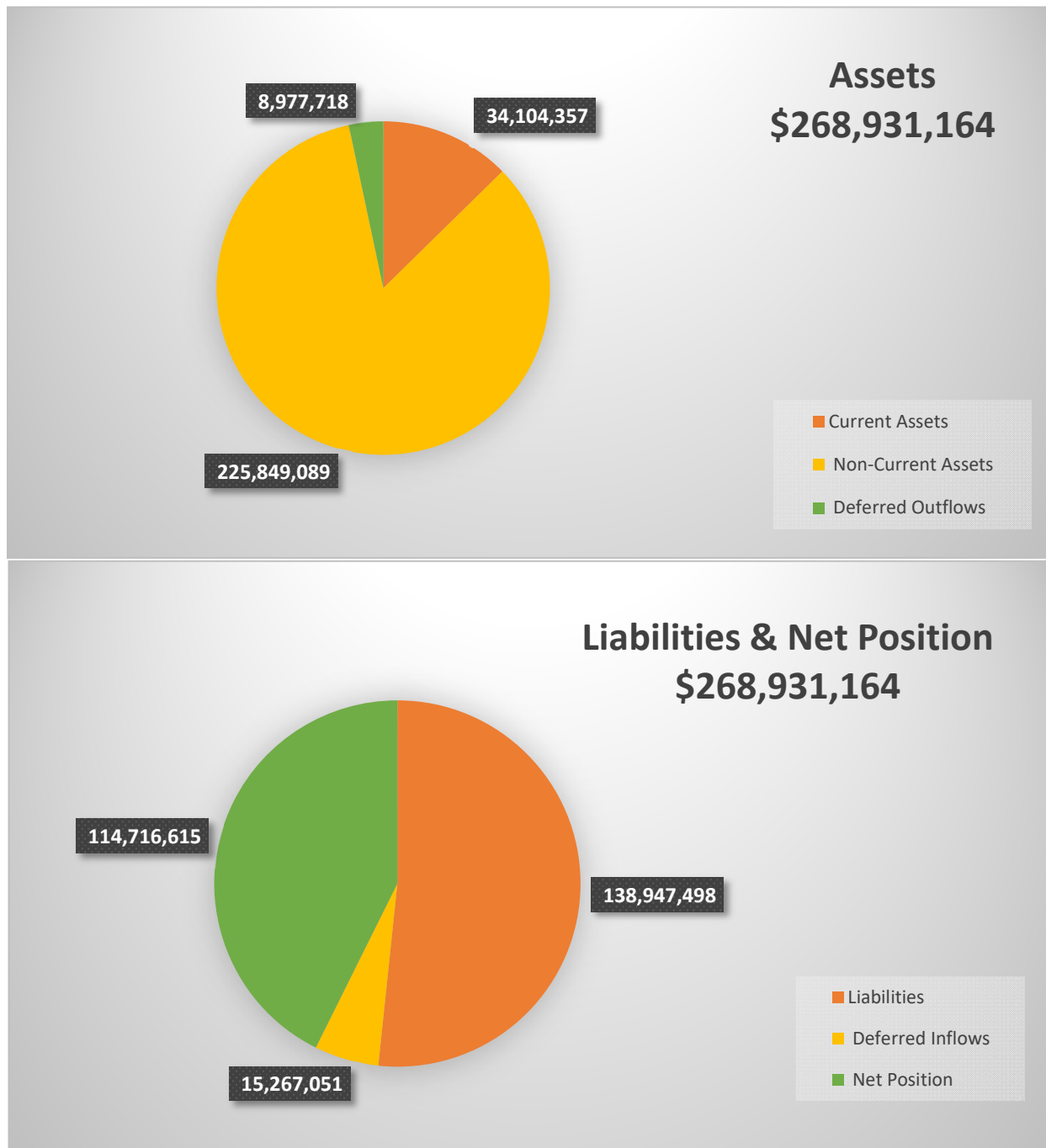
**Capitalized Construction:** The value of our labor force used to construct our asset infrastructure.

## Palmdale Water District Monthly Budgetary Percentages



Palmdale Water District Balance Sheet Report												
	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024
<b>ASSETS</b>												
<b>Current Assets:</b>												
Cash and cash equivalents	\$ 1,148,832	\$ 851,701	\$ 944,673	\$ 2,060,565	\$ 2,666,158	\$ 2,932,911	\$ 1,542,378	\$ 1,110,555				
Investments	14,815,906	15,344,955	14,093,087	16,978,653	17,973,440	17,728,608	17,312,722	16,920,322				
Accrued interest receivable	-	-	-	-	-	-	-	-				
Accounts receivable - water sales and services, net	2,352,337	2,260,874	2,169,111	2,213,693	2,448,689	2,920,402	3,312,744	3,554,214				
Accounts receivable - property taxes and assessments	3,911,134	3,472,417	3,445,109	381,666	372,517	355,933	9,871,702	9,658,056				
Lease receivable	102,586	102,586	102,586	102,586	102,586	113,735	113,735	113,735				
Accounts receivable - other	1,751,035	1,364,953	1,364,943	168,865	168,855	192,287	188,653	156,483				
Materials and supplies inventory	1,730,510	1,678,853	1,669,872	2,298,542	2,307,550	2,265,037	2,162,800	2,060,708				
Prepaid items and other deposits	857,562	528,055	488,636	558,528	442,251	402,865	498,967	530,284				
Total Current Assets	\$ 26,669,904	\$ 25,604,394	\$ 24,278,016	\$ 24,763,098	\$ 26,482,046	\$ 26,911,776	\$ 35,003,700	\$ 34,104,357	\$ -	\$ -	\$ -	\$ -
<b>Non-Current Assets:</b>												
Restricted - cash and cash equivalents	\$ 13,928,913	\$ 13,420,918	\$ 13,420,918	\$ 35,248,537	\$ 34,495,200	\$ 33,513,416	\$ 33,298,546	\$ 32,609,053				
Lease receivable	380,463	380,463	380,463	380,463	380,463	266,728	266,728	266,728				
Investment in Palmdale Recycled Water Authority	2,206,782	2,206,782	2,206,782	2,206,782	2,206,782	2,234,414	2,234,414	2,234,414				
Right-to-use asset - being amortized, net	366,740	366,740	366,740	366,740	366,740	235,404	235,404	235,404				
Capital assets - not being depreciated	21,746,193	22,784,716	23,262,911	23,763,466	24,919,454	26,150,616	28,197,567	29,360,548				
Capital assets - being depreciated, net	163,365,738	162,804,939	162,266,283	161,706,302	161,146,413	161,535,977	161,695,753	161,142,942				
Total Non-Current Assets	\$ 201,994,828	\$ 201,964,557	\$ 201,904,097	\$ 223,672,290	\$ 223,515,052	\$ 223,936,556	\$ 225,928,412	\$ 225,849,089	\$ -	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 228,664,732	\$ 227,568,951	\$ 226,182,113	\$ 248,435,388	\$ 249,997,098	\$ 250,848,332	\$ 260,932,112	\$ 259,953,446	\$ -	\$ -	\$ -	\$ -
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>												
Deferred loss on debt defeasance, net	\$ 2,978,265	\$ 2,978,265	\$ 2,978,265	\$ 2,978,265	\$ 1,161,600	\$ 1,158,300	\$ 1,155,000	\$ 1,151,700				
Deferred outflows of resources related to pensions	8,122,656	8,122,656	8,122,656	8,122,656	8,122,656	7,826,018	7,826,018	7,826,018				
Total Deferred Outflows of Resources	\$ 11,100,921	\$ 11,100,921	\$ 11,100,921	\$ 11,100,921	\$ 9,284,256	\$ 8,984,318	\$ 8,981,018	\$ 8,977,718	\$ -	\$ -	\$ -	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 239,765,654	\$ 238,669,873	\$ 237,283,034	\$ 259,536,309	\$ 259,281,354	\$ 259,832,650	\$ 269,913,130	\$ 268,931,164	\$ -	\$ -	\$ -	\$ -
<b>LIABILITIES AND NET POSITION</b>												
<b>Current Liabilities:</b>												
Accounts payable and accrued expenses	\$ 1,002,714	\$ 283,457	\$ 661,819	\$ 665,432	\$ 342,747	\$ 791,888	\$ 2,011,819	\$ 844,960				
Customer deposits for water service	2,772,459	2,777,353	2,774,783	2,905,302	2,904,732	2,896,843	2,901,707	2,901,023				
Construction and developer deposits	1,676,656	1,691,656	1,691,656	1,699,656	1,699,656	1,699,656	1,708,156	1,708,156				
Accrued interest payable	920,305	1,150,382	34,173	292,996	585,991	878,987	1,171,983	1,464,978				
Long-term liabilities - due in one year:												
Compensated absences	199,984	203,616	203,616	216,331	220,535	220,535	187,360	187,360				
Rate Stabilization Fund	844,038	844,038	844,038	894,444	894,444	894,444	894,444	894,444				
Right-to-use lease payable	126,686	126,686	126,686	126,686	126,686	109,022	109,022	109,022				
Right-to-use asset financing	463,073	463,073	463,073	233,545	233,545	233,545	233,545	233,545				
Loan payable	-	-	-	-	-	-	-	-				
Revenue bonds payable	671,666	671,666	671,666	671,666	671,666	671,666	671,666	671,666				
Total Current Liabilities	\$ 8,677,581	\$ 8,211,927	\$ 7,471,509	\$ 7,706,056	\$ 7,680,002	\$ 8,396,586	\$ 9,889,701	\$ 9,015,155	\$ -	\$ -	\$ -	\$ -
<b>Non-Current Liabilities:</b>												
Long-term liabilities - due in more than one year:												
Compensated absences	\$ 599,952	\$ 610,849	\$ 610,849	\$ 648,992	\$ 661,606	\$ 661,606	\$ 562,081	\$ 562,081				
Right-to-use lease payable	229,028	229,028	229,028	229,028	229,028	119,618	119,618	119,618				
Right-to-use asset financing	1,489,646	1,489,646	1,489,646	1,489,646	1,489,646	1,489,646	1,489,646	1,489,646				
Loan payable	3,760,564	3,755,040	3,749,516	4,389,168	2,761,677	2,753,156	2,744,635	2,736,113				
Revenue bonds payable	75,259,508	75,259,508	75,259,508	96,959,508	97,044,508	97,044,508	97,044,508	97,044,508				
Net other post employment benefits payable	14,448,195	14,633,198	14,726,517	14,818,414	14,911,427	12,674,071	12,770,943	12,864,996				
Aggregate net pension liability	13,730,102	13,730,102	13,730,102	13,730,102	13,730,102	15,115,381	15,115,381	15,115,381				
Total Non-Current Liabilities	\$ 109,516,995	\$ 109,707,370	\$ 109,795,165	\$ 132,264,858	\$ 130,827,993	\$ 129,857,985	\$ 129,846,811	\$ 129,932,343	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 118,194,575	\$ 117,919,297	\$ 117,266,674	\$ 139,970,914	\$ 138,507,995	\$ 138,254,571	\$ 139,736,512	\$ 138,947,498	\$ -	\$ -	\$ -	\$ -
<b>DEFERRED INFLOWS OF RESOURCES:</b>												
Unearned property taxes and assessments	\$ 3,583,333	\$ 2,866,667	\$ 2,150,000	\$ 1,433,333	\$ 1,916,667	\$ 1,116,667	\$ 9,916,667	\$ 9,116,667				
Deferred amounts related to leases	460,575	460,575	460,575	460,575	460,575	345,431	345,431	345,431				
Deferred amounts related to net pensions	5,274,161	5,274,161	5,274,161	5,274,161	5,274,161	5,804,953	5,804,953	5,804,953				
Total Deferred Inflows of Resources	\$ 9,318,069	\$ 8,601,403	\$ 7,884,736	\$ 7,168,069	\$ 7,651,403	\$ 7,267,051	\$ 16,067,051	\$ 15,267,051	\$ -	\$ -	\$ -	\$ -
<b>NET POSITION:</b>												
Profit/(Loss) from Operations	\$ 814,818	\$ 941,691	\$ 924,142	\$ 1,366,796	\$ 2,426,904	\$ 3,413,462	\$ 3,212,001	\$ 3,819,048				
Restricted for investment in Palmdale Recycled Water Authority	2,206,782	2,206,782	2,206,782	2,206,782	2,206,782	2,234,414	2,234,414	2,234,414				
Unrestricted	109,231,409	109,000,700	109,000,700	108,823,748	108,488,270	108,663,153	108,663,153	108,663,153				
Total Net Position	\$ 112,253,009	\$ 112,149,173	\$ 112,131,624	\$ 112,397,325	\$ 113,121,956	\$ 114,311,029	\$ 114,109,567	\$ 114,716,615	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 239,765,654	\$ 238,669,873	\$ 237,283,034	\$ 259,536,309	\$ 259,281,354	\$ 259,832,650	\$ 269,913,130	\$ 268,931,164	\$ -	\$ -	\$ -	\$ -

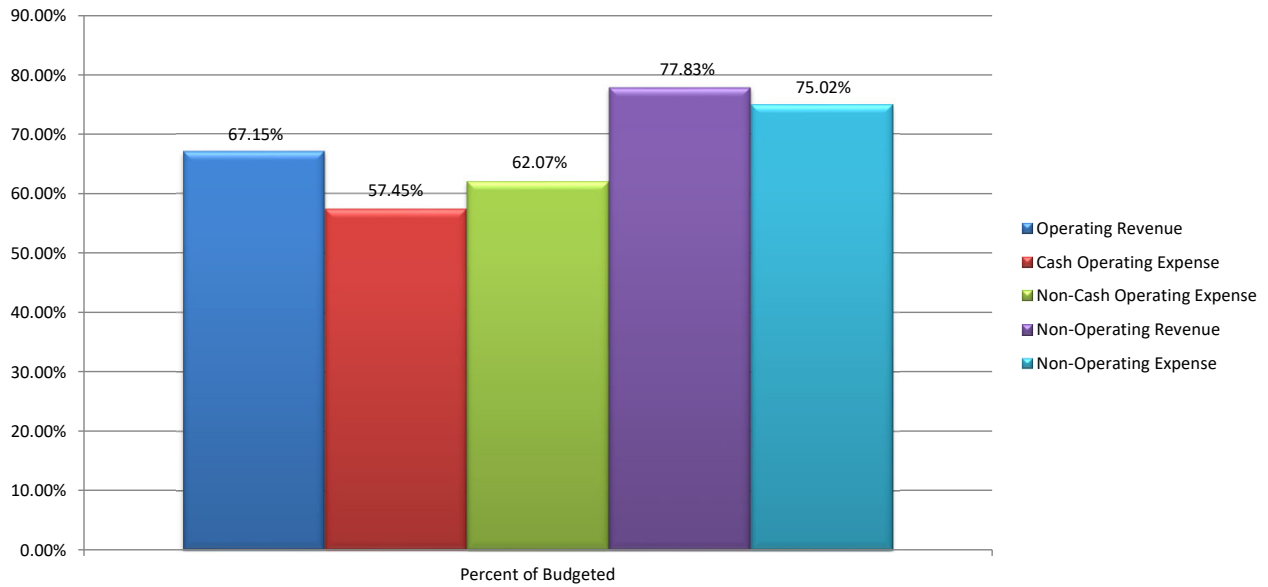
## BALANCE SHEET AS OF AUGUST 31, 2024



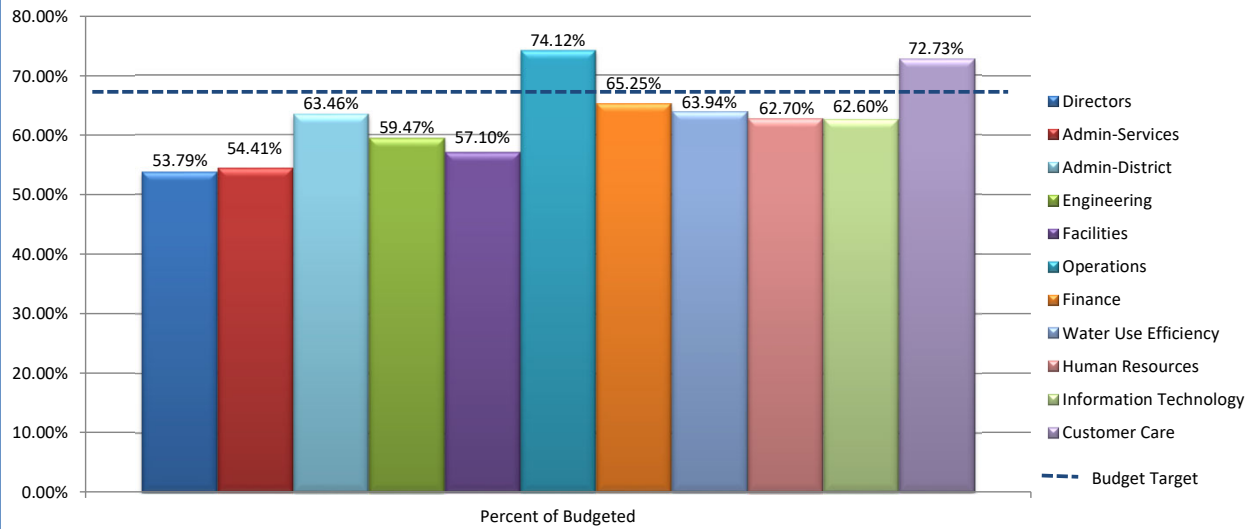
Palmdale Water District  
Consolidated Profit and Loss Statement  
For the Eight Months Ending 8/31/2024

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
<b>Operating Revenue:</b>																
Wholesale Water	\$ 11,608	\$ -	\$ 13,672	\$ 5,031	\$ 1,253	\$ 11,773	\$ 52,070	\$ -					\$ 95,406		\$ 400,000	23.85%
Water Sales	683,470	561,031	550,004	655,957	896,640	1,230,413	1,588,081	1,725,947					7,891,542		11,600,000	68.03%
Meter Fees	1,683,353	1,686,741	1,686,835	1,692,134	1,695,989	1,696,522	1,696,582	1,684,447					13,522,603		19,850,000	68.12%
Water Quality Fees	23,538	20,599	20,709	24,524	32,209	41,279	49,667	51,745					264,269		600,000	44.04%
Elevation Fees	19,094	15,933	15,958	20,180	29,456	39,322	48,822	51,408					240,172		350,000	68.62%
Other	98,472	115,419	81,945	134,070	86,504	90,175	106,841	104,563					817,988		1,200,000	68.17%
Drought Surcharge	-	-	-	-	-	-	-	-					-		-	
Total Operating Revenue	\$ 2,519,535	\$ 2,399,723	\$ 2,369,122	\$ 2,531,895	\$ 2,742,051	\$ 3,109,483	\$ 3,542,062	\$ 3,618,109	\$ -	\$ -	\$ -	\$ -	\$ 22,831,980	\$ -	\$ 34,000,000	67.15%
<b>Cash Operating Expenses:</b>																
Directors	\$ 8,491	\$ 13,239	\$ 12,444	\$ 13,238	\$ 16,767	\$ 13,218	\$ 15,735	\$ 11,495					\$ 104,628		\$ 194,500	53.79%
Administration-Services	204,089	173,504	174,970	173,750	191,371	178,446	270,078	167,619					1,533,827		2,818,875	54.41%
Administration-District	298,311	199,955	224,488	261,979	225,360	396,050	139,532	171,822					1,917,496		3,021,616	63.46%
Engineering	200,908	146,372	140,811	151,371	135,342	150,360	205,876	138,410					1,269,449		2,134,750	59.47%
Facilities	639,939	561,331	507,048	460,924	614,906	608,505	813,909	449,595					4,656,156		8,154,071	57.10%
Operations	543,909	334,864	216,048	260,731	357,351	351,082	827,784	326,169					3,217,937		4,341,785	74.12%
Finance	180,694	153,926	143,696	148,011	145,975	158,662	207,740	158,331					1,297,035		1,987,750	65.25%
Water Use Efficiency	25,116	24,322	23,570	24,396	24,108	22,193	42,247	22,988					208,940		326,800	63.94%
Human Resources	73,041	43,879	52,136	44,638	49,792	62,743	81,602	48,505					456,335		727,750	62.70%
Information Technology	238,010	239,623	136,535	126,135	133,015	114,167	171,451	128,631					1,287,568		2,056,747	62.60%
Customer Care	173,084	137,869	133,297	145,239	135,159	130,132	217,551	128,722					1,201,053		1,651,350	72.73%
Source of Supply-Purchased Water	38,345	29,102	(30,460)	12,815	439,220	214,230	535,410	17,010					1,255,672		2,780,000	45.17%
Plant Expenditures	380	16,130	-	-	12,578	14,437	113	67,193					110,831		400,000	27.71%
Sediment Removal Project	-	-	-	4,815	5,193	783	12,812	-					23,603		1,800,000	1.31%
GAC Filter Media Replacement	-	167,000	-	-	167,000	-	167,000	-					501,000		750,000	66.80%
Total Cash Operating Expenses	\$ 2,624,318	\$ 2,241,115	\$ 1,734,583	\$ 1,828,041	\$ 2,653,138	\$ 2,415,008	\$ 3,708,840	\$ 1,836,490	\$ -	\$ -	\$ -	\$ -	\$ 19,041,533	\$ -	\$ 33,145,994	57.45%
Net Cash Operating Profit/(Loss)	\$ (104,783)	\$ 158,609	\$ 634,539	\$ 703,853	\$ 88,913	\$ 694,475	\$ (166,778)	\$ 1,781,619	\$ -	\$ -	\$ -	\$ -	\$ 3,790,448	\$ -	\$ 854,006	443.84%
<b>Non-Cash Operating Expenses:</b>																
Depreciation	\$ 476,801	\$ 467,880	\$ 467,295	\$ 467,060	\$ 466,967	\$ 466,967	\$ 461,557	\$ 459,886					\$ 3,734,414		\$ 5,600,000	66.69%
OPEB Accrual Expense	127,710	127,710	127,710	127,710	127,710	127,710	127,710	126,225					1,020,196		1,600,000	63.76%
Bad Debts	(769)	4,714	1,483	3,969	(835)	2,421	30	(262)					10,750		25,000	43.00%
Service Costs Construction	45,160	27,265	41,079	63,044	55,085	(8,199)	50,037	26,443					299,915		550,000	54.53%
Capitalized Construction	(116,481)	(65,894)	(112,239)	(134,370)	(133,485)	(62,570)	(212,632)	(146,648)					(984,319)		(1,200,000)	82.03%
Capital Contributions	-	-	-	-	-	-	-	-					-		-	
Total Non-Cash Operating Expenses	\$ 532,421	\$ 561,675	\$ 525,328	\$ 527,412	\$ 515,443	\$ 526,330	\$ 426,703	\$ 465,644	\$ -	\$ -	\$ -	\$ -	\$ 4,080,955	\$ -	\$ 6,575,000	62.07%
Net Operating Profit/(Loss)	\$ (637,203)	\$ (403,067)	\$ 109,211	\$ 176,442	\$ (426,530)	\$ 168,146	\$ (593,481)	\$ 1,315,975	\$ -	\$ -	\$ -	\$ -	\$ (290,507)	\$ -	\$ (5,720,994)	5.08%
<b>Non-Operating Revenues:</b>																
Assessments (Debt Service)	\$ 480,740	\$ 480,740	\$ 480,740	\$ 480,740	\$ 480,740	\$ 536,640	\$ 536,640	\$ 536,640					\$ 4,013,620		\$ 7,000,000	57.34%
Assessments (1%)	641,942	235,927	235,927	247,566	235,927	837,565	263,360	263,360					2,961,573		3,450,000	85.84%
DWR Fixed Charge Recovery	-	-	-	237,515	33,278	-	-	-					270,793		300,000	90.26%
Interest	64,161	49,334	54,843	52,135	74,938	75,132	99,909	96,635					567,086		285,000	198.98%
CIF - Infrastructure	-	25,567	12,416	13,084	10,725	24,207	1,164	6,510					93,673		200,000	46.84%
CIF - Water Supply	-	15,966	-	8,981	-	15,296	-	15,835					56,078		350,000	16.02%
State Water Project - Table A Water Sale	-	-	-	-	-	-	-	-					-		-	
Grants - State and Federal	-	-	-	371,863	819,915	-	31,339	-					1,223,118		1,100,000	111.19%
Other	589,689	5,215	54,145	15,265	9,890	11,943	15,947	4,721					706,815		25,000	2827.26%
Total Non-Operating Revenues	\$ 1,776,532	\$ 812,749	\$ 838,071	\$ 1,427,149	\$ 1,665,413	\$ 1,500,783	\$ 948,358	\$ 923,700	\$ -	\$ -	\$ -	\$ -	\$ 9,892,756	\$ -	\$ 12,710,000	77.83%
<b>Non-Operating Expenses:</b>																
Interest on Long-Term Debt	\$ 227,095	\$ 227,095	\$ 227,095	\$ 288,413	\$ 288,413	\$ 288,413	\$ 288,413	\$ 288,413					\$ 2,123,351		\$ 2,743,231	77.40%
Deferred Charges-Cost of Issuance	-	-	-	260,951	5,950	25,909	-	-					292,810		-	
Amortization of SWP	415,440	415,441	415,442	415,443	415,444	415,445	415,446	415,447					3,323,547		4,838,220	68.69%
Change in Investments in PRWA	161	-	1,208	7,544	161	-	-	1,319					10,394		25,000	41.58%
Water Conservation Programs	338	747	2,890	5,412	5,493	3,371	1,196	12,077					31,523		100,000	31.52%
Total Non-Operating Expenses	\$ 643,033	\$ 643,282	\$ 646,634	\$ 977,764	\$ 715,462	\$ 733,138	\$ 705,055	\$ 717,257	\$ -	\$ -	\$ -	\$ -	\$ 5,781,624	\$ -	\$ 7,706,451	75.02%
Net Earnings	\$ 496,296	\$ (233,599)	\$ 300,648	\$ 625,827	\$ 523,422	\$ 935,791	\$ (350,178)	\$ 1,522,419	\$ -	\$ -	\$ -	\$ -	\$ 3,820,624	\$ -	\$ (717,445)	-532.53%

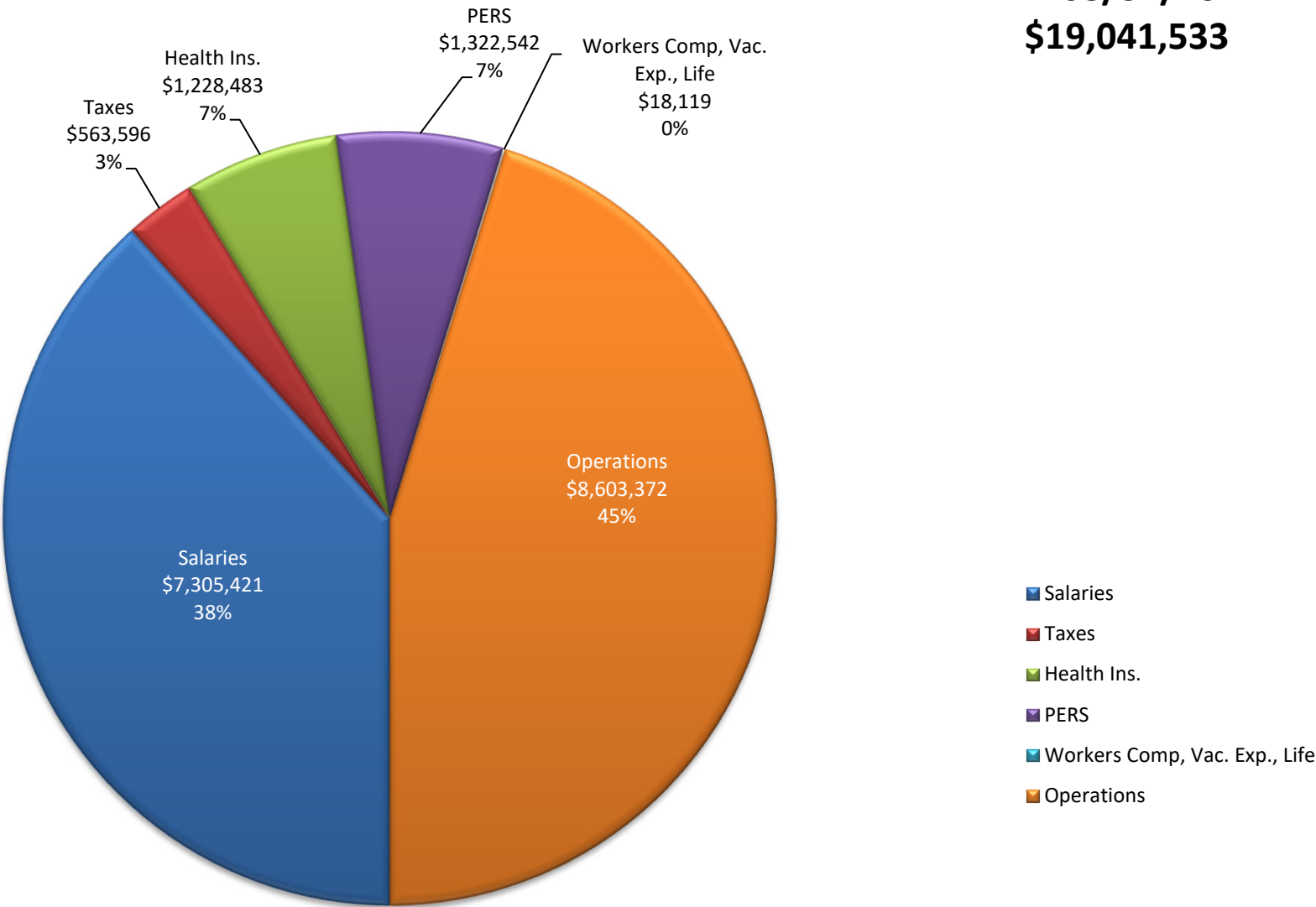
### P & L BUDGET vs. ACTUAL



### DEPARTMENTAL - BUDGET vs. ACTUAL



**Personnel to Operations Exp**  
**YTD 08/31/2024**  
**\$19,041,533**



**Palmdale Water District**  
**2024 Directors Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-01-4000-000 Directors Pay	\$ -	\$ -	\$ -	\$ -	-
Employee Benefits					
1-01-4005-000 Payroll Taxes	5,167	9,500		4,333	54.39%
1-01-4010-000 Health Insurance - Directors	18,286	30,000		11,714	60.95%
Subtotal (Benefits)	23,453	39,500	-	16,047	59.37%
Total Personnel Expenses	\$ 23,453	\$ 39,500	\$ -	\$ 16,047	59.37%
OPERATING EXPENSES:					
1-01-xxxx-006 Director Share - Dizmang, Gloria	\$ 220				
1-01-xxxx-008 Director Share - Mac Laren, Kathy	\$ 13,252				
1-01-xxxx-010 Director Share - Dino, Vincent	\$ 18,230				
1-01-xxxx-012 Director Share - Wilson, Don	\$ 16,994				
1-01-xxxx-014 Director Share - Kellerman, Scott	\$ 15,123				
1-01-xxxx-015 Director Share - Sanchez, Cynthia	\$ 17,355				
Subtotal Operating Expenses	81,175	155,000	-	73,825	52.37%
Total O & M Expenses	\$ 104,628	\$ 194,500	\$ -	\$ 89,872	53.79%



**Palmdale Water District**  
**2024 Administration Services Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD	ORIGINAL		ADJUSTED	
	ACTUAL	BUDGET	ADJUSTMENTS	BUDGET	PERCENT
	2024	2024	2024	REMAINING	USED
Personnel Budget:					
1-02-4000-000 Salaries	\$ 996,701	\$ 1,859,500		\$ 862,799	53.60%
1-02-4000-100 Overtime	2,193	5,000		2,807	43.87%
Subtotal (Salaries)	\$ 998,895	\$ 1,864,500	\$ -	\$ 865,605	53.57%
Employee Benefits					
1-02-4005-000 Payroll Taxes	72,137	144,750		72,613	49.84%
1-02-4010-000 Health Insurance	120,720	202,250		81,530	59.69%
1-02-4015-000 PERS	86,376	193,000		106,624	44.75%
Subtotal (Benefits)	\$ 279,233	\$ 540,000	\$ -	\$ 260,767	51.71%
Total Personnel Expenses	\$ 1,278,128	\$ 2,404,500	\$ -	\$ 1,126,372	53.16%
OPERATING EXPENSES:					
1-02-4050-000 Staff Travel	\$ 8,130	\$ 18,500	\$ -	\$ 10,370	43.94%
1-02-4050-100 General Manager Travel	2,775	5,500		2,725	50.45%
1-02-4060-000 Staff Conferences & Seminars	2,465	7,500		5,035	32.87%
1-02-4060-100 General Manager Conferences & Seminars	1,825	4,000		2,175	45.63%
1-02-4130-000 Bank Charges	141,632	204,875		63,243	69.13%
1-02-4150-000 Accounting Services	22,899	35,000		12,101	65.43%
1-02-4175-000 Permits	1,700	10,000		8,300	17.00%
1-02-4180-000 Postage	7,606	15,500		7,895	49.07%
1-02-4190-100 Public Relations - Publications	30,755	32,500		1,745	94.63%
1-02-4190-700 Public Affairs - Marketing/Outreach	21,795	40,000		18,205	54.49%
1-02-4190-710 Public Affairs -Advertising	900	4,000		3,100	22.50%
1-02-4190-720 Public Affairs - Equipment	-	1,000		1,000	0.00%
1-02-4190-730 Public Affairs -Conference/Seminar/Travel	675	4,000		3,325	16.88%
1-02-4190-740 Public Affairs - Consultants	-	2,000		2,000	0.00%
1-02-4190-750 Public Affairs - Membership	362	1,500		1,138	24.13%
1-02-4200-000 Advertising	399	1,000		601	39.88%
1-02-4205-000 Office Supplies	11,781	27,500		15,719	42.84%
Subtotal Operating Expenses	\$ 255,700	\$ 414,375	\$ -	\$ 158,675	61.71%
Total Departmental Expenses	\$ 1,533,827	\$ 2,818,875	\$ -	\$ 1,285,048	54.41%

**Palmdale Water District**  
**2024 Administration District Wide Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-02-5070-001 On-Call	\$ 58,132	\$ 90,000		\$ 31,868	64.59%
Subtotal (Salaries)	\$ 58,132	\$ 90,000	\$ -	\$ 31,868	64.59%
Employee Benefits					
1-02-5070-002 PERS-Unfunded Liability	654,473	1,039,041		384,568	62.99%
1-02-5070-003 Workers Compensation	83,588	230,000		146,412	36.34%
1-02-5070-004 Vacation Benefit Expense	(69,311)	95,000		164,311	-72.96%
1-02-5070-005 Life Insurance	3,842	7,000		3,158	54.88%
Subtotal (Benefits)	\$ 672,591	\$ 1,371,041	\$ -	\$ 698,450	49.06%
Total Personnel Expenses	\$ 730,723	\$ 1,461,041	\$ -	\$ 730,318	50.01%
OPERATING EXPENSES:					
1-02-5070-006 Other Operating	26,640	\$ 55,000		28,360	48.44%
1-02-5070-007 Consultants	446,096	500,000		53,904	89.22%
1-02-5070-008 Insurance	315,357	500,000		184,643	63.07%
1-02-5070-009 Groundwater Adjudication - Legal	1,305	25,000		23,695	5.22%
1-02-5070-010 Legal Services	136,362	175,000		38,638	77.92%
1-02-5070-011 Memberships/Subscriptions	151,769	158,000		6,231	96.06%
1-02-5070-014 Groundwater Adjudication - Assessment	70,287	47,575		(22,712)	147.74%
1-02-5070-099 100th Anniversary - Littlerock Dam	38,957	100,000		61,043	38.96%
Subtotal Operating Expenses	\$ 1,186,773	\$ 1,560,575	\$ -	\$ 373,802	76.05%
Total Departmental Expenses	\$ 1,917,496	\$ 3,021,616	\$ -	\$ 1,104,120	63.46%

**Palmdale Water District**  
**2024 Engineering Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-03-4000-000 Salaries	\$ 926,668	1,561,000.00	\$ -	\$ 634,332	59.36%
1-03-4000-100 Overtime	4,017	16,000.00		11,983	25.11%
Subtotal (Salaries)	\$ 930,685	\$ 1,577,000	\$ -	\$ 646,315	59.02%
Employee Benefits					
1-03-4005-000 Payroll Taxes	74,821	119,750.00		44,929	62.48%
1-03-4010-000 Health Insurance	170,407	249,000.00		78,593	68.44%
1-03-4015-000 PERS	86,294	156,500.00		70,206	55.14%
Subtotal (Benefits)	\$ 331,521	\$ 525,250	\$ -	\$ 193,729	63.12%
Total Personnel Expenses	\$ 1,262,206	\$ 2,102,250	\$ -	\$ 840,044	60.04%
OPERATING EXPENSES:					
1-03-4050-000 Staff Travel	\$ 124	\$ 4,000		3,876	3.10%
1-03-4060-000 Staff Conferences & Seminars	885	10,000		9,115	8.85%
1-03-4155-000 Contracted Services	-	3,000		3,000	0.00%
1-03-4165-000 Memberships/Subscriptions	5,251	7,000		1,749	75.01%
1-03-4250-000 General Materials & Supplies	983	7,500		6,517	13.11%
1-03-4250-100 Supplies - Plotter Paper/Toner	-	1,000		1,000	0.00%
Subtotal Operating Expenses	\$ 7,243	\$ 32,500	\$ -	\$ 25,257	22.29%
Total Departmental Expenses	\$ 1,269,449	\$ 2,134,750	\$ -	\$ 865,301	59.47%

**Palmdale Water District**  
**2024 Facilities Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
	2024	2024	2024	REMAINING	USED
Personnel Budget:					
1-04-4000-000 Salaries	\$ 1,528,127	\$ 2,649,000		\$ 1,120,873	57.69%
1-04-4000-100 Overtime	113,423	150,000		36,577	75.62%
Subtotal (Salaries)	\$ 1,641,549	\$ 2,799,000	\$ -	\$ 1,157,451	58.65%
Employee Benefits					
1-04-4005-000 Payroll Taxes	127,148	213,000		85,852	59.69%
1-04-4010-000 Health Insurance	311,327	558,000		246,673	55.79%
1-04-4015-000 PERS	136,241	227,000		90,759	60.02%
Subtotal (Benefits)	\$ 574,716	\$ 998,000	\$ -	\$ 423,284	57.59%
Total Personnel Expenses	\$ 2,216,265	\$ 3,797,000	\$ -	\$ 1,580,735	58.37%
OPERATING EXPENSES:					
1-04-4050-000 Staff Travel	\$ 8,695	\$ 5,000		\$ (3,695)	173.91%
1-04-4060-000 Staff Conferences & Seminars	5,317	7,500		2,183	70.89%
1-04-4155-000 Contracted Services	143,689	272,614		128,925	52.71%
1-04-4175-000 Permits-Dams	61,366	70,000		8,634	87.67%
1-04-4215-100 Natural Gas - Wells & Boosters	141,056	500,000		358,944	28.21%
1-04-4215-200 Natural Gas - Buildings	5,713	15,500		9,787	36.86%
1-04-4220-100 Electricity - Wells & Boosters	1,267,871	2,000,000		732,129	63.39%
1-04-4220-200 Electricity - Buildings	55,684	106,815		51,131	52.13%
1-04-4225-000 Maint. & Repair - Vehicles	28,108	38,000		9,892	73.97%
1-04-4230-100 Maint. & Rep. Office Building	6,908	12,500		5,592	55.26%
1-04-4230-200 Maint. & Rep. Two Way Radios	481	1,500		1,019	32.06%
1-04-4235-110 Maint. & Rep. Equipment	3,527	10,000		6,473	35.27%
1-04-4235-400 Maint. & Rep. Operations - Wells	57,640	105,000		47,360	54.90%
1-04-4235-405 Maint. & Rep. Operations - Boosters	40,229	85,000		44,771	47.33%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	4,960	5,000		40	99.19%
1-04-4235-415 Maint. & Rep. Operations - Facilities	27,462	50,000		22,538	54.92%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	178,678	300,000		121,322	59.56%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	9,736	24,842		15,106	39.19%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	-	8,500		8,500	0.00%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	-	3,265		3,265	0.00%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	45	10,000		9,955	0.45%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	23,373	47,500		24,127	49.21%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	1,838	10,000		8,162	18.38%
1-04-4235-461 Maint. & Rep. Operations - Air Vac	2,626	5,750		3,124	45.67%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	15,078	35,000		19,922	43.08%
1-04-4300-100 Testing - Regulatory Compliance	-	12,500		12,500	0.00%
1-04-4300-200 Testing - Large Meters	1,470	14,000		12,530	10.50%
1-04-4300-300 Testing - Edison Testing	12,300	11,437		(863)	107.55%
1-04-6000-000 Waste Disposal	15,150	17,500		2,350	86.57%
1-04-6100-100 Fuel and Lube - Vehicle	97,968	212,097		114,129	46.19%
1-04-6100-200 Fuel and Lube - Machinery	24,439	28,000		3,561	87.28%
1-04-6200-000 Uniforms	16,283	34,000		17,717	47.89%
1-04-6300-100 Supplies - General	29,570	58,000		28,430	50.98%
1-04-6300-300 Supplies - Electrical	-	2,500		2,500	0.00%
1-04-6300-800 Supplies - Construction Materials	19,491	27,750		8,259	70.24%
1-04-6400-000 Tools	25,389	38,000		12,611	66.81%
1-04-7000-100 Leases -Equipment	7,709	12,000		4,291	64.24%
1-04-7000-200 Leases -Vehicles	100,040	160,000		59,960	62.52%
Subtotal Operating Expenses	\$ 2,439,891	\$ 4,357,070	\$ -	\$ 1,917,179	56.00%
Total Departmental Expenses	\$ 4,656,156	\$ 8,154,070	\$ -	\$ 3,497,914	57.10%

**Palmdale Water District**  
**2024 Operation Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 1,038,518	\$ 1,371,500		\$ 332,982	75.72%
1-05-4000-100 Overtime	74,212	100,000		25,788	74.21%
Subtotal (Salaries)	\$ 1,112,730	\$ 1,471,500	\$ -	\$ 358,770	75.62%
Employee Benefits					
1-05-4005-000 Payroll Taxes	87,360	119,500		32,140	73.10%
1-05-4010-000 Health Insurance	155,144	228,000		72,856	68.05%
1-05-4015-000 PERS	97,226	149,000		51,774	65.25%
Subtotal (Benefits)	\$ 339,730	\$ 496,500	\$ -	\$ 156,770	68.43%
Total Personnel Expenses	\$ 1,452,460	\$ 1,968,000	\$ -	\$ 515,540	73.80%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ 3,183	\$ 3,300		\$ 117	96.44%
1-05-4060-000 Staff Conferences & Seminars	550	3,300		2,750	16.67%
1-05-4155-000 Contracted Services	59,560	82,158		22,598	72.49%
1-05-4175-000 Permits	108,356	105,000		(3,356)	103.20%
1-05-4215-200 Natural Gas - WTP	628	3,000		2,372	20.93%
1-05-4220-200 Electricity - WTP	301,147	425,000		123,853	70.86%
1-05-4230-110 Maint. & Rep. - Office Equipment	1,241	5,800		4,559	21.40%
1-05-4235-110 Maint. & Rep. Operations - Equipment	21,159	40,000		18,841	52.90%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	497	7,000		6,503	7.10%
1-05-4235-415 Maint. & Rep. Operations - Facilities	32,224	82,000		49,776	39.30%
1-05-4236-000 Palmdale Lake Management	183,505	200,000		16,495	91.75%
1-05-6000-000 Waste Disposal	2,156	50,000		47,844	4.31%
1-05-6200-000 Uniforms	8,072	15,595		7,523	51.76%
1-05-6300-100 Supplies - Misc.	6,886	30,000		23,114	22.95%
1-05-6300-600 Supplies - Lab	38,448	82,931		44,483	46.36%
1-05-6300-700 Outside Lab Work	48,225	82,303		34,078	58.59%
1-05-6400-000 Tools	1,159	6,398		5,239	18.11%
1-05-6500-000 Chemicals	948,482	1,150,000		201,518	82.48%
Subtotal Operating Expenses	\$ 1,765,477	\$ 2,373,785	\$ -	\$ 608,308	74.37%
Total Departmental Expenses	\$ 3,217,937	\$ 4,341,785	\$ -	\$ 1,123,848	74.12%

**Palmdale Water District**  
**2024 Finance Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 697,843	\$ 1,120,000		\$ 422,157	62.31%
1-06-4000-100 Overtime	2,806	6,000		3,194	46.76%
Subtotal (Salaries)	\$ 700,649	\$ 1,126,000	\$ -	\$ 425,351	62.22%
Employee Benefits					
1-06-4005-000 Payroll Taxes	56,539	85,250		28,711	66.32%
1-06-4010-000 Health Insurance	139,130	211,000		71,870	65.94%
1-06-4015-000 PERS	77,721	122,250		44,529	63.58%
Subtotal (Benefits)	\$ 273,390	\$ 418,500	\$ -	\$ 145,110	65.33%
Total Personnel Expenses	\$ 974,039	\$ 1,544,500	\$ -	\$ 570,461	63.06%
OPERATING EXPENSES:					
1-06-4050-000 Staff Travel	\$ 1,545	\$ 3,000		\$ 1,455	51.51%
1-06-4060-000 Staff Conferences & Seminars	894	2,500		1,606	35.76%
1-06-4155-000 Contracted Services	17,785	21,250		3,465	83.69%
1-06-4155-100 Contracted Services - Infosend	219,655	325,000		105,345	67.59%
1-06-4165-000 Memberships/Subscriptions	288	500		212	57.65%
1-06-4250-000 General Material & Supplies	-	1,500		1,500	0.00%
1-06-4260-000 Business Forms	1,000	1,500		500	66.67%
1-06-4270-100 Telecommunication - Office	60,850	65,000		4,150	93.62%
1-06-4270-200 Telecommunication - Cellular Stipend	19,080	20,000		920	95.40%
1-06-7000-100 Leases - Equipment	1,899	3,000		1,101	63.29%
Subtotal Operating Expenses	\$ 322,997	\$ 443,250	\$ -	\$ 120,253	72.87%
Total Departmental Expenses	\$ 1,297,035	\$ 1,987,750	\$ -	\$ 690,715	65.25%

**Palmdale Water District**  
**2024 Water Use Efficiency Budget**  
For the Eight Months Ending Saturday, August 31, 2024

YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-07-4000-000 Salaries	\$ 141,212	\$ 205,250	\$ 64,038	68.80%
1-07-4000-100 Overtime	3,307	10,500	7,193	31.50%
Subtotal (Salaries)	\$ 144,520	\$ 215,750	\$ 71,230	66.98%

Employee Benefits

1-07-4005-000 Payroll Taxes	12,087	16,750	4,663	72.16%
1-07-4010-000 Health Insurance	28,009	44,250	16,241	63.30%
1-07-4015-000 PERS	17,287	25,750	8,463	67.13%
Subtotal (Benefits)	\$ 57,383	\$ 86,750	\$ -	66.15%

Total Personnel Expenses

\$ 201,903	\$ 302,500	\$ -	\$ 100,597	66.74%
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OPERATING EXPENSES:

1-07-4050-000 Staff Travel	\$ 192	\$ 2,000	\$ 1,808	9.61%
1-07-4060-000 Staff Conferences & Seminar	920	1,500	580	61.33%
1-07-4190-300 Public Relations - Landscape Workshop/Training	241	6,000	5,759	4.02%
1-07-4190-400 Public Relations - Contests	-	1,000	1,000	0.00%
1-07-4190-500 Public Relations - Education Programs	704	4,000	3,296	17.60%
1-07-4190-900 Public Relations - Other	370	800	430	46.25%
1-07-6300-100 Supplies - Misc.	4,610	9,000	4,390	51.22%
Subtotal Operating Expenses	\$ 7,037	\$ 24,300	\$ -	28.96%

Total Departmental Expenses

\$ 208,940	\$ 326,800	\$ -	\$ 117,860	63.94%
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**Palmdale Water District**  
**2024 Human Resources Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-08-4000-000 Salaries	\$ 262,559	\$ 380,000		\$ 117,441	69.09%
1-08-4000-100 Salaries - Overtime	814	5,250		4,436	15.51%
1-08-4000-200 Salaries - Intern Program	-	54,000		54,000	0.00%
Subtotal (Salaries)	\$ 263,373	\$ 439,250	\$ -	\$ 175,877	59.96%
Employee Benefits					
1-08-4005-000 Payroll Taxes	21,614	34,500		12,886	62.65%
1-08-4010-000 Health Insurance	42,584	56,500		13,916	75.37%
1-08-4015-000 PERS	23,912	34,250		10,338	69.82%
Subtotal (Benefits)	\$ 88,110	\$ 125,250	\$ -	\$ 37,140	70.35%
Total Personnel Expenses	\$ 351,483	\$ 564,500	\$ -	\$ 213,017	62.26%
OPERATING EXPENSES:					
1-08-4050-000 Staff Travel	\$ 2,636	\$ 1,500		\$ (1,136)	175.76%
1-08-4060-000 Staff Conferences & Seminars	179	5,000		4,821	3.58%
1-08-4070-000 Employee Expense	59,758	80,000		20,242	74.70%
1-08-4095-000 Employee Recruitment	7,261	10,000		2,739	72.61%
1-08-4100-000 Employee Retention	845	3,000		2,155	28.17%
1-08-4120-100 Training-Safety	10,554	16,000		5,446	65.97%
1-08-4120-200 Training-Speciality	689	10,000		9,311	6.89%
1-08-4121-000 Safety Program	-	1,000		1,000	0.00%
1-08-4165-000 Membership/Subscriptions	1,244	1,250		6	99.54%
1-08-4165-100 HR/Safety Publications	45	1,000		955	4.49%
1-08-6300-500 Supplies - Safety	21,640	34,500		12,860	62.72%
Subtotal Operating Expenses	\$ 104,852	\$ 163,250	\$ -	\$ 58,398	64.23%
Total Departmental Expenses	\$ 456,335	\$ 727,750	\$ -	\$ 271,415	62.70%



**Palmdale Water District**  
**2024 Information Technology Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-09-4000-000 Salaries	\$ 506,784	\$ 740,000	\$ -	\$ 233,216	68.48%
1-09-4000-100 Overtime	7,119	10,000		2,881	71.19%
Subtotal (Salaries)	\$ 513,903	\$ 750,000	\$ -	\$ 236,097	68.52%
Employee Benefits					
1-09-4005-000 Payroll Taxes	41,330	62,000		20,670	66.66%
1-09-4010-000 Health Insurance	76,080	110,000		33,920	69.16%
1-09-4015-000 PERS	58,293	95,000		36,707	61.36%
Subtotal (Benefits)	\$ 175,702	\$ 267,000	\$ -	\$ 91,298	65.81%
Total Personnel Expenses	\$ 689,605	\$ 1,017,000	\$ -	\$ 327,395	67.81%
OPERATING EXPENSES:					
1-09-4050-000 Staff Travel	\$ 38	\$ 3,000		\$ 2,962	1.28%
1-09-4060-000 Staff Conferences & Seminars	1,094	7,500		6,406	14.59%
1-09-4155-000 Contracted/Cloud Services	185,395	304,998		119,603	60.79%
1-09-4165-000 Memberships/Subscriptions	396	2,500		2,104	15.86%
1-09-4235-445 Maint & Repair - Telemetry	1,399	3,500		2,101	39.98%
1-09-4270-000 Telecommunications	84,649	150,000		65,351	56.43%
1-09-6300-400 Supplies - Telemetry	423	5,000		4,577	8.47%
1-09-7000-100 Leases - Equipment	42,424	56,500		14,076	75.09%
1-09-8000-100 Computer Equipment - Computers	5,041	45,500		40,459	11.08%
1-09-8000-200 Computer Equipment - Laptops	27,577	45,000		17,423	61.28%
1-09-8000-300 Computer Equipment - Monitors	3,629	10,000		6,371	36.29%
1-09-8000-500 Computer Equipment - Toner Cartridges	3,211	2,500		(711)	128.45%
1-09-8000-550 Computer Equipment - Telephony	-	2,500		2,500	0.00%
1-09-8000-600 Computer Equipment - Other	15,276	17,500		2,224	87.29%
1-09-8000-650 Computer Equipment - Warranty & Support	10,420	17,500		7,080	59.54%
1-09-8100-100 Computer Software - Maint. and Support	200,351	266,250		65,899	75.25%
1-09-8100-150 Computer Software - Dynamics GP Support	6,224	60,000		53,776	10.37%
1-09-8100-200 Computer Software - Software and Upgrades	10,414	40,000		29,587	26.03%
Subtotal Operating Expenses	\$ 597,962	\$ 1,039,748	\$ -	\$ 441,786	57.51%
Total Departmental Expenses	\$ 1,287,568	\$ 2,056,748	\$ -	\$ 769,180	62.60%

**Palmdale Water District**  
**2024 Customer Care Budget**  
For the Eight Months Ending Saturday, August 31, 2024

	YTD ACTUAL 2024	ORIGINAL BUDGET 2024	ADJUSTMENTS 2024	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-10-4000-000 Salaries	\$ 838,008	\$ 1,171,500		\$ 333,492	71.53%
1-10-4000-100 Overtime	21,801	7,000		(14,801)	311.45%
Subtotal (Salaries)	\$ 859,809	\$ 1,178,500	\$ -	\$ 318,691	72.96%
Employee Benefits					
1-10-4005-000 Payroll Taxes	65,394	90,250		24,856	72.46%
1-10-4010-000 Health Insurance	166,797	223,250		56,453	74.71%
1-10-4015-000 PERS	84,720	127,250		42,530	66.58%
Subtotal (Benefits)	\$ 316,910	\$ 440,750	\$ -	\$ 123,840	71.90%
Total Personnel Expenses	\$ 1,176,720	\$ 1,619,250	\$ -	\$ 442,530	72.67%
OPERATING EXPENSES:					
1-10-4050-000 Staff Travel	\$ -	\$ 2,000		\$ 2,000	0.00%
1-10-4060-000 Staff Conferences & Seminars	-	3,000		3,000	0.00%
1-10-4155-000 Contracted Services	23,425	21,100		(2,325)	111.02%
1-10-4250-000 General Material & Supplies	267	5,000		4,733	5.35%
1-10-4260-000 Business Forms	642	1,000		358	64.17%
Subtotal Operating Expenses	\$ 24,334	\$ 32,100	\$ -	\$ 7,766	75.81%
Total Departmental Expenses	\$ 1,201,053	\$ 1,651,350	\$ -	\$ 450,297	72.73%

New and Replacement Capital Projects

Budget Year	Project	Project Title	Project Type	Contractor	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	2025 Carryover
2017	12-400	PRGRRP - Construction of Monitoring Wells / Test Basin	Water Supply	Environmental Const.	427,490	04/26/2017	330,359	97,131	330,359													-	
2017	12-400	PRGRRP - Construction of Monitoring Wells / Test Basin - Auxiliary Items	Water Supply	Various Vendors			35,742	-	35,742													-	
2018	18-606	45th ST Tank Site - Altitude Valve Replacement	Replacement Cap.				10,951	-	10,951													-	
2018	18-606	45th ST Tank Site - Altitude Valve Replacement	Replacement Cap.	Cedro Construction, Inc.			406,562	-	406,562													-	
2018	18-614	LRD - Interior Access Ladder	Replacement Cap.				27,028	-	27,028													-	
2020	20-606	2800 Zone Velocity Deficiency	General Project				16,923	-	16,923													-	
2020	20-607	Move PRV Station @ 45th St E	Replacement Cap.				13,946	-	13,946													-	
2020	20-608	WM Repl in 17th St E from Ave P4 to Ave P8	Replacement Cap.				-	-	-													-	
2020	20-610	2950 Zone Booster Station @ 3M Clearwell Site	Replacement Cap.				165,444	-	150,311			330		215	220	6,010	8,359					15,133	
2020	20-610	2950 Zone Booster Station @ 3M Clearwell Site (Bond Fund - Design)	Replacement Cap.	P2S Inc	119,817		12,419	107,398	8,540		1,726		1,194		260	700						3,879	
2020	20-610	2950 Zone Booster Station @ 3M Clearwell Site (Bond Fund - Construction)	Replacement Cap.	Metro Builders	6,487,402		1,672,319	4,815,083	203,204	84,081	97,762		17,243	140,389	392,312	83,427	550,302	103,599				1,469,115	
2020	20-610	2950 Zone Booster Station @ 3M Clearwell Site (Bond Fund - Booster Stn Review)	Replacement Cap.	Hazen and Sawyer	41,890		43,518	(1,628)	-		18,938		6,200	13,658		4,723						43,518	
2020	20-610	2950 Zone Booster Station @ 3M Clearwell Site (Bond Fund - Booster Stn Review)	Replacement Cap.	Ardurra Group, Inc	345,818		22,637	323,181	-						15,106	4,160	3,371					22,637	
2020	20-622	Well 36 Design & Const.	General Project				90,376	-	87,942			2,185	249									2,433	
	20-622	Well 36 Design & Const. (Bond Fund - Design)	General Project	Hazen and Sawyer	646,836		574,821	72,015	513,130	8,675	15,845		32,491	2,310	695	1,180	495					61,691	
	20-622	Well 36 Design & Const. (Bond Fund - Construction)	General Project	Zim Industries, Inc	2,098,913		1,966,046	132,867	1,966,046													-	
	20-622	Well 36 Design & Const. (Bond Fund - Pipeline Construction)	General Project	Cedro Construction, Inc.	303,839		297,378	6,461	282,947	14,431												14,431	
2020	20-623	AMI Meter System	General Project				31,320	-	15,000							16,320						16,320	
2020	20-703	Water Conservation Garden Construct @ MOB	General Project				76,499	-	43,850		31,339			612	699							32,649	
2021	21-607	Design 16" WM Ave P Well #8A					10,139	-	10,139													-	
2021	21-609	Design WM from 16"to24" Ave S					2,000	-	2,000													-	
2021	21-613	Palmdale Ditch Conversion	General Project				1,443,791	-	349,066		238,132	75	900	593,648	40,941	221,029						1,094,724	
2021	21-617	WTP - NaOCL Repl System	Replacement Cap.				1,248,686	-	1,248,686													-	
2022	22-601	Des&Const WM @Pearblossom 53rd	General Project				2,820	-	2,820													-	
2022	22-602	Design WM Repl @10th to R4	General Project				7,880	-	7,880													-	
2022	22-603	Des&Const WM Repl Sierra Hwy	General Project				5,335	-	5,335													-	
2022	22-604	Des&Const WM Repl 26-27 Ave R	General Project				8,777	-	7,820						463	494						957	
2022	22-605	Design Recycled Water Pipeline - Avenue Q	General Project				7,257	-	5,400				662			110	1,086					1,857	
2022	22-605	Design Recycled Water Pipeline - Avenue Q	General Project	American Pipeline Services	2,096,245		48,750	2,047,495	-						48,750							48,750	
2022	22-622	Well 15 Design & Construct Discharge Basin	General Project				66,732	-	50,950		12,734				3,048							15,782	
2022	22-622	Well 15 Design & Construct Discharge Basin	General Project	Miller Equipment Co., Inc.			210,000	-	-	199,500	10,500											210,000	
2022	22-626	Repair Well #15	General Project				527,080	-	527,080													-	
2022	22-629	WTP - Design & Const. Chemical Feed Lines	General Project				35,556	-	35,556													-	
2023	23-601	12" DI Watermain - 20th ST E	General Project				3,090	-	3,090													-	
2023	23-603	8" Watermain - Camares Dr	General Project				2,475	-	2,475													-	
2023	23-605	2023 Meter Exchange Project (District Forces)	General Project				221,747	-	3,809	132,241	9,031	30,785			7,788	38,094						217,938	
2023	23-606	2023 Service Line Replacement (District Forces)	General Project		-		29,320	-	29,320													-	
2023	23-609	Littlerock Dam Sump Pump Replacement	Replacement Cap.				33,410	-	33,410													-	
2023	23-612	Des&Const Rehab 6M Clearwell	Replacement Cap.				156,170	-	62,983	1,720	2,205	6,855	11,681			70,726						93,187	
2023	23-613	Repair Washwater Return Pump#4	Replacement Cap.				20,461	-	20,461													-	
2023	23-614	2023 Soft Start Repl Program	General Project				5,929	-	5,929													-	
2024	24-600	Install Auto Flusher 3705 Ave T12	General Project				6,514	-	-		6,270	244										6,514	
2024	24-601	Repl Pipe @ AI's Tank	General Project				1,375	-	-				1,375									1,375	
2024	24-602	Repl PWD Hydrants	Replacement Cap.				33,150	-	-					33,150								33,150	
2024	24-603	WTP Repl 24in Swing Check Valve	Replacement Cap.				51,118	-	-								51,118					51,118	
2024	24-604	Submersible Chopper Pump	Replacement Cap.				44,685	-	-							44,685						44,685	
2024	24-605	Repl Broken Gate Valves	Replacement Cap.				15,104	-	-						7,887	2,280	4,938					15,104	
2024	24-606	Repl AVAC Units (NOB/Main Office/WTP)	Replacement Cap.				39,183	-	-							13,504	12,656					39,183	
2024	24-607	Design & Construct Littlerock Dam Road	General Project				36,769	-	-							2,108	34,661					36,769	
2024	24-608	2024 Service Line Replacement Project	General Project				5,808	-	-							5,808						5,808	
2024	24-611	Well 11 Engine Overhaul	General Project				2,436	-	-								2,436					2,436	
2024	24-700	2024 Large Mtr/Vault Repl Prog	General Project				56,708	-	-		24,301		11,832	6,252	39	7,961	6,323					56,708	
				Sub-Totals:	12,568,249		10,184,542	7,600,004	6,526,689	440,648	468,781	40,473	83,825	790,233	531,229	523,319	675,746	103,599	-	-	-	3,657,853	-

Palmdale Water District

2024 Capital Projects - Contractual Commitments and Needs

Consulting and Engineering Support

Budget Year	Project	Project Title	Project Type	Contractor	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	2025 Carryover
2017	12-400	PRGRRP - CEQA, Permitting, Pre-Design, and Pilot	Water Supply	Kennedy/Jenks	1,627,000	05/12/2016	14,937	1,612,063	14,937													-	
		Paid by General Fund		Kennedy/Jenks			-	-	-													-	
2020	20-405	Well Rehab Consulting Services		Kyle Groundwater	-		75,457	-	75,457													-	
2020	20-412	Aquisition of Wtr Svc to Alpine Springs Mobilehome Park			-		20,700	-	20,700													-	
2021	21-500	Alpine Springs Grant Funding			-		4,075	-	4,075													-	
2021	21-417	LRDR - Sediment Removal Phase 2	Expense	California Dept Fish & Game			49,585	-	49,585													-	
	21-417	LRDR - Sediment Removal Phase 2	Expense	Aspen Environment Group			171,696	-	171,696													-	
	21-417	LRDR - Sediment Removal Phase 2	Expense	U.S. Geological Survey			48,500	-	48,500													-	
	21-417	LRDR - Sediment Removal Phase 2	Expense	All Others			1,763,919	-	1,763,919													-	
	21-412	Intranet Website Design	Expense	Tripepi Smith	-		19,403	-	17,883		1,140			380								1,520	
2022	22-403	Strategic Water Resources Plan	Expense	Woodard & Curran, Inc			552,831	-	403,823		60,191		19,484	24,229	18,379	26,725						149,008	
2022	22-412	2022 Virtual Desktop	Expense	VM Sources Group, Inc			10,000	-	10,000													-	
2022	22-65x	Pure Water AV - General Expense					407,736	-	111,524		25,371	7,036	200,460	7,990	8,688	46,502	165					296,212	
	22-65x	Pure Water AV - (Bonds)		Stantec	3,000,000		3,898,933	(898,933)	2,815,966		455,981		55,683	389,547	126,100	55,656						1,082,967	
	22-650	Pure Water AV - Project Review (Bonds)		NWRI	112,950		64,248	48,702	42,362				21,887									21,887	
2023	23-412	Data Warehouse	Expense	Oxcyon, Inc	-		66,360	-	49,500	16,860												16,860	
2023	23-415	SCADA Analysis	Expense	SoCal SCADA Solutions	-		72,410	-	72,410													-	
2024	24-414	Migration to SharePoint & Teams Portal	Expense	Citrin Cooperman Advisors	-		10,477	-	-							10,477						10,477	
2024	24-415	Implementation - DUO Multi-Factor Authentication	Expense		-		4,073	-	-							3,960	113					4,073	
			Sub-Totals:		4,739,950		7,240,790	761,831	5,672,337	16,860	542,683	7,036	297,514	422,146	153,167	128,883	165	-	-	-	-	1,568,453	-

New and Replacement Equipment

Budget Year	Project	Project Title	Project Type	Contractor	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	2025 Carryover
2022	22-630	Boardroom Audio/Visual Rehab	Equipment				134,026	-	66,799							67,227						67,227	
2023	23-416	Replacement Wacker/Rammer	Expense				8,443	-	8,443													-	
2023	23-417	Repairs Littlerock Dam Access	Expense				104,093	-	91,895						2,294	9,904						12,198	
2023	23-607	Double sided Arrow Board (Qty. 2)	Equipment				12,628	-	12,628													-	
2023	23-609	Littlerock Dam Sump Pump Replacement	Equipment				3,994	-	3,994													-	
2023	23-700	Office Furniture Replacement (Ergonomics)	Equipment				105,368	-	103,054	1,166		1,148										2,314	
2023	23-701	Replacement Meter Reading Equipment (AMR)	Equipment				206,564	-	15,056				78,169	48,994	35,505	28,840						191,508	
			Sub-Totals:				575,115	-	301,868	1,166	-	1,148	78,169	48,994	37,799	105,972	-	-	-	-	-	273,247	-

Water Quality Fee Funded Projects

Budget Year	Work Order	Project Title	Project Type	Vendor/Supplier	Approved Contract Amount	Board / Manager Approval	Payments Approved to Date	Contract Balance	Through Dec. 2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	2025 Carryover
2023	23-401	GAC Replacements @ WTP	Water Quality	Calgon Carbon	-	07/09/2014	323,633	-	107,626	216,007												216,007	
2023	23-401	GAC Replacement @ Underground Booster Station	Water Quality	Evoqua	-	03/10/2017	-	-	-													-	
2024	24-401	GAC Replacements @ WTP	Water Quality	Calgon Carbon	-	07/09/2014	501,000	-	-				167,000			167,000	167,000					501,000	
			Sub-Totals:		-		824,633	-	107,626	216,007	-	-	167,000	-	-	167,000	167,000	-	-	-	-	717,007	-

- = Projects that originated from 2013 WRB Funds
- = Project had additional funding paid out by the general fund to complete.
- = Project is now deemed complete with no further expense.
- = Projects paid by 2018 WRB Funds
- = Projects paid by 2021 WRB Funds

Project Summary (W/O GAC Included)									Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total
Total Approved Contracts to Date									17,308,199													
Total Payments on Approved Contracts to Date									18,000,447													
Total Contract Balance to Date									8,361,835													
Non-Operating Capital Expenditures (Paid)										458,674	1,011,464	48,658	459,507	1,261,373	722,195	758,173	675,911	103,599	-	-	-	5,499,553
Non-Operating Capital Expenditures (Projected)									-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funding Available Through Water Supply Fees									-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019 Funding Through Budgeted Non-Operating Capital Ex.									5,499,553	458,674	1,011,464	48,658	459,507	1,261,373	722,195	758,173	675,911	103,599	-	-	-	5,499,553

# Water Revenue Bond - Series 2023A

Updated: September 12, 2024

Project	Project #	Description	Bond Allocation	Contractual Commitment	Payout to Date	Over/(Under)	Uncommitted Bond \$
		2023A WRB Issue - Construction Funds	\$ 13,520,000		\$ -	\$ -	\$ 13,520,000
3M-Power	20-610	3M Booster Station -Power Plan Design (P2S)	-	119,817	13,589	106,228	(13,589)
3M-Const	20-610	3M Booster Station Replacement Project (Metro Builders)	-	6,487,402	1,484,639	5,002,763	(1,484,639)
		Original Contract Amt: \$5,794,042, A2: \$657606.48, A3: \$35,753.33					
3M-Review	20-610	3M Booster Station Replacement Project (Hazen & Sawyer)	-	41,890	44,013	(2,123)	(44,013)
3M-Mgmt	20-610	3M Booster Station - Project Inspection (Ardurra Group)	-	345,818	22,637	323,181	(22,637)
W36-Design	20-622	Well 36 - Design & Construction (Hazen and Sawyer)	-	264,208	36,676	227,532	(36,676)
		Original Contract Amt: \$612,656, A1: \$34,180, A2: \$45,140, A3: \$27,265, A5: \$95,892					
W36-Equip	20-622	Well 36 - Equipping (Caliagua, Inc)	-	4,258,230	-	4,258,230	-
Q-Recycled	22-605	Avenue Q Recycled Water Pipeline (American Pipeline Svcs)	-	2,096,245	80,475	2,015,771	(80,475)
		Original Contract Amt: \$2,094,670, A1: \$1,575					
WRB		Bond Issuance Costs	327,759	327,759	327,759	-	
ISS		Issuance Funds	(13,329)	(13,329)	(13,329)		
Totals:			\$ 13,834,430	\$ 13,928,039	\$ 1,996,458	\$ 11,825,353	\$ 11,837,972
2021A Water Revenue Bonds - Unallocated Funds:				\$ (93,609)			
2021A Water Revenue Bonds - Remaining Funds to payout:					\$ 11,837,972		

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
20	Ardurra Group, Inc.	Aug 22, 2024	152509	3M-Mgmt	3,371.25
20	American Pipeline Services	Aug 22, 2024	PWD02	Q-Recycled	31,724.50
19	Hazen and Sawyer - Design Engineers	Aug 8, 2024	20182-000-38	3M-Review	495.00
19	Metro Builders & Engineers Group	Aug 8, 2024	PP#11	3M-Const	550,302.42
18	P2S, Inc.	Jul 25, 2024	SIN043484	3M-Power	1,170.00
18	P2S, Inc.	Jul 25, 2024	SIN045244	3M-Power	699.75
18	Ardurra Group, Inc.	Jul 25, 2024	150829	3M-Mgmt	3,985.00
18	American Pipeline Services	Jul 25, 2024	PWD01	Q-Recycled	48,750.00
17	Hazen and Sawyer - Design Engineers	Jul 17, 2024	20182-006-5	3M-Review	4,722.50
16	Metro Builders & Engineers Group	Jul 11, 2024	PP#10	3M-Const	83,426.83
16	Hazen and Sawyer - Design Engineers	Jul 11, 2024	20182-000-37	W36-Design	1,180.00
16	Ardurra Group, Inc.	Jul 11, 2024	150060	3M-Mgmt	15,280.75
15	Hazen and Sawyer - Design Engineers	Jun 11, 2024	20182-000-36	W36-Design	695.00
15	Metro Builders & Engineers Group	Jun 11, 2024	PP#9	3M-Const	392,311.72
15	P2S, Inc.	Jun 11, 2024	SIN044000	3M-Power	260.50
14	Metro Builders & Engineers Group	May 23, 2024	PP#8	3M-Const	39,608.07
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-007-1	3M-Review	5,812.50
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-000-35	W36-Design	2,310.00
13	Hazen and Sawyer - Design Engineers	May 16, 2024	20182-006-4	3M-Review	7,845.00
12	Metro Builders & Engineers Group	May 1, 2024	PP#7	3M-Const	100,781.11
11	P2S, Inc.	Apr 25, 2024	SIN042663	3M-Power	608.00
11	Hazen and Sawyer - Design Engineers	Apr 25, 2024	20182-000-33	W36-Design	27,061.00
11	Hazen and Sawyer - Design Engineers	Apr 25, 2024	20182-000-34	W36-Design	5,429.50
10	P2S, Inc.	Apr 2, 2024	SIN042054	3M-Power	585.00
10	Metro Builders & Engineers Group	Apr 2, 2024	PP#6	3M-Const	17,243.49
10	Hazen and Sawyer - Design Engineers	Apr 2, 2024	20182-006-3	3M-Review	6,200.00
9	Hazen and Sawyer - Design Engineers	Feb 22, 2024	20182-006-2	3M-Review	15,390.00
9	Hazen and Sawyer - Design Engineers	Feb 22, 2024	20182-006-1	3M-Review	3,547.50
9	Metro Builders & Engineers Group	Feb 22, 2024	PP#5	3M-Const	13,680.99
8	P2S, Inc.	Feb 5, 2024	SIN040720	3M-Power	1,725.50
6	Metro Builders & Engineers Group	Jan 22, 2024	PP#4	3M-Const	50,781.25
5	Metro Builders & Engineers Group	Jan 9, 2024	PP#3	3M-Const	33,299.48

(Cont.)

[illegible]

Updated: September 12, 2024

[illegible]



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024

**TO:** **FINANCE COMMITTEE**

**FROM:** Mr. Dennis Hoffmeyer, Finance Manager/CFO  
Mr. Bob Egan, Financial Advisor

**VIA:** Mr. Dennis D. LaMoreaux, General Manager

**RE:** ***DISCUSSION AND POSSIBLE ACTION TO CREATE NEW BANK ACCOUNT FOR CASH FLOW PAYMENTS RELATED TO THE PURE WATER AV DEMONSTRATION FACILITY AND PALMDALE DITCH ENCLOSURE FEDERAL AND STATE GRANT PROGRAMS. (FINANCE MANAGER HOFFMEYER/FINANCIAL ADVISOR EGAN)***

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## **Recommendation:**

Staff recommends that the Committee approve moving forward with establishing a new bank account for cash flow of payments related to the Pure Water AV Demonstration Facility and Palmdale Ditch Enclosure projects.

## **Alternative Options:**

There are no alternative options.

## **Impact of Taking No Action:**

The District will utilize current bank accounts for this process.

## **Background:**

The Palmdale Water District has issued check payments to Hazen and Sawyer for the Palmdale Ditch Enclosure project. On August 12, the District had a payment of \$729,654.43, which caused a funding issue due to known and budgeted expenses. Staff delayed the mailing of this payment for two weeks until sufficient investments had matured to cover the check.

The state grant funds fully cover this project, but we must incur the expense before seeking reimbursement. The State requires the District to submit those documents every quarter, and it can take up to 60 days before we receive the funds back. Until now, the District has not had more than \$350,000.00 outstanding. Presently, the State will owe the District \$991,624.00 for the quarter closing on September 30, 2024. As this project progresses, these payments will continue to increase for Hazen and Sawyer for design work and the start of construction.

A secondary issue is that the Pure Water AV Demonstration Facility will have a similar expenditure requirement. After discussions with Yared Girmai, the WIFIA program coordinator for the District, we will have identical reimbursement requirements. This is made a little easier by having the 2024 water revenue bond funds available to make the payments. The federal



September 17, 2024

requirements will also require reimbursement to be done once a month, either on the 1st or 15th of each month, after they have reviewed the necessary submitted invoice and backup.

Mr. Egan and I are concerned that the District could potentially have between \$3 to \$7 million in transition at any one time for these two projects. Even a review of the grant funding from the federal programs will require the District to disburse funds before reimbursement. The Bureau of Reclamation has a 50% match requirement to receive funding.

Staff plans to open a dedicated account at Citizens Business Bank or UBS Financial, depending on which option offers better short-term interest earnings. This account will hold the funds received from the State and EPA and will be used for payments related to these two projects. By doing this, the staff will avoid waiting for investments to mature or affecting the budgeted general operating funds. This approach will also prevent issues with insufficient funds for large disbursements while awaiting future reimbursements.

**Strategic Plan Initiative/Mission Statement:**

This item is under Strategic Initiative No. 4 – Financial Health and Stability.

This item directly relates to the District's Mission Statement.

**Supporting Documents:**

- None at this time



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024  
**TO:** FINANCE COMMITTEE  
**FROM:** Mr. Dennis Hoffmeyer, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***DISCUSSION AND POSSIBLE ACTION ON A RECOMMENDATION FOR PERFORMING A WIFIA LOAN INTEREST RATE RESET THROUGH RE-EXECUTION OF THE LOAN AGREEMENT. (FINANCE MANAGER HOFFMEYER)***

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## **Recommendation:**

Staff recommends that the Committee recommend that the Board moves forward with performing a WIFIA loan interest rate reset through a re-execution of the loan agreement.

## **Alternative Options:**

There are no alternative options.

## **Impact of Taking No Action:**

The District will continue at the present WIFIA loan rate of 4.49%.

## **Background:**

In June, the Palmdale Water District approved the phase 1 loan documents for the Pure Water AV Demonstration Facility. When the District executed those documents, it set the interest rate at 4.49%. Since then, staff has continued to monitor the rates and at this point it would be a cost savings to move forward with doing the rate reset.

We have been in discussion with NHA Advisors and our EPA contact. Attached are the initial documents necessary to perform the rate reset. The information that staff has been given as of September 5, 2024, has the current rate at 4.14% for a decrease of 35 basis points. This process will take approximately six weeks to complete, so the rates might continue to decrease or slightly increase. This would have the District seeing a \$33,000.00 average annual savings compared to the current debt service on the loan after associated fees are paid. The total potential savings for the life of the 20-year loan would be approximately \$660,000.00.

## **Strategic Plan Initiative/Mission Statement:**

This item is under Strategic Initiative No. 4 – Financial Health and Stability.

This item directly relates to the District's Mission Statement.

BOARD OF DIRECTORS  
PALMDALE WATER DISTRICT  
VIA: Mr. Dennis. D. LaMoreaux, General Manager  
RE: WIFIA Loan Interest Rate Reset

September 17, 2024

**Supporting Documents:**

- Palmdale Water District Official Borrower Request for Re-Execution – 2024 WIFIA Loan
- Appendix A: Determining Market Rate Bonds Scale for Palmdale Water District
- Appendix B: Market Rate Bonds Cashflows for Palmdale Water District

Palmdale Water District  
Official Borrower Request for Re-Execution of the Loan Agreement  
2024 WIFIA Loan

Background and Summary of the Request

Palmdale Water District successfully funded a 2024 WIFIA Loan and WIFIA Master Agreement in June 2024. Work on Project 1 (as defined under the WIFIA Master Agreement) is underway and the District expects to make its first draws on the 2024 WIFIA Loan in November or December 2024. To date, there has been no disbursement of funds.

Since closing the District’s 2024 WIFIA Loan, market rates have decreased. There is also a general market consensus that the Fed will decrease the short-term rate at its September meeting and at subsequent meetings in the calendar year 2024.

Accordingly, the District requests that the Environmental Protection Agency authorizes a re-execution of the 2024 WIFIA Loan Agreement to enable the District to benefit from the recent decreases in interest rates. The District recognizes that this request is only available one time per loan and that re-execution of the loan agreement does not re-open the whole loan agreement for re-execution.

The following provides responses to the specific items requested in the WIFIA Loan Re-Execution Borrower Guide.

I. Demonstrated ability to obtain a better rate from alternative sources in the market on debt comparable to the terms of the WIFIA loan and of equal lien priority.

The Palmdale Water District’s 2024 WIFIA loan has a rate of 4.49% and a 20-year maturity (16-8 WAL). Given the District’s current “A” - Subordinate lien credit rating, we expect that the District’s market-rate true interest cost for similarly-termed debt would be approximately 4.0% based on current market. This is based on a recent (9/4/2024) comparable market rate utility bond sale for West Memphis Arkansas. After adjusting for the underlying credit rating differences (West Memphis is a “BBB” underlying credit vs the District’s “A-“ underlying credit), and updating the index to this week (9/9/2024), we reasonably believe the District’s scale for a 20-year market-rate financing with a structure similar to the outstanding 2024 WIFIA Loan would be as follows:

Palmdale Water District: Estimated Current Bond Financing Scale		
	Coupon	Estimated Yield (As of 9/9/2024)
Term Bond 1 (2039 Maturity)	4.00%	3.85%
Term Bond 2 (2945 Maturity)	4.00%	4.02%

Please see Appendix A for additional detail regarding the derivation of the market rate scale.

II. Explanation of how the alternative funding would translate to significant savings and quantification of the savings.

Taking the estimated market rate scale (see section above) and structuring a market rate bond with similar features to the 2024 WIFIA loan, we estimate that the true interest cost of a market rate financing for the District would be approximately 4.0%. We assume the market rate bond has very comparable features to the WIFIA loan: capitalized interest through April 2026, \$14.805 million in project funds, principal repayments commencing in 2035, and the loan fully repaid in 2045 (i.e. 20-year term). After accounting for the costs of issuance (including underwriting discount, bond insurance, reserve surety, and other issuance costs), the total estimated par for a market rate financing would be

approximately \$15,850,000. This is not dis-similar from the \$15,804,000 estimated total 2024 WIFIA Loan amount reflecting the authorized par and the estimated capitalized interest.

Estimated Sources and Uses for a Comparable Market Rate Bond	
Sources of Funds	
Par Amount of Bonds	\$15,850,000.00
Reoffering Premium	\$78,908.80
Total Sources of Funds	\$15,928,908.80
Uses of Funds	
Deposit to Project Construction Fund	\$14,805,000.00
Deposit to Capitalized Interest (CIF) Fund	\$632,238.89
Costs of Issuance*	\$300,000.00
Total Underwriter's Discount (0.500%)	\$79,250.00
Gross Bond Insurance Premium (25.0 bp)	\$64,808.60
Reserve Surety Fee (3%)	\$47,427.36
Rounding Amount	\$183.95
Total Uses of Funds	\$15,928,908.80

*\*Issuance costs include bond counsel, disclosure counsel, financial advisory, rating, trustee, printing, and other issuance related expenses*

With these assumptions regarding sources and uses of funds and the scale assumptions identified in Section I, we estimate approximately \$55,000 average annual savings through 2045. As shown in the table below, this equates to approximately \$1.114 million cumulative savings, or \$760,000 in present value savings (net of issuance costs, discounted at 4% to 2024). Complete cashflows for this estimated market rate bond are included in Appendix B.

2024 WIFIA Loan vs Market Rate Bonds Comparison  
Estimated Annual Savings

Bond Year	2024 WIFIA Loan			Current Market Rate Bonds*			Savings	
	Principal	Interest	P&I	Principal	Interest	P&I	(Market Rate Bonds vs 2024 WIFIA)	NPV Savings (4% Discount)
10/1/2024		Capitalized	\$0		Capitalized	\$0	\$0	\$0
10/1/2025		Capitalized	\$0		Capitalized	\$0	\$0	\$0
10/1/2026		\$354,822	\$354,822		\$317,000	\$317,000	\$37,822	\$34,968
10/1/2027		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$67,246
10/1/2028		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$64,660
10/1/2029		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$62,173
10/1/2030		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$59,782
10/1/2031		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$57,482
10/1/2032		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$55,272
10/1/2033		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$53,146
10/1/2034		\$709,643	\$709,643		\$634,000	\$634,000	\$75,643	\$51,102
10/1/2035	\$1,142,475	\$709,643	\$1,852,118	\$1,175,000	\$634,000	\$1,809,000	\$43,118	\$28,008
10/1/2036	\$1,193,772	\$658,346	\$1,852,118	\$1,225,000	\$587,000	\$1,812,000	\$40,118	\$25,057
10/1/2037	\$1,247,372	\$604,746	\$1,852,118	\$1,270,000	\$538,000	\$1,808,000	\$44,118	\$26,496
10/1/2038	\$1,303,379	\$548,739	\$1,852,118	\$1,320,000	\$487,200	\$1,807,200	\$44,918	\$25,939
10/1/2039	\$1,361,901	\$490,217	\$1,852,118	\$1,375,000	\$434,400	\$1,809,400	\$42,718	\$23,720
10/1/2040	\$1,423,050	\$429,068	\$1,852,118	\$1,430,000	\$379,400	\$1,809,400	\$42,718	\$22,807
10/1/2041	\$1,486,945	\$365,173	\$1,852,118	\$1,485,000	\$322,200	\$1,807,200	\$44,918	\$23,059
10/1/2042	\$1,553,709	\$298,409	\$1,852,118	\$1,545,000	\$262,800	\$1,807,800	\$44,318	\$21,876
10/1/2043	\$1,623,470	\$228,647	\$1,852,118	\$1,610,000	\$201,000	\$1,811,000	\$41,118	\$19,516
10/1/2044	\$1,696,364	\$155,753	\$1,852,118	\$1,675,000	\$136,600	\$1,811,600	\$40,518	\$18,492
10/1/2045	\$1,772,531	\$79,587	\$1,852,118	\$1,740,000	\$69,600	\$1,809,600	\$42,518	\$18,658
Total	\$15,804,967	\$10,600,291	\$26,405,258	\$15,850,000	\$9,441,200	\$25,291,200	\$1,114,058	\$759,459

*\*As of 9/9/2024; see derivation of market rate scale in Appendix A; See full cashflows of market rate financing in Appendix B*

III. Explanation on how the lower interest rate would bring positive impact. That is, what are the expected benefits to the project, system, ratepayers, community, public health, and/or the environment from re-executing your WIFIA loan beyond monetary savings.

While monetary consideration is the motivating force behind this request for a re-execution of the 2024 WIFIA Loan, there are some additional benefits of a re-execution.

First, the District’s service area is considered a “Disadvantaged Community”, as defined under the California Water Code. This means that the annual median household income within the District’s service area is less than 80% of the California Statewide annual median household income. Median household income in the District’s service area in 2022, as calculated by the California State Water Resources Control Board, is \$55,129. The average ratepayer spends a combined \$1,455.66 on water and sewer service, or approximately 2.54% of median household income. Reducing the debt service on Project 1 financing will help reduce the pressure for the District to raise water rates over the long-term in order to maintain compliance with its rate covenants.

Second, the District recognizes that Projects 1 and 2 combined are the largest capital project in the District’s history. Accordingly, the District actively seeks out alternative funding sources and grants to reduce the ratepayer impact. The District is in the middle of a cost of service study to calculate the necessary revenues (and rate increases) over the next five years to provide funding for Projects 1 and 2. Given the anticipated magnitude of the rate increases over the next five years, the District recognizes the benefit of being able to point to a WIFIA rate reset as a tangible example of how the District is pursuing all avenues to reduce the cost of the projects.

Finally, Projects 1 and 2 are part of the Pure Water Antelope Valley project, which seeks to diversify the District’s water sources and increase the system’s resiliency. While the District’s current financing plan outlines a realistic path to funding the entire project, reducing costs further increases the probability of successful completion and increases the ability of the District to withstand potential cost increases in other areas of the project.

IV. Documentation showing that the project is in pre-construction or under construction and that the value of the eligible project costs remaining to date is more than the WIFIA loan % share of the total eligible project cost. In other words, the value of the eligible project costs remaining must be equal or greater than the loan amount. (Note: The most recently provided Construction Progress Report should generally be sufficient to satisfy this requirement)

Project 1 remains in the pre-construction phase. The District expects W.M. Lyles Co (the “Contractor”) to mobilize on September 25<sup>th</sup>, with the first billings in late October. Accordingly, the eligible project costs remaining to date exceed the 2024 WIFIA Loan’s 49% share of Project 1’s eligible costs.

	Amount	Percentage of Total
Project 1 Total Eligible Costs (as of June 17, 2024)	\$30,227,879	100%
2024 WIFIA Loan Authorized Amount	\$14,805,000	49%
Total Project 1 Costs Incurred to Date	XXX	XX

Commented [CS1]: Dennis, do you have an estimate for the total costs incurred to date on Project 1?

V. Documentation showing that the loan amount at the time of re-execution will still be no more than 49% of eligible project costs. (Note: The most recently provided Construction Progress Report should generally be sufficient to satisfy this requirement)

Based on the awarded contract with Project 1 Contractor, the total expected for Project 1 is slightly higher than previously anticipated. As a result, re-executing the 2024 WIFIA Loan with a total authorized amount of \$14,805,000 will be less than 49% of eligible project costs.

Project 1 Estimated Capital Costs	
Demonstration Facility (W.M. Lyles Contract)	\$24,558,000
Well 37 Design & Permitting	\$781,922
Full-Scale AWPf Program Management - Phase 2	\$6,206,775
Full-Scale AWPf Project Management - Phase 2	\$2,042,286
<b>Total Updated Estimated Project 1 Capital Costs</b>	<b>\$33,781,965</b>
Total Updated Estimated Eligible Costs for Project 1	\$36,216,826
<b>2024 WIFIA Loan Authorized Amount as Percentage of Updated Costs</b>	<b>41%</b>

**Commented [CS2]:** Dennis, we could simply say the current estimated total eligible costs instead of showing this level of detail if you prefer.

These estimates I have are a bit dated. Do they still look right to you?

# Appendix A: Determining Market Rate Bonds Scale for Palmdale Water District

Palmdale Water District

WIFIA Re-Execution Request

Determining Market-Rate Bonds Scale for PWD

Comparable Transaction						Determining Palmdale Water District's Scale		
Sale Date	9/4/2024					Date TBD		
Issuer	West Memphis Arkansas					Palmdale Water District		
Deal	2024 Public Utility System Revenue Bonds					2024 Indicative Water Revenue		
Type	New Money					New Money		
Par	\$15,335,000					\$15,000,000		
Tax Status	Tax-Exempt					Tax Exempt		
Rating	AA(BBB)					AA (A-)		
Insurance	BAM					N/A		
Call Date	12/1/2031					Standard 10-year Par Call		
Maturity	Par	Coupon	Yield	9/4/24 AAA GO MMD	Comparable's Spreads (Bps)	Spreads Adjustment (Bps): Credit Rating <sup>(1)</sup>	Update for 9/9/24 MMD	Implied Yields for PWD (Current Market)
2025	\$170,000.00	5.000	3.00	2.51	49	-10	2.44	2.83
2026	\$265,000.00	5.000	3.00	2.43	57	-10	2.37	2.84
2027	\$275,000.00	5.000	3.00	2.42	58	-10	2.36	2.84
2028	\$290,000.00	5.000	3.00	2.42	58	-10	2.36	2.84
2029	\$305,000.00	5.000	3.05	2.40	65	-10	2.34	2.89
2030	\$320,000.00	5.000	3.15	2.45	70	-10	2.39	2.99
2031	\$335,000.00	5.000	3.23	2.53	70	-10	2.47	3.07
2032	\$355,000.00	5.000	3.33	2.61	72	-10	2.55	3.17
2033	\$370,000.00	5.000	3.43	2.66	77	-10	2.59	3.26
2034	\$390,000.00	5.000	3.48	2.70	78	-10	2.63	3.31
2035				2.76			2.69	
2036				2.82			2.75	
2037				2.86			2.79	
2038				2.89			2.82	
2039	\$2,215,000.00	4.000	4.02	2.97	105	-10	2.9	3.85
2040				3.05			2.98	
2041				3.14			3.07	
2042				3.20			3.13	
2043				3.26			3.19	
2044	\$2,695,000.00	4.000	4.15	3.31	84	-10	3.24	3.98
2045				3.35	84	-10	3.28	4.02
2046				3.39			3.32	
2047				3.45			3.38	
2048				3.47			3.4	
2049	\$3,295,000.00	4.250	4.35	3.51	84	-10	3.44	4.18
2050				3.53			3.46	
2051				3.54			3.47	
2052				3.57			3.5	
2053				3.58			3.51	
2054	\$4,055,000.00	4.250	4.37	3.59	78	-10	3.52	4.2

## Footnotes:

1) Palmdale Water District's underlying credit rating is "A-" for subordinate lien debt (parity to 2024 WIFIA and 2024 Bonds). Accordingly, it is appropriate to adjust the spreads for a potential PWD bond issue to account for the benefit of Palmdale Water District's higher underlying rating. A general rule is that yields move 5-7 basis points for every 1-notch difference in the underlying credit. Accordingly, it is appropriate to adjust the spreads down by 10-15 basis points in this case. We chose 10 basis points to be conservative.

2) Since this market rate comparable bond transaction does not have a maturity in 2045, the final year of PWD's WIFIA loan, we assume the implied spreads for a 2045 maturity are the same as the spread for a 2044 maturity. This assumption is further validated by the spreads for 2049 maturity also being 84 basis points.

3) Holding spreads constant at 84 bps and applying the applicable adjustment for PWD's 2-notch better credit rating, the difference in yield between the implied 2044 maturity and a 2045 maturity is a function of the slope of the MMD index at that point (4 basis points).



# Appendix B: Market Rate Bonds Cashflows for Palmdale Water District

\$15,850,000

Palmdale Water District  
2024 Market Rate bonds  
Comparison to 2024 WIFIA Loan; 9/9/24 Market Rates

## Sources & Uses

Dated 04/02/2025 | Delivered 04/02/2025

<b>Sources Of Funds</b>	
Par Amount of Bonds	\$15,850,000.00
Reoffering Premium	78,908.80
<b>Total Sources</b>	<b>\$15,928,908.80</b>
<b>Uses Of Funds</b>	
Deposit to Project Construction Fund	14,805,000.00
Deposit to Capitalized Interest (CIF) Fund	632,238.89
Costs of Issuance	300,000.00
Total Underwriter's Discount (0.500%)	79,250.00
Gross Bond Insurance Premium ( 25.0 bp)	64,808.60
Reserve Surety Fee (3%)	47,427.36
Rounding Amount	183.95
<b>Total Uses</b>	<b>\$15,928,908.80</b>

**\$15,850,000**

Palmdale Water District  
2024 Market Rate bonds  
Comparison to 2024 WIFIA Loan; 9/9/24 Market Rates

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S
10/01/2025	-	-	315,238.89	315,238.89	(315,238.89)	-
10/01/2026	-	-	634,000.00	634,000.00	(317,000.00)	317,000.00
10/01/2027	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2028	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2029	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2030	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2031	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2032	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2033	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2034	-	-	634,000.00	634,000.00	-	634,000.00
10/01/2035	1,175,000.00	4.000%	634,000.00	1,809,000.00	-	1,809,000.00
10/01/2036	1,225,000.00	4.000%	587,000.00	1,812,000.00	-	1,812,000.00
10/01/2037	1,270,000.00	4.000%	538,000.00	1,808,000.00	-	1,808,000.00
10/01/2038	1,320,000.00	4.000%	487,200.00	1,807,200.00	-	1,807,200.00
10/01/2039	1,375,000.00	4.000%	434,400.00	1,809,400.00	-	1,809,400.00
10/01/2040	1,430,000.00	4.000%	379,400.00	1,809,400.00	-	1,809,400.00
10/01/2041	1,485,000.00	4.000%	322,200.00	1,807,200.00	-	1,807,200.00
10/01/2042	1,545,000.00	4.000%	262,800.00	1,807,800.00	-	1,807,800.00
10/01/2043	1,610,000.00	4.000%	201,000.00	1,811,000.00	-	1,811,000.00
10/01/2044	1,675,000.00	4.000%	136,600.00	1,811,600.00	-	1,811,600.00
10/01/2045	1,740,000.00	4.000%	69,600.00	1,809,600.00	-	1,809,600.00
<b>Total</b>	<b>\$15,850,000.00</b>	<b>-</b>	<b>\$10,073,438.89</b>	<b>\$25,923,438.89</b>	<b>(632,238.89)</b>	<b>\$25,291,200.00</b>

**\$15,850,000**

Palmdale Water District

2024 Market Rate bonds

Comparison to 2024 WIFIA Loan; 9/9/24 Market Rates

## Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S
04/02/2025	-	-	-	-	-	-
10/01/2025	-	-	315,238.89	315,238.89	(315,238.89)	-
04/01/2026	-	-	317,000.00	317,000.00	(317,000.00)	-
10/01/2026	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2027	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2027	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2028	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2028	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2029	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2029	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2030	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2030	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2031	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2031	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2032	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2032	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2033	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2033	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2034	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2034	-	-	317,000.00	317,000.00	-	317,000.00
04/01/2035	-	-	317,000.00	317,000.00	-	317,000.00
10/01/2035	1,175,000.00	4.000%	317,000.00	1,492,000.00	-	1,492,000.00
04/01/2036	-	-	293,500.00	293,500.00	-	293,500.00
10/01/2036	1,225,000.00	4.000%	293,500.00	1,518,500.00	-	1,518,500.00
04/01/2037	-	-	269,000.00	269,000.00	-	269,000.00
10/01/2037	1,270,000.00	4.000%	269,000.00	1,539,000.00	-	1,539,000.00
04/01/2038	-	-	243,600.00	243,600.00	-	243,600.00
10/01/2038	1,320,000.00	4.000%	243,600.00	1,563,600.00	-	1,563,600.00
04/01/2039	-	-	217,200.00	217,200.00	-	217,200.00
10/01/2039	1,375,000.00	4.000%	217,200.00	1,592,200.00	-	1,592,200.00
04/01/2040	-	-	189,700.00	189,700.00	-	189,700.00
10/01/2040	1,430,000.00	4.000%	189,700.00	1,619,700.00	-	1,619,700.00
04/01/2041	-	-	161,100.00	161,100.00	-	161,100.00
10/01/2041	1,485,000.00	4.000%	161,100.00	1,646,100.00	-	1,646,100.00
04/01/2042	-	-	131,400.00	131,400.00	-	131,400.00
10/01/2042	1,545,000.00	4.000%	131,400.00	1,676,400.00	-	1,676,400.00
04/01/2043	-	-	100,500.00	100,500.00	-	100,500.00
10/01/2043	1,610,000.00	4.000%	100,500.00	1,710,500.00	-	1,710,500.00
04/01/2044	-	-	68,300.00	68,300.00	-	68,300.00
10/01/2044	1,675,000.00	4.000%	68,300.00	1,743,300.00	-	1,743,300.00
04/01/2045	-	-	34,800.00	34,800.00	-	34,800.00
10/01/2045	1,740,000.00	4.000%	34,800.00	1,774,800.00	-	1,774,800.00
<b>Total</b>	<b>\$15,850,000.00</b>	<b>-</b>	<b>\$10,073,438.89</b>	<b>\$25,923,438.89</b>	<b>(632,238.89)</b>	<b>\$25,291,200.00</b>

\$15,850,000

Palmdale Water District  
2024 Market Rate bonds  
Comparison to 2024 WIFIA Loan; 9/9/24 Market Rates

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
10/01/2039	Term 1 Coupon	4.000%	3.850%	6,365,000.00	101.654%	6,470,277.10
10/01/2045	Term 2 Coupon	4.000%	4.020%	9,485,000.00	99.722%	9,458,631.70
Total	-	-	-	\$15,850,000.00	-	\$15,928,908.80

Bid Information

Par Amount of Bonds	\$15,850,000.00
Reoffering Premium or (Discount)	78,908.80
Gross Production	\$15,928,908.80
Total Underwriter's Discount (0.500%)	\$(79,250.00)
Bid (99.998%)	15,849,658.80
Total Purchase Price	\$15,849,658.80
Bond Year Dollars	\$251,835.97
Average Life	15.889 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	4.0001355%
True Interest Cost (TIC)	4.0001953%

**\$15,850,000**

Palmdale Water District

2024 Market Rate bonds

Comparison to 2024 WIFIA Loan; 9/9/24 Market Rates

## Bond Summary Statistics

Maturity	Type	Par Value	Price	Average Coupon	Average Life
10/01/2039	Term 1	6,365,000.00	101.654%	4.000%	12.575 Years
10/01/2045	Term 2	9,485,000.00	99.722%	4.000%	18.112 Years
<b>Total</b>	<b>-</b>	<b>\$15,850,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Bond Statistics

Dated	4/02/2025
Delivery Date	4/02/2025
Last Maturity	10/01/2045

Arbitrage Yield	4.0182054%
True Interest Cost (TIC)	4.0001953%
Net Interest Cost (NIC)	4.0001355%
All Inclusive Cost (AIC)	4.2287779%

Average Coupon	4.0000000%
Average Life (years)	15.889 Years

Par Amount	15,850,000.00
Bond Proceeds	15,816,672.84
Total Interest	10,073,438.89
Net Interest	10,073,780.09
Bond Years from Dated Date	251,835,972.22
Bond Years from Delivery Date	251,835,972.22
Total Debt Service	25,923,438.89
Maximum Annual Debt Service	1,812,000.00
Average Annual Debt Service	1,234,449.47

Total Underwriter's Discount (0.500%)	79,250.00
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Bid (99.998%)	15,849,658.80
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### Derivation of True Interest Cost

Par Amount of Bonds	\$15,850,000.00
Reoffering Premium or (Discount)	78,908.80
Total Underwriter's Discount (0.500%)	(79,250.00)
Total Purchase Price	\$15,849,658.80
True Interest Cost (TIC)	4.0001953%

### Derivation of All Inclusive Cost

Par Amount of Bonds	\$15,850,000.00
Reoffering Premium or (Discount)	78,908.80
Bond Insurance Premium..... ( 25.0 bp)	(64,808.60)
Total Underwriter's Discount (0.500%)	(79,250.00)
Costs of Issuance	(300,000.00)
Other Credit Enhancement Fees	(47,427.36)
Net Issue Proceeds	\$15,437,422.84
All Inclusive Cost (AIC)	4.2287779%

### Derivation of Arbitrage Yield

Par Amount of Bonds	\$15,850,000.00
Reoffering Premium or (Discount)	78,908.80
Bond Insurance Premium..... ( 25.0 bp)	(64,808.60)
Other Credit Enhancement Fees	(47,427.36)
Original Issue Proceeds	\$15,816,672.84
Bond Yield for Arbitrage Purposes	4.0182054%

9/11/2024 | 2:28 PM



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024  
**TO:** **FINANCE COMMITTEE**  
**FROM:** Mr. Dennis J. Hoffmeyer, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***CONSIDERATION AND POSSIBLE ACTION ON A RECOMMENDATION TO APPROVE  
COMPUTER EQUIPMENT LEASING PROGRAM. (UP TO \$250,000.00 – BUDGETED  
– FINANCE MANAGER HOFFMEYER)***

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All related information to this item will be provided in detail at the September 17, 2024 Finance Committee Meeting.



# COMMITTEE MEMORANDUM

**DATE:** September 17, 2024  
**TO:** **FINANCE COMMITTEE**  
**FROM:** Mr. Dennis J. Hoffmeyer, Finance Manager/CFO  
**VIA:** Mr. Dennis D. LaMoreaux, General Manager  
**RE:** ***REPORTS. (FINANCE MANAGER HOFFMEYER)***

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## **DISCUSSION:**

Presented here are financial-related items for your review.

1. Accounts Receivable Overview:

a. Outstanding Balances for Accounts 60-Days Delinquent (attachment):

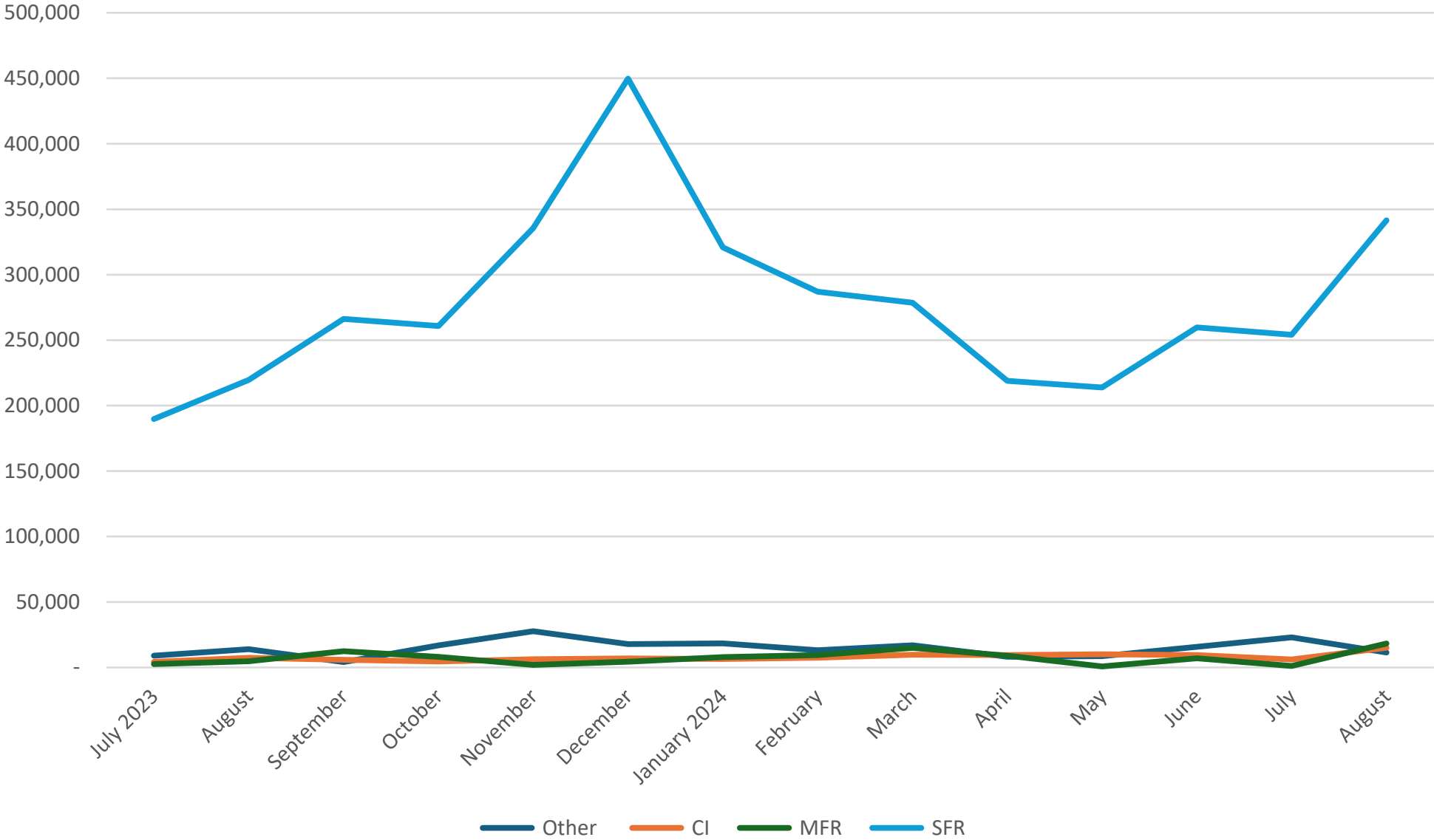
August had a backlog in delinquent account turnoffs. This is directly correlated to the current meter issue that saw significant increases in service orders. This left little staff time to perform the turnoffs compared to prior months.

b. Staff continues working with customers and offering payment arrangements to encourage payment on outstanding balances. As of August 31, we have 31 arrangements. The total amount in arrangements is \$12,261.08 with \$3,464.19 already collected and \$8,796.89 outstanding. Staff continued to see more arrangements related to leak applications.

2. 2024 Revenue Projections (attachment):

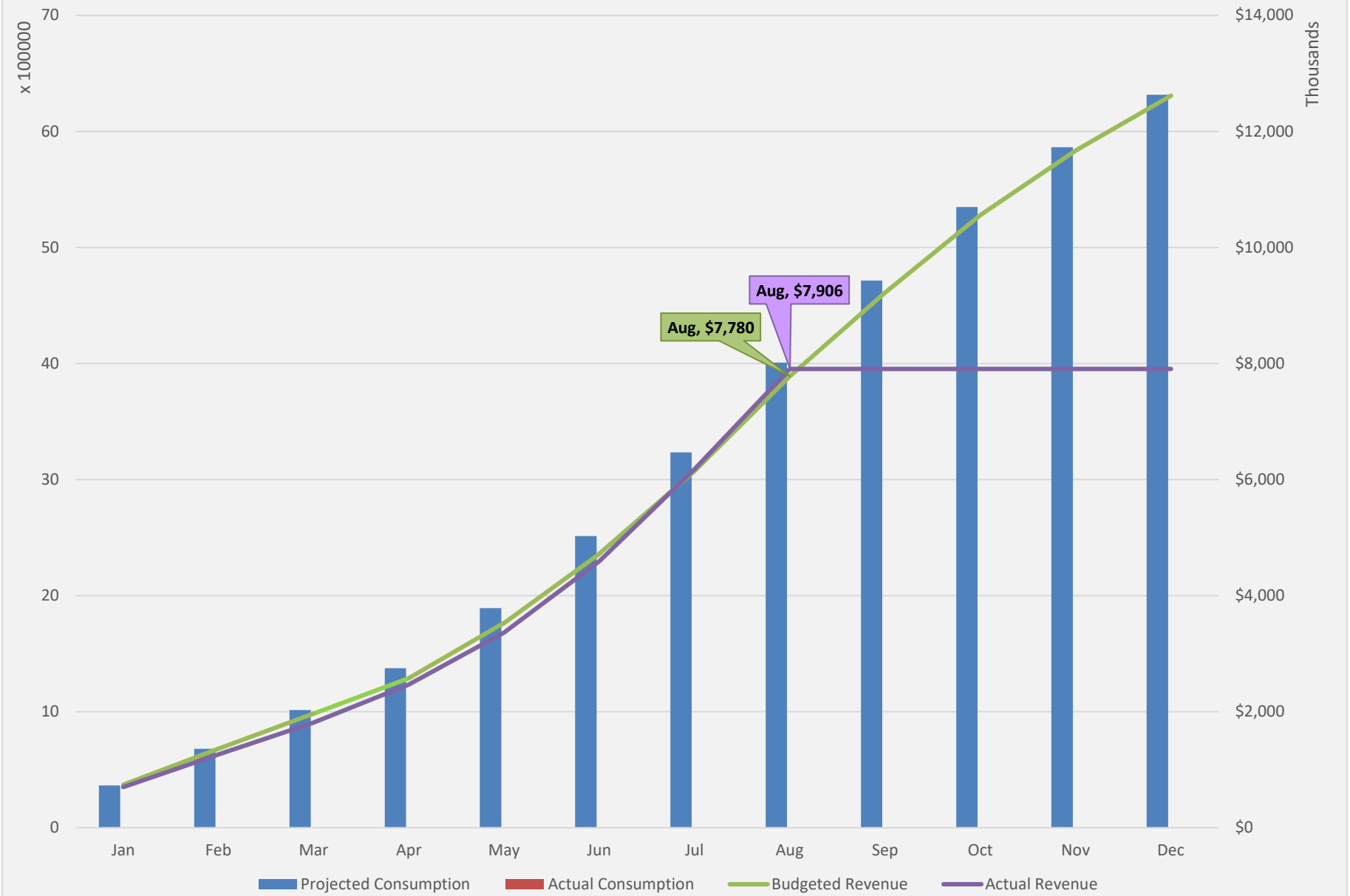
a. Based on selling 14,500 AF shown as of August 31, revenue is ahead of projections by approximately \$126,593.00.

Palmdale Water District  
Outstanding Balances for Accounts 60-Days Delinquent





2024 Revenue Projections Based on 14,500 AF



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

	Audited 2021	Audited 2022	Audited 2023	Jul 2023 - Jun 2024	Aug 2023 - Jul 2024	Sep 2023 - Aug 2024
<b>OPERATING REVENUES</b>	30,361	31,320	34,573	33,144	33,543	34,014
Rate Stabilization Fund	(100)	(146)	(188)	(138)	(138)	(138)
	30,261	31,174	34,385	33,006	33,405	33,876
<b>OPERATING EXPENSES</b>						
Gross operating expenses	28,492	26,502	31,453	29,930	30,741	29,727
Overhead adjustment	281	2,057	(203)			
SWP Fixed operations and maint	(26)	(33)	(31)	(34)	(31)	(28)
Non-Cash Related OPEB Expense	(894)	(17)	(362)			
Capital portion included above						
<b>TOTAL EXPENSES</b>	27,853	28,509	30,856	29,896	30,710	29,699
<b>NET OPERATING REVENUES</b>	2,408	2,665	3,529	3,110	2,695	4,177
<b>NON-OPERATING REVENUE</b>						
Ad valorem property taxes	2,502	3,477	3,908	3,843	3,871	3,898
Interest income	121	138	267	430	448	439
Capital improvement fees	5,248	2,318	802	155	156	179
Other income	88	162	123	1,229	1,193	1,189
<b>TOTAL NON-OPERATING INCOME</b>	7,958	6,095	5,100	5,657	5,668	5,705
<b>NET REV AVAILABLE FOR DEBT SERVICE</b>	10,366	8,761	8,628	8,767	8,363	9,882
<b>NET DEBT SERVICE</b>						
2012 Issue - Bank of Nevada (Matured)	1,373	1,372	1,373	687	687	687
2013A Water Revenue Bond (Matured)	1,845	1,377	758	620	620	620
2018A Water Revenue Bond	569	819	821	816	816	816
2020 Private Placement	279	308	308	308	308	308
2020 Water Revenue Refunding Bond	160	554	553	552	552	552
2021 Water Revenue Bond		359	300	300	300	300
2021 Water Revenue Refunding Bond		368	368	367	367	367
2023 Water Revenue Bond				506	506	506
2024 Water Revenue Bond						
2017 Capital Lease	179	88				
2022 Capital Lease			527	527	527	527
<b>TOTAL DEBT SERVICE</b>	4,406	5,246	5,008	4,682	4,682	4,682
<b>DEBT SERVICE COVERAGE</b>	<b>2.35</b>	<b>1.67</b>	<b>1.72</b>	<b>1.87</b>	<b>1.79</b>	<b>2.11</b>
<b>NET REV AVAILABLE AFTER D/S</b>	5,960	3,515	3,621	4,085	3,681	5,200