

**AVSWCA**

Antelope Valley State Water Contractors Association

www.avswca.org**COMMISSIONERS***ROBERT PARRIS, Chair**VINCENT DINO, Vice Chair**LEO THIBAUT, Treasurer-Auditor**KATHY MAC LAREN, Secretary**KEITH DYAS, Commissioner**BARBARA HOGAN, Commissioner***OFFICERS***MATTHEW R. KNUDSON, General Manager**PETER THOMPSON II, Asst. General Manager**TOM BARNES, Resources Manager**DENNIS HOFFMEYER, Controller**DANIELLE HENRY, Management Analyst*

March 7, 2019

***Agenda for the Regular Meeting of the
Commissioners of the Antelope Valley State Water Contractors
Association to be held at the Palmdale Water District office
at 2029 East Avenue Q, Palmdale
Thursday, March 14, 2019
6:00 p.m.***

NOTE: To comply with the Americans with Disabilities Act, to participate in any Association meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to an Association 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 Palmdale Water District's office located at 2029 E. Ave. Q, Palmdale. 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 Association to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance.
- 2) Roll call.
- 3) Adoption of agenda.
- 4) Public comments for items not on the agenda.
- 5) Consideration and possible action on minutes of regular meeting held February 19, 2019.
- 6) Payment of bills.

- 7) Discussion and possible action on Financial Analysis Study for Providing Replacement Water to the Antelope Valley. (General Manager Knudson/Assistant General Manager Thompson II)
- 8) Report of General Manager and Assistant General Manager.
 - a) Update on proposed east side recycled water line project.
 - b) Update on Big Rock Creek Joint Groundwater Recharge Project.
 - c) Update on Antelope Valley Watermaster meetings.
 - d) Update on Antelope Valley and Fremont Basin IRWMP Stakeholder meetings.
 - e) Update on Mutual Aid Agreement.
- 9) Report of Controller.
 - a) Update on Revenue, Expenses and Change in Net Position.
- 10) Reports of Commissioners.
- 11) Report of Attorney.
- 12) Commission members' requests for future agenda items.
- 13) Consideration and possible action on scheduling the next Association meeting April 11, 2019.
- 14) Adjournment.

ANTELOPE VALLEY

STATE WATER CONTRACTORS ASSOCIATION

Financial Analysis Study for Replacement Water Assessment

Draft Report / March 6, 2019



March 6, 2019

Mr. Matthew Knudson
General Manager
Antelope Valley State Water Contractors Association
2029 East Avenue Q
Palmdale, CA 93550

Subject: Financial Analysis Study for Replacement Water Assessment

Dear Mr. Knudson,

Raftelis Financial Consultants, Inc. (Raftelis) is pleased to provide this Financial Analysis Study for Replacement Water Assessment Report (Report) for the Antelope Valley State Water Contractors Association (AVSWCA). The primary objective of the study was to perform a financial analysis of the imported water costs associated with AVSWCA's groundwater basin recharge, and to develop Replacement Water Assessment fees to be assessed to property owners or agencies outside of AVSWCA's service area.

This Report summarizes the key findings and recommendations related to the financial analysis conducted as part of the study. It has been a pleasure working with you, and we thank you and other key staff from Antelope Valley-East Kern Water Agency, Littlerock Creek Irrigation District, and Palmdale Water District for the support provided during the course of this study.

Sincerely,
Raftelis Financial Consultants, Inc.

A blue ink signature of Sudhir Pardiwala.

Sudhir Pardiwala
Executive Vice President

A blue ink signature of Charles Diamond.

Charles Diamond
Consultant

Table of Contents

INTRODUCTION	1
METHODOLOGY & ASSUMPTIONS	1
ANALYSIS & RESULTS	3
APPENDIX A: SWP FIXED COSTS - AVEK	5
APPENDIX B: SWP FIXED COSTS – LCID	5
APPENDIX C: SWP FIXED COSTS – PWD	5

List of Tables

TABLE 1: ANNUAL COST ESCALATION	2
TABLE 2: TOTAL SWP DELIVERIES THROUGH 2017 IN ACRE-FEET	2
TABLE 3: PRESENT VALUE OF SWP FIXED COSTS.....	3
TABLE 4: CALCULATION OF UNIT RATE TO RECOVER SWP FIXED COSTS	3
TABLE 5: PROPOSED REPLACEMENT WATER ASSESSMENT FOR OUTSIDE USERS.....	4

List of Figures

FIGURE 1: PROPOSED REPLACEMENT WATER ASSESSMENT FOR OUTSIDE USERS	4
--	---

Introduction

The Antelope Valley State Water Contractors Association (AVSWCA) is a joint powers authority created in 1999 to optimize the use of water resources and to protect surface water and groundwater storage within the Antelope Valley. AVSWCA's three member agencies include the Antelope Valley-East Kern Water Agency (AVEK), Littlerock Creek Irrigation District (LCID), and Palmdale Water District (PWD). Each of the member agencies has a contract with the California Department of Water Resources for entitlement to and delivery of imported water from the State Water Project (SWP).

The AVSWCA's service area lies within the adjudicated Antelope Valley Groundwater Basin. As part of the adjudication judgement, the Antelope Valley Watermaster is tasked with determining the amount of imported Replacement Water from the SWP to be used to recharge the groundwater basin in order to ensure that the basin's Total Safe Yield is not exceeded. Imported SWP water to be utilized as Replacement Water will be purchased from AVSWCA's member agencies or other entities. AVSWCA is therefore interested in determining the per acre-foot (AF) cost for Replacement Water Assessments to be charged to groundwater producers within and surrounding its service area who do not have any entitlement in the SWP or rights in the Groundwater Basin.

Property owners subject to the proposed Replacement Water Assessments that reside within the service areas of AVSWCA's three member agencies contribute to the recovery of SWP capital costs through property taxes. However, property owners outside of the three member agencies' service areas (herein referred to as "Outside Users") do not own any entitlement rights and do not contribute to SWP costs. Therefore, it is appropriate for Replacement Water Assessments to be charged to Outside Users who are not SWP members or own rights in the Groundwater Basin. Although AVSWCA has preliminarily set the Replacement Water Assessment fee for groundwater users within its member agencies' service areas at \$415 per acre-foot for 2018, Replacement Water Assessment fees for Outside Users have to be developed.

The AVSWCA engaged Raftelis Financial Consultants, Inc. (Raftelis) in 2018 to conduct a Financial Analysis Study for Replacement Water Assessment (Study). The primary objective of the Study was to conduct financial analyses necessary to develop the proposed Replacement Water Assessments for Outside Users related to AVSWCA's groundwater recharge activities. This Financial Analysis Study for Replacement Water Assessment Report (Report) details the analysis performed by Raftelis as well as all results and recommendations.

Methodology & Assumptions

METHODOLOGY

Based on discussions with staff from each of AVSWCA's member agencies, Raftelis recommends establishing Replacement Water Assessment fees for Outside Users based on fixed cost payments made by each member agency to the California Department of Water Resources for the importation of SWP water as well as the variable cost associated with delivering Replacement Water. The member agencies and the property owners within their service areas continue to fund the fixed costs associated with importing SWP water. Therefore, if any SWP water entitlement of the three member agencies is utilized as Replacement Water by Outside Users, it is reasonable and equitable for the Outside Users to pay a Replacement Water Assessment based in part on the investments of the SWP members. AVSWCA's member agencies have been paying the capital costs of the SWP since the 1960s. The present value of those investments in the SWP should be accounted for in determining a fair price for the Replacement Water.

The primary steps required to calculate the proposed Replacement Water Assessment to charge to Outside Users are outlined below:

1. Calculate the unit rate designed to recover SWP fixed costs:
 - a) Determine the present value of SWP fixed costs through 2017 (delivery data, used in the analysis, was available through 2017) for all three member agencies as defined in Tables A, C, D, E, F, and G of each member agencies' water supply contract with the California Department of Water Resources. The SWP fixed costs included are the Capital Cost Component of the Transportation Charge, the Minimum OMP&R Component of the Transportation Charge, Delta Water Charges, Water System Revenue Bond Surcharge and Off-Aqueduct Power Facilities costs. The capital costs in each year is then converted to 2018 dollars using an average cost escalation factor of 3.9 percent which is equal to the average annual increase in the Consumer Price Index (CPI) between 1962 and 2017 as shown below in Table 1.

Table 1: Annual Cost Escalation

Key Assumption	Value	Notes
Annual Cost Escalation	3.90%	<i>Average CPI from 1962 to 2017</i>

- b) Calculate the fixed payment per acre-foot by dividing the result from Step 1a by total SWP deliveries received through 2017 across all three member agencies. This number represents the value of the SWP delivered water in dollars per acre-foot. This would represent the approximate value of purchasing SWP water entitlement and the corresponding deliveries.
2. Calculate the unit rate designed to recover variable water costs:
 - a) Take the existing Untreated Water Availability Charge rate in dollars per acre-foot for agricultural water delivered under terms of water service agreements through AVEK-owned facilities and adjust to account for 10% water loss due to leakage.
3. Add the SWP fixed cost unit rate from Step 1 and the variable cost unit rate from Step 2 to determine the Replacement Water Assessment for Outside Users to be charged by AVSWCA.

The following key inputs were utilized to calculate the proposed Water Replacement Assessment fees presented in this Report. Firstly, total SWP deliveries through 2017 to each member agency are shown below in Table 2. AVEK and LCID first began receiving SWP water in 1972, while PWD began receiving SWP water in 1985. Information on SWP deliveries was provided to Raftelis by member agency staff.

Table 2: Total SWP Deliveries through 2017 in Acre-Feet

Member Agency	SWP Deliveries
AVEK	2,242,419 AF
LCID	13,310 AF
PWD	338,659 AF
Total	2,594,388 AF

Analysis & Results

This section outlines the calculation of the proposed Replacement Water Assessment for AVSWCA. Table 3 below shows the determination of the present value of total annual SWP fixed cost payments for each member agency through 2017. As stated previously, SWP fixed costs included in this analysis are the Capital Cost Component of the Transportation Charge, the Minimum OMP&R Component of the Transportation Charge, Delta Water Charges, Water System Revenue Bond Surcharges, and Off-Aqueduct Power Facilities costs. Each of these annual costs in nominal USD are contained in Tables A, C, D, E, F, and G of each member agency's Water Supply Contract with the California Department of Water Resources. Raftelis then converted these costs into 2018 USD assuming annual cost escalation of 3.90% (as shown previously in Table 1). Table 3 below shows a summary of total SWP fixed cost payments through 2017 for each member agency in both nominal and 2018 USD. Please refer to Appendices A, B, and C for detailed SWP fixed costs by year and category for AVEK, LCID, and PWD respectively.

Table 3: Present Value of SWP Fixed Costs

Member Agency	Total SWP Fixed Cost Payments (Nominal)	Present Value of Total SWP Fixed Cost Payments (2018 USD)
AVEK	\$518,309,936	\$1,110,446,654
LCID	\$8,009,081	\$17,901,835
PWD	\$77,201,475	\$160,873,533
Total	\$602,520,492	\$1,289,222,022

Table 4 below shows the development of SWP fixed cost payments per acre-foot of delivery for AVSWCA's member agencies. The present value of total SWP fixed cost payments (from Table 3) is simply divided by the SWP entitlements in acre-feet (from Table 2) to arrive at unit cost per acre-foot. This result represents the unit rate to recover SWP fixed costs as described previously in Step 1b on page 2. The SWP fixed cost unit rate constitutes the first of two rate components used to determine the proposed Replacement Water Assessment.

Table 4: Calculation of Unit Rate to Recover SWP Fixed Costs

Line	Description	Amount	Notes/Source
1	Present Value of Total SWP Fixed Cost Payments	\$1,289,222,022	Table 3
2	Total SWP Deliveries	2,594,388 AF	Table 2
3	SWP Fixed Cost Unit Rate	\$496.93 / AF	= [Line 1] / [Line 2]

The second of the two rate components used to determine the proposed Replacement Water Assessment is the variable cost unit rate. This unit rate is designed to recover the variable cost of Replacement Water and is determined by taking the 2019 Untreated Water Availability Charge rate of \$406 per AF for agricultural water delivered under terms of water service agreements through AVEK-owned facilities and adjusting to account for an assumed 10% of water loss due to leakage. This calculation is shown in Equation 1 below.

$$\text{Equation 1: Variable Cost Unit Rate} = \frac{\$406/\text{AF}}{100\% - 10\%} = \$451.11/\text{AF}$$

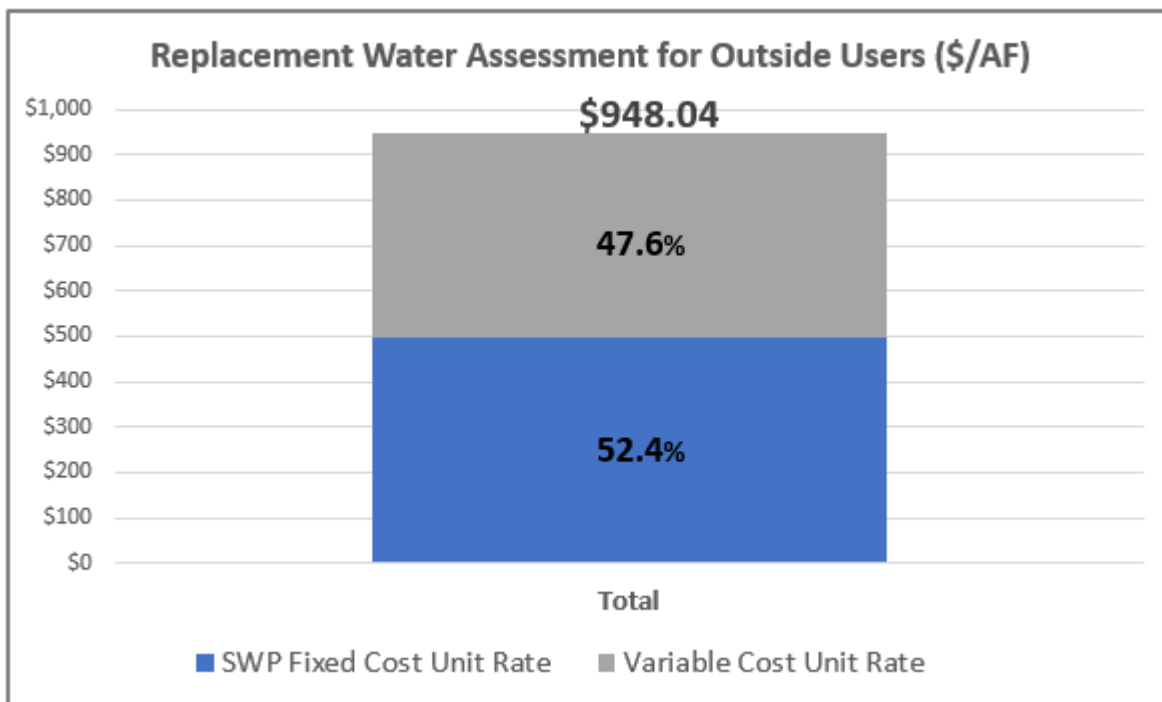
The proposed Replacement Water Assessment for Outside Users is determined by simply adding the SWP fixed cost unit rate (from Line 3 in Table 4) to the variable cost unit rate shown in Equation 1. The proposed Replacement Water Assessments for Outside is shown below in Table 5.

Table 5: Proposed Replacement Water Assessment for Outside Users

Line	Description	Amount	Notes/Source
1	SWP Fixed Cost Unit Rate	\$496.93 / AF	Table 4
2	Variable Cost Unit Rate	\$451.11 / AF	Equation 1
3	Proposed Replacement Water Assessment	\$948.04 / AF	= [Line 1] + [Line 2]

Figure 1 shows the proposed Replacement Water Assessment per acre-foot, as determined above in Table 5. The proposed Replacement Water Assessment of \$948.04 per acre-foot is split relatively evenly between the SWP fixed cost unit rate (52.4%) and variable cost unit rate (47.6%).

Figure 1: Proposed Replacement Water Assessment for Outside Users



APPENDIX A: SWP FIXED COSTS - AVEK

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
ANTELOPE VALLEY-EAST KERN WATER AGENCY

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1960	-	-	-	-	-	-	-	-
1961	-	-	-	-	-	-	-	-
1962	-	-	-	-	-	-	-	-
1963	3,656	46,476	-	-	-	-	50,132	411,121
1964	7,020	75,472	-	-	-	-	82,492	651,106
1965	13,398	47,551	-	-	-	-	60,949	463,010
1966	24,589	178,207	-	-	-	-	202,796	1,482,750
1967	47,671	250,066	-	-	-	-	297,737	2,095,201
1968	77,671	591,387	114,164	-	-	-	783,222	5,304,717
1969	114,658	867,559	88,040	-	-	-	1,070,257	6,976,698
1970	152,774	1,166,566	135,082	-	-	-	1,454,422	9,125,081
1971	188,395	1,053,317	186,373	-	-	-	1,428,085	8,623,524
1972	211,795	1,406,105	377,265	160,756	-	-	2,155,921	12,529,912
1973	227,084	1,734,633	461,155	222,207	-	-	2,645,079	14,795,794
1974	239,569	1,690,415	164,921	279,090	-	-	2,373,995	12,780,972
1975	253,219	1,507,558	574,928	319,822	-	-	2,655,527	13,760,026
1976	266,367	1,481,561	405,268	431,018	-	-	2,584,214	12,887,880
1977	280,012	1,476,986	638,666	469,922	-	-	2,865,586	13,754,693
1978	294,057	1,496,166	693,608	600,180	-	-	3,084,011	14,247,472
1979	309,317	1,480,783	712,340	720,173	-	-	3,222,613	14,328,955
1980	325,592	1,477,558	1,000,550	857,818	-	-	3,661,518	15,669,386
1981	351,120	2,268,109	733,695	1,355,100	-	-	4,708,024	19,391,613
1982	366,401	938,765	1,436,719	1,551,434	-	-	4,293,319	17,019,738
1983	392,086	1,617,658	2,407,048	1,110,994	-	1,083,881	6,611,667	25,226,392
1984	421,808	2,625,413	2,004,478	450,405	-	2,499,848	8,001,952	29,384,923
1985	449,800	1,790,324	1,944,232	565,881	-	3,749,257	8,499,494	30,040,430
1986	475,597	1,745,690	2,206,227	635,066	-	3,159,857	8,222,437	27,970,361
1987	502,492	1,782,829	2,533,025	652,450	-	3,167,759	8,638,555	28,282,844
1988	527,761	1,813,260	2,193,438	711,641	64,266	2,688,113	7,998,479	25,204,253
1989	553,780	1,824,686	3,193,094	2,083,593	205,668	2,357,669	10,218,490	30,991,144
1990	586,519	1,815,427	1,719,784	2,207,667	185,010	2,528,625	9,043,032	26,396,686

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
ANTELOPE VALLEY-EAST KERN WATER AGENCY

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1991	618,476	1,785,880	2,644,074	2,454,678	296,854	1,048,414	8,848,376	24,858,983
1992	653,283	1,773,406	2,998,849	2,804,695	402,015	2,760,199	11,392,447	30,805,003
1993	688,496	1,666,698	2,667,894	2,811,318	424,871	3,559,487	11,818,764	30,758,188
1994	725,604	1,639,187	2,922,011	2,694,116	424,023	3,963,982	12,368,923	30,981,685
1995	763,215	1,652,147	3,088,320	2,883,156	500,084	4,324,009	13,210,931	31,848,649
1996	802,713	1,565,704	3,333,727	2,834,460	606,388	3,572,856	12,715,848	29,504,440
1997	842,729	1,624,187	3,322,103	3,133,957	626,151	3,411,379	12,960,506	28,943,327
1998	886,136	1,605,665	3,270,632	3,155,093	602,091	3,977,988	13,497,605	29,011,332
1999	929,559	1,593,859	4,090,299	3,262,870	826,108	3,696,973	14,399,668	29,788,448
2000	975,533	1,528,659	4,232,460	3,314,278	940,325	2,372,130	13,363,385	26,607,026
2001	1,022,242	1,512,697	4,040,411	3,315,004	925,355	2,680,895	13,496,604	25,863,590
2002	1,078,342	1,658,005	3,949,101	3,437,351	974,814	1,668,457	12,766,070	23,545,395
2003	1,130,557	1,579,003	5,598,522	3,365,016	1,015,056	1,445,146	14,133,300	25,088,621
2004	1,183,761	1,530,822	2,549,377	3,333,008	1,016,092	1,813,317	11,426,377	19,522,086
2005	1,239,565	1,489,361	2,664,386	3,461,814	959,268	2,047,638	11,862,032	19,505,685
2006	1,300,414	1,427,276	4,436,843	3,507,524	1,038,026	2,845,985	14,556,068	23,037,251
2007	1,366,303	1,373,827	4,762,823	3,855,524	666,215	2,990,954	15,015,646	22,872,574
2008	1,434,161	1,334,202	5,654,630	3,943,904	999,433	3,547,772	16,914,102	24,797,301
2009	1,503,269	1,373,641	3,726,039	4,310,140	1,080,062	3,357,450	15,350,601	21,660,342
2010	1,585,038	1,297,433	5,686,181	5,385,764	1,033,467	4,321,133	19,309,016	26,223,130
2011	1,672,991	1,250,140	4,229,644	5,928,431	1,116,181	4,952,954	19,150,341	25,031,412
2012	1,758,667	1,210,162	4,248,790	6,189,558	1,090,934	5,401,397	19,899,508	25,034,310
2013	1,812,060	1,128,915	6,343,556	6,550,942	1,186,869	2,563,236	19,585,578	23,714,509
2014	1,899,283	1,533,728	5,209,033	6,368,143	1,345,233	1,148,978	17,504,398	20,399,023
2015	1,954,611	1,479,091	9,320,182	8,666,793	1,288,246	530,003	23,238,926	26,065,298
2016	1,978,002	1,495,875	7,174,136	10,359,280	1,287,598	153,406	22,448,297	24,233,408
2017	1,906,927	1,461,139	5,510,660	9,976,357	1,186,800	120,731	20,162,614	20,948,956

APPENDIX B: SWP FIXED COSTS – LCID

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
Littlerock Creek Irrigation District

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1960	-	-	-	-	-	-	-	-
1961	-	-	-	-	-	-	-	-
1962	-	-	-	-	-	-	-	-
1963	-	-	-	-	-	-	-	-
1964	121	1,249	-	-	-	-	1,370	10,813
1965	227	1,459	-	-	-	-	1,686	12,808
1966	415	3,633	-	-	-	-	4,048	29,597
1967	809	4,875	-	-	-	-	5,684	39,999
1968	1,324	10,347	1,910	-	-	-	13,581	91,983
1969	1,966	15,024	1,474	-	-	-	18,464	120,362
1970	2,713	21,477	2,255	-	-	-	26,445	165,917
1971	3,413	20,231	3,119	-	-	-	26,763	161,609
1972	3,832	27,037	7,548	1,367	-	-	39,784	231,219
1973	4,113	31,568	9,581	2,577	-	-	47,839	267,597
1974	4,336	32,674	2,049	3,721	-	-	42,780	230,316
1975	4,580	28,656	10,631	4,752	-	-	48,619	251,927
1976	4,818	27,596	6,508	6,269	-	-	45,191	225,375
1977	5,063	28,048	11,038	6,861	-	-	51,010	244,846
1978	5,317	28,623	12,422	9,687	-	-	56,049	258,934
1979	5,590	28,167	12,223	11,889	-	-	57,869	257,307
1980	5,880	28,087	17,113	14,256	-	-	65,336	279,604
1981	6,327	42,699	13,032	22,946	-	-	85,004	350,118
1982	6,605	17,926	26,245	26,335	-	-	77,111	305,686
1983	7,051	30,737	41,811	19,002	-	1,250	99,851	380,975
1984	7,564	48,791	34,781	20,719	-	77	111,932	411,039
1985	8,060	33,467	35,571	24,474	-	-	101,572	358,994
1986	8,503	32,529	38,788	27,822	-	15,873	123,515	420,162
1987	8,946	33,733	44,658	29,064	-	95,994	212,395	695,387
1988	9,392	33,704	39,276	32,024	2,154	30,395	146,945	463,043
1989	9,846	34,245	56,576	36,301	3,763	50,948	191,679	581,334
1990	10,411	33,951	31,445	38,438	3,385	110,678	228,308	666,433

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
Littlerock Creek Irrigation District

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1991	10,942	33,591	46,035	40,793	5,236	65,111	201,708	566,687
1992	11,535	32,403	51,225	46,610	7,053	22,891	171,717	464,320
1993	12,141	30,180	48,657	46,720	7,437	60,615	205,750	535,462
1994	12,784	29,831	53,958	44,772	7,431	88,549	237,325	594,452
1995	13,436	30,107	51,919	47,914	8,769	43,892	196,037	472,602
1996	14,123	28,753	59,930	47,104	10,640	31,691	192,241	446,055
1997	14,821	29,517	64,464	52,082	10,972	24,319	196,175	438,097
1998	15,579	29,173	58,055	52,433	10,550	30,365	196,155	421,609
1999	16,340	28,928	81,350	54,224	14,475	18,305	213,622	441,918
2000	17,148	27,846	79,374	55,078	16,486	-	195,932	390,108
2001	17,970	27,200	67,726	55,090	16,224	-	184,210	353,002
2002	18,837	26,960	69,689	55,912	16,724	-	188,122	346,967
2003	19,745	25,148	114,340	54,735	17,415	-	231,383	410,738
2004	20,674	24,263	41,999	54,215	17,432	-	158,583	270,941
2005	21,648	23,526	37,282	56,310	16,457	-	155,223	255,246
2006	22,711	22,435	75,875	57,053	17,809	-	195,883	310,015
2007	23,854	21,500	81,033	62,714	11,413	-	200,514	305,433
2008	25,037	20,813	106,363	64,151	17,175	1,845	235,384	345,090
2009	26,245	20,274	57,372	70,109	18,529	3,269	195,798	276,279
2010	27,659	18,849	107,466	87,605	17,731	177	259,487	352,403
2011	29,173	18,001	68,537	96,432	19,149	407	231,699	302,854
2012	30,653	17,291	72,780	100,679	18,453	495	240,351	302,370
2013	32,195	15,825	116,198	106,557	20,052	3,270	294,097	356,097
2014	32,939	14,645	89,881	101,120	21,838	3,804	264,227	307,921
2015	33,975	13,707	161,605	137,621	20,924	2,214	370,046	415,052
2016	34,483	13,912	114,771	164,497	20,895	746	349,304	377,081
2017	33,301	13,387	92,259	158,416	19,257	658	317,278	329,652

APPENDIX C: SWP FIXED COSTS – PWD

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
PALMDALE WATER DISTRICT

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1960	-	-	-	-	-	-	-	-
1961	-	-	-	-	-	-	-	-
1962	-	-	-	-	-	-	-	-
1963	-	-	-	-	-	-	-	-
1964	946	8,222	-	-	-	-	9,168	72,363
1965	1,796	10,440	-	-	-	-	12,236	92,953
1966	3,323	24,593	-	-	-	-	27,916	204,109
1967	6,497	34,366	-	-	-	-	40,863	287,556
1968	10,751	73,446	14,340	-	-	-	98,537	667,385
1969	16,145	110,471	11,056	-	-	-	137,672	897,444
1970	22,300	153,990	16,970	-	-	-	193,260	1,212,518
1971	27,937	147,486	23,402	-	-	-	198,825	1,200,609
1972	31,440	193,968	52,963	13,021	-	-	291,392	1,693,530
1973	33,743	220,289	67,837	26,131	-	-	348,000	1,946,610
1974	35,597	233,427	16,970	39,631	-	-	325,625	1,753,080
1975	37,618	202,360	77,908	50,989	-	-	368,875	1,911,383
1976	39,567	199,484	49,562	67,591	-	-	356,204	1,776,445
1977	41,584	197,159	80,370	77,255	-	-	396,368	1,902,550
1978	43,662	201,374	90,048	98,345	-	-	433,429	2,002,349
1979	45,910	198,167	90,841	117,285	-	-	452,203	2,010,665
1980	48,293	197,299	126,792	138,590	-	-	510,974	2,186,702
1981	52,024	303,742	94,787	211,396	-	-	661,949	2,726,464
1982	54,285	122,914	188,716	235,100	-	-	601,015	2,382,566
1983	59,032	214,456	310,207	163,925	-	-	747,620	2,852,496
1984	63,894	346,012	258,244	174,500	-	-	842,650	3,094,396
1985	68,768	233,039	259,837	200,605	-	157,601	919,850	3,251,098
1986	73,550	225,068	284,701	223,785	-	301,486	1,108,590	3,771,104
1987	78,491	229,358	328,728	228,654	-	258,719	1,123,950	3,679,840
1988	83,316	229,980	270,456	248,146	16,240	126,639	974,777	3,071,650
1989	87,966	231,677	424,450	276,155	27,981	493,424	1,541,653	4,675,602
1990	93,341	228,640	227,818	289,119	24,956	545,342	1,409,216	4,113,513

Tables A, C, D, E, F, and G
of the
Water Supply Contract
between
The State of California
Department of Water Resources
PALMDALE WATER DISTRICT

(in dollars except where otherwise noted)

Calendar Year	Transportation Charge			Delta Water Charges	Water System Revenue Bond Surcharge	Off-Aquaduct Power Facilities	RAFTELIS CALCULATED: Total Fixed Payments (Nominal)	RAFTELIS CALCULATED: Total Fixed Payments in 2018 \$
	Capital Costs (Table D)		Minimum OMP&R Component (Table E & G)					
	Annual Payment of Principal	Annual Interest Payment						
1991	97,336	226,192	340,042	306,835	38,641	488,207	1,497,253	4,206,443
1992	101,682	220,395	380,756	350,587	52,160	367,996	1,473,576	3,984,527
1993	106,683	204,334	353,768	351,415	55,045	640,919	1,712,164	4,455,886
1994	112,034	200,467	390,690	336,766	54,968	678,876	1,773,801	4,443,018
1995	117,527	201,835	404,431	360,394	64,852	636,541	1,785,580	4,304,641
1996	123,261	191,420	442,831	354,307	78,696	723,670	1,914,185	4,441,462
1997	129,259	195,880	478,826	391,745	81,146	648,652	1,925,508	4,300,033
1998	135,477	192,722	447,693	394,387	78,028	657,806	1,906,113	4,096,940
1999	141,897	190,165	607,048	407,859	107,060	710,674	2,164,703	4,478,099
2000	148,667	363,992	685,260	510,073	121,898	257,146	2,087,036	4,155,371
2001	155,717	231,130	595,727	510,185	135,581	445,872	2,074,212	3,974,820
2002	163,127	225,450	617,420	517,791	139,071	529,674	2,192,533	4,043,849
2003	170,744	213,868	961,287	506,894	144,812	277,984	2,275,589	4,039,495
2004	178,712	206,574	374,148	502,073	144,960	368,929	1,775,396	3,033,283
2005	187,084	200,581	367,640	521,475	136,853	400,828	1,814,461	2,983,663
2006	196,108	191,376	666,040	528,361	148,089	442,278	2,172,252	3,437,928
2007	205,998	183,285	707,653	580,783	95,550	710,515	2,483,784	3,783,423
2008	216,175	177,549	925,863	594,096	144,009	1,052,126	3,109,818	4,559,219
2009	226,411	173,072	517,546	649,264	154,087	1,154,433	2,874,813	4,056,482
2010	238,646	160,990	889,664	811,293	147,438	810,142	3,058,173	4,153,234
2011	251,751	154,104	642,842	893,038	159,239	551,068	2,652,042	3,466,484
2012	264,471	148,214	624,548	932,373	154,732	1,072,349	3,196,687	4,021,549
2013	277,541	135,890	1,030,792	986,811	168,130	512,798	3,111,962	3,768,010
2014	283,992	125,755	771,792	936,466	183,142	348,413	2,649,560	3,087,706
2015	292,536	117,899	1,383,482	1,274,493	175,577	131,952	3,375,939	3,786,529
2016	297,194	120,323	1,025,625	1,523,381	175,457	29,017	3,170,997	3,423,158
2017	288,693	114,988	786,871	1,467,071	161,746	21,152	2,840,521	2,951,301

ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION COMMISSION MEMORANDUM

DATE: March 7, 2019 **March 14, 2019**
TO: AVSWCA Commissioners **Commission Meeting**
FROM: Dennis J. Hoffmeyer, Controller
RE: ***AGENDA ITEM NO. 9a – UPDATE ON REVENUE, EXPENSES AND CHANGE
IN NET POSITION***

The following information are the highlights of the Association's financials.

Statement of Net Position:

All payments for the Antelope Valley Integrated Regional Water Management Plan (IRWMP) update have been received. Current outstanding liabilities (Accounts Payable) are \$2,165.33 and tie to the payment of bills for the agencies.

Statement of Revenues, Expenditures and Change in Net Position:

No items to report on for the month.

Budget versus Actual:

The general budget remains on track for the year. The only account that is tracking higher than expected is Contract Services – Administration, which is at 99% with four months remaining in the FY2018/19 Budget. This continues to track higher related to staff time on the two contracts with Kennedy/Jenks and Raftelis.

Our program budget has all contributions billed and paid as of February 28. We now have all the funds from the agencies participating in the IRWMP update. No new invoicing for the month on work being performed by the consultants.

ANTELOPE VALLEY STATE WATER CONTRACTORS
Statement of Revenues, Expenditures and Change in Net Position
For the Eight Months Ending 2/28/2019

	<u>February</u>	<u>YTD</u>
Revenues:		
Contributions - Member Agency		\$30,000.00
Contributions - Member Programs (USGS & CASGEM)		31,800.00
Contributions - Member Programs (Financial Analysis PSA)		27,377.00
Contributions - Member Programs (Big Rock Creek)		227,662.87
Contributions - Member Programs (AV Fair - Conservation Garden)		25,000.00
Contributions - Non-Member Programs (USGS)		
Contributions - Others (AVRWMG)		291,999.00
Grant Re-imbursement - IRWMP 2013 Update		
Water Sales - Pilot In-Lieu Banking		
Miscellaneous Refund		
Interest Earnings	31.05	91.06
Total Revenue		<u>\$633,929.93</u>
Expenditures:		
General Government		
Bank Fees		\$20.50
Insurance	181.92	1,455.33
Memberships		3,165.00
Outreach		2,837.80
Purchased Water		
Miscellaneous		
		<u>7,478.63</u>
Public Resource		
Contract Services - Administration	2,165.33	14,724.41
Contract Services - USGS & CASGEM		21,200.00
Contract Services - AVRWMG		
Contract Services - IRWMP 2013 Update		
Contract Services - BIG ROCK CREEK		25,068.49
Contract Services - FINANCIAL ANALYSIS		13,641.39
Contract Services - General Projects		25,000.00
Contract Services - Other		
		<u>99,634.29</u>
Total Expenditures		<u>\$107,112.92</u>
Change in Net Position		<u>\$526,817.01</u>
Net Position - Beginning of Year		(20,204.84)
Net Position - End of Year		<u>\$506,612.17</u>

ANTELOPE VALLEY STATE WATER CONTRACTORS

Statement of Net Position

For the Eight Months Ending 2/28/2019

	<u>YTD</u>
ASSETS	
Cash - General Fund	\$210,404.20
Restricted - AVRWMG	297,099.90
Accounts Receivable	0.00
Prepaid Insurance (Premium Period 10/1 - 9/30)	1,273.40
Total Assets	<u><u>\$508,777.50</u></u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	<u>\$2,165.33</u>
Total Liabilities	<u>2,165.33</u>
 FUND BALANCE	
Unassigned	<u>506,612.17</u>
Total Fund Balance	<u>506,612.17</u>
 Total Liabilities and Fund Balance	<u><u>\$508,777.50</u></u>

ANTELOPE VALLEY STATE WATER CONTRACTORS

FY 2014/15 - Budget vs Actual
For the Eight Months Ending 2/28/2019

	<u>February</u> <u>Actual</u>	<u>YTD</u> <u>Actual</u>	<u>Budget</u>	<u>Variance</u>
General Revenues:				
Contributions - Member Agency		\$30,000	(\$30,000)	\$60,000
Contributions - Member Agency (Other programs)				
Miscellaneous Refund				
Interest Earnings	31	91	(30)	121
Total General Revenue	<u>\$31</u>	<u>\$30,091</u>	<u>(\$30,030)</u>	<u>(\$60,121)</u>
General Expenditures:				
General Government				
Bank Fees		\$21	\$250	\$230
Insurance	182	1,455	2,350	895
Memberships		3,165	2,825	(340)
Outreach		2,838	5,000	2,162
Purchased Water				
Miscellaneous			250	250
Contract Services - Administration	2,165	14,724	15,000	276
Contract Services - Other		25,000	266,328	241,328
Total General Expenditures	<u>\$2,347</u>	<u>\$47,203</u>	<u>\$292,003</u>	<u>\$244,800</u>

ANTELOPE VALLEY STATE WATER CONTRACTORS

FY 2014/15 - Budget vs Actual
For the Eight Months Ending 2/28/2019

	<u>February</u> <u>Actual</u>	<u>YTD</u> <u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Program Revenues:				
Contributions - Member Programs (USGS & CASGEM)		\$31,800	(\$31,800)	\$63,600
Contributions - Member (BIG ROCK CREEK)		\$227,663	(\$236,951)	\$464,614
Contributions - Member (FINANCIAL ANALYSIS)		\$27,377	(\$27,377)	\$54,754
Contributions - Others (USGS & CASGEM)			(\$31,800)	\$31,800
Contributions - Others (AVRWMP)		291,999		291,999
Grant Re-imbursement - IRWMP 2013 Update				
Water Sales - Pilot In-Lieu Banking				
Total Program Revenue		\$578,839	(\$327,928)	(\$906,767)
Program Expenditures:				
Contract Services - USGS & CASGEM		\$21,200	\$31,800	\$10,600
Contract Services - AVIRWMP				
Contract Services - IRWMP 2013 Update				
Contract Services - BIG ROCK CREEK		25,068	236,951	211,883
Contract Services - FINANCIAL ANALYSIS		13,641	27,377	13,736
Total Program Expenditures		\$21,200	\$31,800	\$10,600