



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

August 4, 2021

BOARD OF DIRECTORS

AMBERROSE MERINO

Division 1

DON WILSON

Division 2

GLORIA DIZMANG

Division 3

KATHY MAC LAREN-GOMEZ

Division 4

VINCENT DINO

Division 5

**AGENDA FOR REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PALMDALE WATER DISTRICT
TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE
OR VIA TELECONFERENCE**

FOR THE PUBLIC: VIA TELECONFERENCE ONLY

DIAL-IN NUMBER: 571-748-4021 ATTENDEE PIN: 660-786-940#

Submit Public Comments at: <https://www.gomeet.com/660-786-940>

MONDAY, AUGUST 9, 2021

6:00 p.m.

DENNIS D. LaMOREAUX

General Manager

ALESHIRE & WYNDR LLP

Attorneys

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

Additionally, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Dawn Deans at 661-947-4111 x1003 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Dawn Deans al 661-947-4111 x1003 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)

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

- 1) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.



- 4) Public comments for non-agenda items.
- 5) Presentations:
 - 5.1) None at this time.
- 6) Action Items - Consent Calendar (The public shall have an opportunity to comment on any action item on the Consent Calendar as the Consent Calendar is considered collectively by the Board of Directors prior to action being taken.)
 - 6.1) Approval of minutes of Regular Board Meeting held July 26, 2021.
 - 6.2) Payment of bills for August 9, 2021.
 - 6.3) Receive and file Semi-Annual Employee Reimbursement Report for the period covering January 1, 2021 through June 30, 2021. (Finance Manager Williams)
- 7) Action Items - Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 7.1) Consideration and possible action on approval of Resolution No. 21-14 being a Resolution of the Board of Directors of the Palmdale Water District Implementing Voluntary Stage 2 of the 2020 Water Shortage Contingency Plan. (No Budget Impact – Resource and Analytics Supervisor Bolanos).
 - 7.2) Consideration and possible action on authorizing the General Manager to execute Water Transfer Agreements between Palmdale Water District and Mojave Water Agency. (Budgeted – \$1,000,000.00 – Water Purchases 2021; \$1,000,000.00 – Water Purchases 2022 – Resource and Analytics Director Thompson II/Resource and Facilities Committee)
 - 7.3) Consideration and possible action on authorization of the following conferences, seminars, and training sessions for Board and staff attendance within budget amounts previously approved in the 2021 Budget:
 - a) State Water Resources Control Board Virtual Water Partnership Training to be held August 19, 2021.
- 8) Information Items:
 - 8.1) Finance Reports:
 - a) Status report on Cash Flow Statement and Current Cash Balances as of June 2021. (Financial Advisor Egan/Finance Committee)
 - b) Status report on Financial Statements, Revenue, and Expense and Departmental Budget Reports for June 2021. (Finance Manager Williams/Finance Committee)
 - c) Status report on committed contracts issued. (Finance Manager Williams/Finance Committee)
 - d) Other financial reports. (Finance Manager Williams/Finance Committee)
 - 1) The effect of COVID-19 event.

- 2) Revenue projections.
 - 3) Payment transactions by type.
 - 4) Accounts receivable aging report.
 - 5) Rate Assistance Program status.
 - 6) Billing and collection statistics.
 - 7) Status on 2021 Bond Issue.
- 8.2) Reports of Directors:
- a) Standing Committees; Organization Appointments; Agency Liaisons:
 - 1) Antelope Valley East Kern Water Agency-AVEK. (Director Dino/Director Mac Laren-Gomez, Alternate)
 - 2) Finance Committee. (Director Wilson, Chair/President Dizmang)
 - 3) Outreach Committee. (Director Mac Laren-Gomez, Chair/Director Wilson)
 - b) General Meetings Reports of Directors.
- 8.3) Report of General Manager.
- 8.4) Report of General Counsel.
- 9) Board members' requests for future agenda items.
- 10) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dd

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

DATE: August 3, 2021 **August 9, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Michael Williams, Finance Manager
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 6.3 – RECEIVE AND FILE SEMI-ANNUAL EMPLOYEE REIMBURSEMENT REPORT FOR THE PERIOD COVERING JANUARY 1, 2021 THROUGH JUNE 30, 2021. (FINANCE MANAGER WILLIAMS)***

Recommendation:

Staff recommends the Board receive and file the Semi-Annual Employee Reimbursement Report for the period covering January 1, 2021 through June 30, 2021.

Background:

Staff reimbursements are based on the approved budget. It is required that the District report to the governing body Employee Reimbursements in excess of \$100.00 on a semiannual basis.

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.

Budget:

Receiving and filing the Employee Reimbursement Report will not affect the budget.

Supporting Documents:

- Semi-Annual Employee Reimbursement Report for the period covering January 1, 2021 through June 30, 2021.

PALMDALE WATER DISTRICT
Semi-Annual Employee Reimbursement Report
Period Covering January 1, 2021 to Jun 30, 2021

Employee ID	Employee Name	Pay Date	Item Description	Amount
4054	Mike Childs	01/20/21	EDUCATION EXPENSE REGULAR	164.53
4070	Josh Webb	01/20/21	EDUCATION EXPENSE REGULAR	129.95
4055	Erik Gustafson	03/03/21	EDUCATION EXPENSE REGULAR	164.53
3710	Salvador Zuniga	03/03/21	BOOT EXPENSE	170.00
4059	Sabrina Lee	03/31/21	EDUCATION EXPENSE REGULAR	250.00
4059	Sabrina Lee	03/31/21	EDUCATION EXPENSE REGULAR	280.00
4033	Daniel Maldonado	04/14/21	EDUCATION EXPENSE REGULAR	150.00
1780	Dennis Hoffmeyer	04/14/21	EDUCATION EXPENSE ADVANCED	3,795.00
4036	Eric Morris	04/28/21	EDUCATION EXPENSE REGULAR	250.00
4068	Pedro Moreno	04/28/21	EDUCATION EXPENSE REGULAR	100.00
4068	Pedro Moreno	04/28/21	EDUCATION EXPENSE REGULAR	100.00
1653	Frank Gonzales	04/28/21	BOOT EXPENSE	121.26
4074	Jackson Wesley	06/09/21	EDUCATION EXPENSE REGULAR	499.98
4075	Chris Minghelli	06/09/21	EDUCATION EXPENSE REGULAR	299.99
4050	Shaneece Lopez	06/09/21	EDUCATION EXPENSE ADVANCED	306.69
4054	Mike Childs	06/23/21	BOOT EXPENSE	175.00
1780	Dennis Hoffmeyer	06/23/21	EDUCATION EXPENSE ADVANCED	1,455.00

8,411.93

PALMDALE WATER DISTRICT

BOARD MEMORANDUM

DATE: August 3, 2021 **August 9, 2021**

TO: BOARD OF DIRECTORS **Board Meeting**

FROM: Mrs. Claudia Bolanos, Resource and Analytics Supervisor

VIA: Mr. Peter Thompson II, Resource and Analytics Director
Mr. Dennis D. LaMoreaux, General Manager

RE: ***AGENDA ITEM NO. 7.1 – CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF RESOLUTION NO. 21-14 BEING A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT IMPLEMENTING VOLUNTARY STAGE 2 OF THE 2020 WATER SHORTAGE CONTINGENCY PLAN. (NO BUDGET IMPACT – RESOURCE AND ANALYTICS SUPERVISOR BOLANOS)***

Recommendation:

Staff recommends that the Board approve Resolution No. 21-14 Implementing Voluntary Stage 2 of the 2020 Water Shortage Contingency Plan (WSCP). Voluntary Stage 2 includes suggested actions rather than mandates for our customers.

Background:

In June 2021, the Board adopted our 2020 WSCP. With the new 2020 WSCP, the shortage stages have changed. Previously with our 2015 WSCP, a 15% recommended reduction fell under Stage 1. With the new 2020 WSCP, the 15% reduction falls under Stage 2. Stage 2 gives the District the option to toggle between voluntary and mandatory. We are currently recommending the Voluntary Stage 2.

PWD Actions	Customer Actions
Continue public information campaign	Comply with water waste policy
Conduct focused outreach to large water users	Consider turf removal and conversion to water wise landscape
Increase awareness of conservation measures and programs	Consider PWD water use efficiency rebate programs
Publish Water Shortage Contingency Plan Stages and Actions	Consider conversion to more efficient irrigation methods
Consider coordination of public outreach with the City, County, and other Districts	Voluntary 15% water use reduction
Consider adding Drought Factor and or Drought Surcharge	Consider reducing outdoor irrigation to three times a week between the hours of 6:00 PM and 10:00 AM

BOARD OF DIRECTORS
PALMDALE WATER DISTRICT
VIA: Mr. Peter Thompson II, Resource and Analytics Director
Mr. Dennis D. LaMoreaux, General Manager

August 3, 2021

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 1 – Water Resource Reliability.

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

Budget:

No budget impact.

Supporting Documents:

- Resolution No. 21-14
- Section 3: Six Standard Water Shortage Levels of PWD's 2020 WSCP

RESOLUTION NO. 21-14
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT
IMPLEMENTING VOLUNTARY STAGE 2
OF THE WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, California is experiencing a dry year with 77% of the State being classified as being in a severe drought; and

WHEREAS, the 2021 water year has been one of the driest in decades and is the second consecutive dry year for the State; and

WHEREAS, the State's major reservoirs and the statewide snowpack remains well below average levels for the date with little time remaining to recover in 2021; and

WHEREAS, the State Water Project (Project) has announced an allocation of 5% for its customers in 2021 with very low probability of an increase to the allocation occurring; and

WHEREAS, current available supplies are insufficient to meet projected customer demand and maintain backup supply for 2022; and

WHEREAS, Palmdale Water District has made significant investments in local programs and projects to improve water supply reliability, including supplemental water supply contracts, local water storage projects, water conservation, water recycling and other strategies to stretch supplies, and will continue to do so; and

WHEREAS, Palmdale Water District, in accordance with California Water Code Section 10632, adopted a Water Shortage Contingency Plan on June 14, 2021; and

WHEREAS, Palmdale Water District customers have responded effectively in previous droughts by conserving and preserving available water supplies.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Palmdale Water District recognizes that California is in a second consecutive dry year, and there is a critical need for customers to use water wisely on an ongoing basis and heighten their conservation efforts now as the State continues to face drought conditions.

BE IT FURTHER RESOLVED that the Board of Directors in an effort to preserve backup supply for 2022 shall enact Voluntary Stage 2 of the Water Shortage Contingency Plan.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District this 9th day of August 2021.

President

ATTEST:

Secretary

APPROVED AS TO FORM:

Aleshire & Wynder, LLP, General Counsel

Section 3: Six Standard Water Shortage Levels

3.1 Stages of Action to Respond to Water Shortages

As required by California Water Code Section 10632(a)(3)(A), this WSCP is framed around six standard water shortage stages, which correspond to progressive ranges of percent supply reductions from zero to more than fifty percent. Table 3-1 presents a description of the six water supply shortage stages, defined as stages 1 to 6.

Each stage may be triggered by a declaration from federal or state authorities, or PWD to address events that result in a water shortage. The stages and applicable water supply conditions are summarized in Table 3-1 and Table 3-2.

Table 3-1 Rationing and Reduction Goals

Deficiency or State Mandated Reduction	Stage	Demand Reduction Goal	Type of Program	Water Shortage Condition
1-10%	1	10% reduction	Voluntary	Minor Shortage
11-20%	2	20% reduction	Voluntary/Mandatory	Moderate Shortage
21-30%	3	30% reduction	Mandatory	Severe Shortage
31-40%	4	40% reduction	Mandatory	Critical Shortage
41-50%	5	50% reduction	Mandatory	Emergency Shortage
>50%	6	>50% reduction	Mandatory	Catastrophic Failure

DWR Table 8-1

Table 3-2 Stages of PWD Water Shortage Contingency Plan

Stage	Percent Supply Reduction	Triggers
I	Up to 10%	<ul style="list-style-type: none"> Results of the Annual Assessment Federal, state or local disaster declaration that may impact water supplies State declaration due to drought or system maintenance Unplanned PWD water system maintenance
II	Up to 20%	<ul style="list-style-type: none"> Results of the Annual Assessment Federal, state or local disaster declaration that may impact water supplies State declaration due to drought or system maintenance Unplanned PWD water system maintenance requiring more time to repair

Stage	Percent Supply Reduction	Triggers
III	Up to 30%	<ul style="list-style-type: none"> • Results of the Annual Assessment • Federal, state or local disaster declaration that may impact water supplies • State determination due to drought or significant system failure; and/or • Unplanned PWD water system failure or emergency
IV	Up to 40%	<ul style="list-style-type: none"> • Federal, state or local disaster declaration that may impact water supplies • State determination due to drought or significant system failure; and/or • Unplanned PWD water system failure or emergency
V	Up to 50%	<ul style="list-style-type: none"> • Results of the Annual Assessment • Federal, state or local disaster declaration that may impact water supplies • State determination due to drought or significant system failure; and/or • Advanced PWD water system failure or emergency
Stage VI	50% or higher	<ul style="list-style-type: none"> • Results of the Annual Assessment • Federal, state or local disaster declaration that may impact water supplies • State determination due to drought or significant system failure • Natural or human-caused catastrophe disrupting delivery of water to, or within the service area • Severe PWD water system failure

3.1.1 Procedures for Water Shortage Level Determination

The results of the Annual Assessment will be used to determine the water shortage level. In case of emergencies, a special meeting may be called by a majority of the Board on less than twenty-four-hour notice and without an agenda to deal with the disruption of service. If an emergency arises which would ordinarily be brought to the attention of the Board, but insufficient time exists, the General Manager has administrative authority to take action as deemed appropriate and reasonable.

3.2 Water Shortage Response Actions

Once a shortage stage is declared, PWD may implement shortage response actions required by the customer and through operational changes, as listed in Table 3-3. These actions will be supported by communication protocols (discussed in Section 4.1.1), enforcement actions (discussed in Section 3.3.2) and monitoring and reporting efforts (discussed in Section 5.2) activities appropriate at each shortage stage level.

Table 3-3: Customer and PWD Water Shortage Actions

Stage	District Actions	Customer Actions
Stage I	<ul style="list-style-type: none"> • Initiate public information campaign • Increase awareness of conservation measures and water use efficiency programs • Conduct focused outreach to large water users • Consider coordination of public outreach with the cities and County • Publish Water Shortage Event Contingency Plan stages and actions per stage • Consider implementation of drought factor for customer bill calculation • Consider enforcement of conservation measures 	<ul style="list-style-type: none"> • Comply with PWD Water Waste Policy (see Table 3-3 and Appendix B) • Voluntary water conservation • Adhere to conservation measures • Consider conversion to more efficient irrigation methods • Consider turf removal and conversion to Water Wise Landscape • Patronize local carwashes that recycle their water • Consider PWD Water Use Efficiency Rebate Programs
Stage II	<ul style="list-style-type: none"> • Continue previous action • Expand public information campaign • Commence enforcement of conservation measures • Implement of drought factor for customer bill • Suspend issuance of potable construction meters. 	<ul style="list-style-type: none"> • Comply with PWD Water Waste Policy (see Table 3-3 and Appendix B) • Comply with mandatory conservation regulations • Continue previous actions
Stage III	<ul style="list-style-type: none"> • Continue previous actions • Intensify public information campaign • Expand enforcement of conservation measures • Provide regular media public briefings • Activate emergency connections with mutual aid agencies • Evaluate size of monetary fines for water waste • Begin water waste patrols 	<ul style="list-style-type: none"> • Comply with PWD Water Waste Policy (see Table 3-3 and Appendix B) • Continue previous actions • Limit washing of sidewalks, driveways, walkways, parking lots, or any other hard-surfaced area by hose or flooding unless otherwise necessary • Comply with prohibited outdoor irrigation of ornamental landscape or turf with potable water through an irrigation system between 9:00 am and 6:00 pm and limit system use to two days a week
Stage IV	<ul style="list-style-type: none"> • Continue previous actions 	<ul style="list-style-type: none"> • Comply with PWD Water Waste Policy (see Table 3-3 and Appendix B) • Continue previous actions • Obligation to fix leaks, breaks, or malfunctions within 48 hours
Stage V	<ul style="list-style-type: none"> • Continue previous actions • Enforce mandatory water consumption goals and allocations for all customers and users 	<ul style="list-style-type: none"> • Comply with PWD Water Waste Policy (see Table 3-3 and Appendix B) • Continue previous actions
Stage VI	<ul style="list-style-type: none"> • Continue previous actions • Implement crisis communication plan • Activate Emergency Operations Center 	<ul style="list-style-type: none"> • Continue previous actions • Terminate outdoor water use for irrigation, pools and

Stage	District Actions	Customer Actions
	<ul style="list-style-type: none"> • Coordinate actions with regulatory agencies • Coordinate actions with public safety agencies to address enforcement and fire protection issues • Recall all temporary meters and activate water fill stations • Suspend issuance of new development approvals and new water connections other than those required to be processed by state law 	fountains <ul style="list-style-type: none"> • Water may only be used outdoors for public health and safety purposes • Be on alert for Boil Water Orders if they become necessary

3.2.1 Supply Augmentation

Any water shortage event should trigger a review of potential sources for supplemental water supply. Potential sources for supplemental water include increasing allocation of State Water Project water (infrastructure not currently available) or utilizing water from the Palmdale Regional Water Augmentation Project. Any supplemental water supply project or improvements to existing facilities to allow for entitled flows should be a priority for consideration in immediate capital projects if shortage (e.g., demands exceeding supplies) greater than ten percent is anticipated or when a Stage 3 Water Shortage Event continues for more than 18 months. Additional supply sources for consideration include replacement or rehabilitated wells increased use of reclaimed water, and other alternatives based on the actual circumstances at that time. Supply augmentation in near term is presented in Table 3-4 below.

Table 3-4 Supply Augmentation Actions

Shortage Level	Supply Augmentation Methods and Other Actions by Water Supplier (based on DWR's WUE database categories)	How much is this going to reduce the shortage gap?	Additional Explanation or Reference
3	Groundwater	2,000 AF	Pump Additional Groundwater
4	Groundwater	1,000 AF	Pump Additional Groundwater
5	Groundwater	1,000 AF	Pump Additional Groundwater
6	Groundwater	500 AF	Pump Additional Groundwater

Note: (DWR Table 8-3)

3.2.2 Operational Changes

PWD shall comply with the restrictions similar to those implemented for the public to the extent possible. Hydrant flushing shall be limited except as deemed necessary by the General Manager to enhance water quality or to conduct fire flow and large meter tests. Other actions include efficient water use practices identified in Table 3-5, such as minimizing waste of water in construction, following a modified outdoor landscape watering schedule for PWD facilities depending on shortage stage, and fixing any identified leaks in the distribution system or other related water infrastructure components.

3.2.3 Demand Reduction Actions

PWD permanently implements general water conservation measures and irrigation practices aimed at increasing everyday water use efficiency. Those measures, plus those to be enacted in the various stages, are presented in Table 3-5 and are also indicated in the District's Water Waste Policy.

Table 3-5. Prohibitions During Different Shortage Stages

Stage	Prohibition/Requirement
In Effect at All Times	Water waste is prohibited at all times. Water waste includes but is not limited to:
	<ul style="list-style-type: none"> • Application of potable water to outdoor landscapes in a manner that causes runoff. • Water leaks shall be repaired in a timely manner and sprinklers shall be adjusted to eliminate over-spray. • Hosing of hardscape surfaces, except where health and safety needs dictate, is prohibited. • No watering of outdoor landscapes within 48 hours of measurable rainfall. • Car washing and outside cleaning activities prohibited except when performed with buckets and automatic hose shutoff devices. • The serving of drinking water other than upon request in eating or drinking establishments is prohibited. • Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom.
Other	<ul style="list-style-type: none"> • Water for construction purposes, including but not limited to de-brushing of vacant land, compaction of fills and pads, trench backfill, and other construction uses shall be in an efficient manner.
Stage I	<ul style="list-style-type: none"> • Same as In Effect At All Times
Stage II	<ul style="list-style-type: none"> • All restrictions/prohibitions/initiatives from Stage I are in effect • Landscape watering between the hours of 1000 and 1800 hours is prohibited • Outdoor watering is limited to 3 days per week. • Irrigation with potable water outside of newly constructed homes and buildings not delivered by drip or microspray is prohibited. • Suspend issuance of potable water construction meters.

Stage	Prohibition/Requirement
Stage III	<ul style="list-style-type: none"> • All restrictions/prohibitions/initiatives from Stage I and Stage II are in effect and are mandatory. • Irrigation with potable water of ornamental turf on public street medians is prohibited. • Outdoor watering is limited to 2 days per week. • Potable water cannot be used to maintain fountains, reflection ponds and decorative water bodies for aesthetic or scenic purposes, except where necessary to support aquatic life.
Stage IV	<ul style="list-style-type: none"> • All restrictions/prohibitions/initiatives from Stage I, Stage II, and Stage III are in effect and are mandatory. • Outdoor watering is limited to 1 day per week. • Filling of new swimming pools, spas, hot tubs, or the draining and refilling of existing pools, etc is prohibited. Topping off is allowed to the extent that the designated water allocation is not exceeded. • Meters will only be installed for new accounts where the building permit was issued prior to the declaration of the water shortage.
Stage V	<ul style="list-style-type: none"> • Filling of new swimming pools, spas, hot tubs, or the draining and refilling of existing pools, etc is prohibited. Topping off is allowed to the extent that the designated water allocation is not exceeded. • Meters will only be installed for new accounts where the building permit was issued prior to the declaration of the water shortage
Stage VI	<ul style="list-style-type: none"> • All restrictions/prohibitions/initiatives from previous Shortage Stages are in effect and are mandatory. • No meters will be installed for new accounts. • Outdoor irrigation is prohibited, with the exception of drip or hand watering to preserve established trees.

As described in the table above, prohibitions and restrictions on water features that are artificially supplied with water, such as ornamental lakes, ponds and decorative fountains are treated differently from swimming pools and spas, as defined in Section 115921 of the California Health and Safety Code.

3.2.3.1 Emergency Response Plan

In order to prepare for catastrophic events, the PWD has prepared an Emergency Response Plan (ERP) in accordance with other state and federal regulations. The purpose of the ERP is to design actions necessary to minimize the impacts of supply interruptions due to catastrophic events.

The ERP includes PWD's standardized response and recovery procedures to prevent, minimize, and mitigate injury and damage resulting from emergencies or disasters. The ERP includes, or is planned to include incident response procedures for the following incidents:

- Evacuation
- Earthquake
- Fire
- Wildfire
- Flood
- Power Outage
- Drought
- HazMat Release
- Security Incidents
- Bomb Threat
- Single-Employee Security Incident
- Personnel Injury
- Contamination
- Transmission/Main Break
- Distribution Line Break
- Pandemic

The plan considers the various aspects of the potential for malevolent threats or actual terrorism. The information contained in the ERP is intended to guide staff and inform other emergency responding agencies and includes plans, procedures, lists, and identification of equipment, emergency contacts, etc.

3.2.3.2 Seismic Risk Assessment and Mitigation Plan

PWD owns and operates water storage and distribution, treatment, and groundwater pumping facilities. The water distribution system is comprised of two separate systems – one for potable water and the other for recycled water. In 2021, PWD performed the following to understand, plan, for and mitigate seismic risk:

- Evaluated seismic risk zone for the PWD service area
- Identified critical water facilities and seismic and building deficiencies
- Identified mitigation measures to reduce seismic risk at facilities.

This section summarizes the 2020 seismic risk assessment and provides an update of the seismic vulnerability of the drinking water supply, treatment, storage, and distribution facilities and mitigation plan for the water system (Kennedy Jenks 2021). The Seismic Evaluation Report is included in Appendix C.

3.2.3.2.1 Seismic Evaluation and Mitigation for Steel Tanks

Geotechnical work was conducted for PWD's above-ground potable water reservoirs located on 19 sites in the Palmdale area, to classify sites for repair and retrofit needs. Design level earthquake values were identified for each tank evaluation, corresponding to the appropriate American Society of Civil Engineers design level earthquake.

A seismic evaluation was performed to identify seismic deficiencies and recommend strengthening measures for each of the welded carbon steel tanks. Work included a written description for each tank summarizing the results of the interior and exterior inspections and condition assessments; and the findings of the desktop evaluation.

Several tanks were found to have deficiencies, due to one or more of the following:

- age of the tank
- code which was applicable at the time the tank was designed,
- dimensions of the tank diameter to height ratio,

- lack of anchorage to foundations

The tank structural and seismic evaluation investigated several mitigation concepts in order to bring the tanks within code compliance. These mitigation concepts included arranging for a civil or structural engineer to inspect PWD facilities, consulting with a geotechnical engineering firm to perform site investigations and provide a more detailed analysis, increasing freeboard height to accommodate wave action, and combinations of these.

PWD will prioritize tanks for repairs and replacement based on the likelihood and consequences of various types of damage associated with code compliance issues identified.

3.2.3.2.2 *Seismic Evaluation and Mitigation for Pump Stations, Pressure Reducing Valves, Wells or Well Pump Stations*

Seismic assessments were performed for the booster pump stations, wells, and booster pump buildings. Work included documentation of facility descriptions, seismic deficiencies, and seismic mitigation measures. Many of these facilities had identified deficiencies associated with anchorage to foundations and walls, inadequate load path to transfer later loads, and thin slabs. Similar to the tank evaluation, additional analysis is recommended.

3.3 Benefit of Shortage Response Actions

As discussed above, supply actions and actions within PWD operations will help reduce water shortage. Closing the “gap” between supplies and demands through customer actions, will include:

- Public Information
- Enforcement
- Restrictions on Non-Essential Water Uses
- Pricing

The water shortage response actions and their anticipated effect are summarized in Table 3-7.

3.3.1 Public Information

Without exception, experience has shown that a well-informed public is generally more willing to heed requests to voluntarily conserve or alter water use patterns and will be more likely to comply if mandatory water use restrictions become necessary. DWR (2008) estimates that public information campaigns have alone reduced demand in the range of **5 to 20** percent, depending on the time, money, and effort spent. Public information supports voluntary and mandatory measures by educating and convincing the public that a critical water shortage exists and provides information on how water is used and how they can help. The DWR Drought Guidebook highlights that when the public perceives a drought to be severe, they change behaviors (such as flushing the toilet less often).

The information provided to the public should include a description of the conditions that will trigger implementation of shortage stages as well as a description of what the plan entails (restrictions, enforcement provisions, etc.). It is also advisable to provide practical “consumer” information that will help water users comply with the plan. For example, information about restrictions on lawn watering might be accompanied with information about proper lawn watering practices.

Based on past experience, with minimal public outreach, a water savings of 5 percent is assumed, with extensive public outreach a water savings of 7 percent is assumed, public information combined with enforcement (see section 3.3.2) is assumed to achieve a savings of up to 22 percent.

3.3.2 Enforcement

A study examining the effectiveness of drought management programs in reducing residential water-use (Virginia Polytechnic Institute 2006) showed considerable variation in the effectiveness of drought management programs and highlighted the importance of public information and enforcement. Results, shown in Table 3-6, indicate that overall reductions in residential water-use ranged from 0-7 percent for voluntary restrictions and from 0-22 percent for mandatory restrictions. The observed differences were statistically attributed to information efforts for voluntary restrictions and both information and enforcement efforts for mandatory restrictions.

Table 3-6 Drought Program Management Variables Effect on Residential Water-Use

Classification	Estimated Change in Water-Use	Statistically Different than No Effect?
Voluntary Restrictions		
Little or no information disseminated	-2%	No
Moderate level of information	-2%	No
Aggressive information dissemination	-7%	Yes
Mandatory Restrictions		
Low information and low enforcement	-5%	No
Moderate information and low enforcement	-6%	Yes
Aggressive information and low enforcement	-12%	Yes
Low information and moderate enforcement	-4%	No
Moderate information and enforcement	-9%	Yes
Aggressive information and moderate enforcement	-15%	Yes
Moderate information and aggressive enforcement	-20%	Yes
Aggressive information and enforcement	-22%	Yes

Source: Virginia Polytechnic Institute 2006

The analysis highlights the key role that public outreach and information plays in the success of drought response actions. Voluntary restriction programs with little to moderate levels of information dissemination had no appreciable effect on water-use. Voluntary restriction programs with active promotional efforts, however, reduced water-use by an estimated 7 percent from what would have otherwise occurred without any restriction program. Thus, for voluntary restrictions, only the most intense programs had even a moderate level of success in reducing water-use.

The analysis highlights the key role that public outreach and information plays in the success of drought response actions. Voluntary restriction programs with little to moderate levels of information dissemination had no appreciable effect on water-use. Voluntary restriction programs with active promotional efforts, however, reduced water-use by an estimated 7 percent from what would have otherwise occurred without any restriction program. Thus for voluntary restrictions, only the most intense programs had even a moderate level of success in reducing water-use.

Mandatory restriction programs without a significant enforcement component broadly mirrored the outcomes achieved by the voluntary programs. Programs with mandatory restrictions that invested minimal effort in information dissemination did not appreciably reduce residential water-use. Programs with no active enforcement efforts but with moderate to high levels of informational dissemination achieved 6 and 12 percent reductions in water-use, respectively. These estimated reductions are similar to those achieved by voluntary programs with aggressive informational campaigns.

The experience the City of Santa Cruz had implementing its Drought Contingency Plan and successfully reaching its reduction goals supports the importance of a strong public information program. Analysis of the implementation program identified the key ingredient to its success was "the public's understanding, awareness, and belief that the City was confronted with a true water shortage problem. Media coverage of water problems across California reinforced the situation. Without that sense of a real and imminent problem, it's likely the level of cooperation and willingness demonstrated by the community in making changes they did might have been considerably reduced." (Santa Cruz 2010)

Delivering accurate and timely information to water users, news media and local governments with updates on conditions, restrictions, and helpful contact information is key.

With aggressive information dissemination and enforcement its assumed PWD could achieve a 22 percent water savings.

3.3.3 Restrictions on Non-Essential Water Uses

PWD's water waste policy focuses on curtailing water waste and non-essential water use. Outdoor water use, including washing sidewalks and watering ornamental landscapes is targeted. These uses are typically considered to be discretionary or nonessential, are highly visible, and therefore relatively easy to monitor, and often are a substantial component of water demand, particularly during the summer months when drought conditions are likely most severe.

Given the significance and visibility of lawn watering as the predominant component of seasonal use, best management practices in drought contingency plans typically prescribe time-of-use and other restrictions on lawn watering. This often involves placing water users on a schedule which allows for staggered lawn watering days, as well as restrictions on the times during the day when lawns can be watered. Additionally, this may include the suspension of potable water construction meters.

The American Waterworks Association estimates that voluntary outdoor water use limits can result in a water savings of **up to 10 percent** and mandatory outdoor water limits can achieve **up to a 56 percent** reduction in outdoor water use (AWWA 2008, AWWA 2011). Specifically, case studies found that:

- Restricting water use to every third day reduced water use by 22 percent

- Restricting water use to twice a week reduced water use by 33 percent
- Restricting water use to once a week saved 56 percent

PWD performed a detailed review of water use as part of its 2019 Financial Planning Study (PWD 2019). This analysis estimated that for residential customers, approximately 52% of water use was outdoors. Residential water demand makes up approximately 77% of PWD's overall demands Therefore:

- Voluntary outdoor water limits that saved 10% of outdoor residential demands would reduce overall water demand by 4% ($0.1 \times 0.52 \times 0.77$).
- Restricting water use to twice a week could reduce outdoor water use by 33%, reducing overall water demand by 13% ($0.33 \times 0.52 \times 0.77$).
- Restricting water use to once a week could reduce outdoor water use by 56%, reducing overall water demand by 22% ($0.56 \times 0.52 \times 0.77$).

3.3.3.1 Additional Mandatory Restrictions

The State, through the State Water Board, adopted drought emergency conservation regulations in July 2014. The Board expanded, updated, extended, and readopted the emergency regulations several times and in the prohibitions on wasteful water use practices were in place until November 25th, 2017.

As directed by Executive Order B-40-17, the State Water Board is conducting a rulemaking to put in place permanent prohibitions on wasteful water use practices. This rulemaking is part of the broader legislation, *Making Water Conservation a California Way of Life*.

The specific outcome of the permanent prohibitions cannot be known at this time. The emergency conservation regulations in effect through November 2017 included the following prohibitions:

- Application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;
- The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use
- The application of potable water to driveways and sidewalks
- The use of potable water in a fountain or other decorative water feature except where the water is part of a recirculating system
- The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall
- The serving of drinking water other than upon request in eating or drinking establishments
- Irrigation with potable water of ornamental turf on public street medians.

The emergency conservation regulations further required that:

- The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development
- Commercial, industrial, and institutional properties shall limit outdoor irrigation of ornamental landscapes or turf with potable water to no more than two days per week

PWD's water use restrictions are consistent with the State's prohibitions to prevent water waste. However, dependent on the declared drought stage, PWD may have restrictions and requirements in addition to those of the State such as:

- Limiting outdoor irrigation of ornamental landscape or turf with potable water to certain hours and to certain days of the week (all customer types, not just Commercial, Industrial, or Institutional properties)
- Prohibiting all outdoor irrigation with potable water
- Prohibiting filling of swimming pools, spas, and wading pools

3.3.4 Drought Surcharge Rates

PWD has a drought rate structure to recover costs related to increased effort during drought. While not a specifically meant to reduce water demand, drought surcharge rates are expected to decrease water demands.

Past studies reveal that water use decreases when utilities install water meters and impose commodity charges. AWWA estimates that water use decreases between 15 to 40 percent when customers are charged a commodity rate rather than a flat rate (AWWA 2008). This indicates that customers are price sensitive and will adjust habits to reduce their cost of water. The actual extent that increasing rates during a drought can result in decreased water use is uncertain.

AWWA studies indicate that the effectiveness of pricing to reduce water use is very dependent on the affluence of the water utility customer base. As a rule of thumb, AWWA estimates that marginal price increases in water (up to 10 percent) reduce water use by 1.5 to 7 percent; price increases greater than 10 percent are necessary to achieve water use reductions greater than 10 percent (AWWA 2008).

Based on AWWA data it's assumed that water use reductions of 10 to 15 percent will be achieved with drought rates.

Table 3-7. Effectiveness Demand Reduction and Other Actions

Shortage Level	Demand Reduction Actions	Reduction in Shortage Gap	Explanation	Penalty, Charge, or Other Enforcement?
1	Expand Public Information Campaign	7%	Based on AWWA 2008 assumes savings of 7%	No
2	Expand Public Information Campaign	22%	Based on AWWA 2008 assumes savings of 22% with enforcement	Yes
2	Implement or Modify Drought Rate Structure or Surcharge	10%	Based on AWWA 2011 assumes savings of 10%	Yes
3	Expand Public Information Campaign	22%	Based on AWWA 2008 assumes savings of 22% with enforcement	Yes
3	Implement or Modify Drought Rate Structure or Surcharge	10%	Based on AWWA 2011 assumes savings of 10%	Yes
3	Landscape - Other landscape restriction or prohibition	4%	Outdoor water limited to 3 days a week. Based on AWWA 2011.	Yes
4	Expand Public Information Campaign	22%	Based on AWWA 2008 assumes savings of 22% with enforcement	Yes
4	Implement or Modify Drought Rate Structure or Surcharge	15%	Based on AWWA 2011 assumes savings of 15%	Yes
4	Landscape - Other landscape restriction or prohibition	13%	Outdoor water limited to 2 days a week. Based on AWWA 2011.	Yes
5	Expand Public Information Campaign	22%	Based on AWWA 2008 assumes savings of 22% with enforcement	Yes
5	Implement or Modify Drought Rate Structure or Surcharge	15%	Based on AWWA 2011 assumes savings of 15%	Yes
5	Landscape - Other landscape restriction or prohibition	22%	Outdoor water limited to 1 day a week. Based on AWWA 2011.	Yes

Table 3-7. cont.

Shortage Level	Demand Reduction Actions	Reduction in Shortage Gap	Explanation	Penalty, Charge, or Other Enforcement?
6	Expand Public Information Campaign	22%	Based on AWWA 2008 assumes savings of 22% with enforcement	Yes
6	Implement or Modify Drought Rate Structure or Surcharge	15%	Based on AWWA 2011 assumes savings of 15%	Yes
6	Landscape - Other landscape restriction or prohibition	52%	Outdoor water use prohibited	Yes

DWR Table 8-2

**PALMDALE WATER DISTRICT
BOARD MEMORANDUM**

DATE: August 3, 2021 **August 9, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Mr. Peter Thompson II, Resource and Analytics Director
VIA: Mr. Dennis D. LaMoreaux, General Manager
RE: ***AGENDA ITEM NO. 7.2 – CONSIDERATION AND POSSIBLE ACTION ON AUTHORIZING THE GENERAL MANAGER TO EXECUTE WATER TRANSFER AGREEMENTS BETWEEN PALMDALE WATER DISTRICT AND MOJAVE WATER AGENCY. (BUDGETED – \$1,000,000.00 – WATER PURCHASES 2021; \$1,000,000.00 – WATER PURCHASES 2022 – RESOURCE AND ANALYTICS DIRECTOR THOMPSON II/RESOURCE AND FACILITIES COMMITTEE)***

Recommendation:

Staff recommends the Board of Directors authorize the General Manager to sign the Water Transfer Agreements with Mojave Water Agency based on the enclosed signed term sheets.

Background:

Due to the dry year and the consequent low 5% allocation of water for the State Water Project, staff has pursued supplemental water to shore up this year's supply as well as ensure some carryover supply remains available for 2022. In this pursuit, term sheets between Palmdale Water District (PWD) and Mojave Water Agency (MWA) were negotiated for a set of transfer agreements. The first agreement covers the payment for and delivery of 3,333 Acre Feet (AF) of MWA's carryover supply to be delivered in 2021. The second transfer covers the delivery and transportation costs for returning 3,333 Acre Feet of PWD's Table A supply to MWA in a wet year between 2022 and 2035.

Summary of Key Terms:

Transfer Agreement 1:

- MWA to make available for delivery 3,333 AF of carry over water to PWD.
- PWD to pay MWA \$600/AF for a total of \$2,000,000.
- PWD to pay for delivery of water from San Luis Reservoir to Lake Palmdale.

Transfer Agreement 2:

- PWD to deliver 3,333 AF of Table A supply to MWA between 2022 and 2035.
- PWD to pay for delivery of water to MWA.

Budget Impact:

Budgeted – \$1,000,000.00 – Water Purchases 2021; \$1,000,000.00 – Water Purchases 2022

Supporting Documents:

- Term Sheets between MWA and PWD for transfers of SWP water.

**TERM SHEET FOR A TRANSFER OF ARTICLE 56 CARRYOVER WATER
BETWEEN
MOJAVE WATER AGENCY AND PALMDALE WATER DISTRICT
TRANSFER 1 OF 2**

1. Recitals

- a. Mojave Water Agency ("MWA") and Palmdale Water District ("PWD") each have water supply contracts with the California Department of Water Resources ("DWR") for water from the State Water Project ("SWP").
- b. DWR has implemented the Water Management Contract Amendment to the SWP Water Supply Contracts, which allows for transfers of up to fifty percent of a contractor's Article 56 Carryover Water to another contractor for use in that contractor's service area without special approval pursuant to Article 56(c)(4)(iii).
- c. Given the 2021 SWP allocation of 5%, PWD is anticipating the need for additional surface water in 2021 to meet its projected demands.
- d. MWA has a portion of its Article 56 Carryover Water available for delivery to PWD in 2021; on January 1, 2021, MWA had 41,348 acre-feet (AF) of Article 56 Carryover Water.
- e. Transfer of Article 56 Carryover Water contemplated under this term sheet satisfies the criteria under Article 57(d) of MWA's and PWD's Water Supply Contracts.
- f. This transfer is part one of a two-part Transfer Package. For the second part of the Transfer Package, PWD will transfer an equivalent amount of its SWP Project Water to MWA during wetter years, but no later than 2035.

2. Principles for Agreement

- a. MWA will make available 3,333 AF of MWA's Article 56 Carryover Water for transfer to PWD in 2021.
- b. PWD shall pay MWA a rate of \$600 for every AF of water made available by MWA; payment would be made within 30 days of the MWA invoice date.
- c. Transfer of MWA's Article 56 Carryover Water to PWD will occur as soon as an agreement between PWD, MWA, and DWR is executed; the point of transfer is San Luis Reservoir, and the transfer will occur by means of a recalculation of MWA's and PWD's respective Article 56 Carryover Water storage balances in San Luis Reservoir.
- d. Pursuant to Article 56(c)(4)(iv) of PWD's Water Supply Contract, PWD shall confirm in writing to DWR its need for the water and recognizes that Article 56 Carryover Water transferred from MWA to PWD under this agreement is to be

delivered and used within PWD's service area by December 31, 2021, unless an exception is approved by DWR pursuant to Article 56(c)(4)(v); MWA is not responsible for water transferred under this agreement that is not delivered to PWD.


- e. PWD shall be responsible for the SWP delivery costs for the water delivered to PWD.
- f. MWA will assist PWD with the request to DWR for approval of the transfer, appropriate California Environmental Quality Act (CEQA) compliance, and, should it be necessary, a request for exception pursuant to Article 56(c)(4)(v).
- g. By execution of an agreement between MWA and PWD, MWA and PWD confirm compliance with Article 57(g) of their respective Water Supply Contracts related to this transfer.
- h. This term sheet memorializes the prospective terms, as negotiated and agreed upon by the parties. It does not bind the parties or commit them to any definite course of action without first complying with any applicable requirements under CEQA and upon final execution of the agreement between MWA, PWD, and DWR. This term sheet does not restrict the parties from considering any alternatives, including a "no-action" alternative, or from requiring any feasible mitigation measures regarding any potential water transfer between them. The parties' execution of this term sheet does not constitute issuing an approval for any transfer of water between them.
- i. MWA and PWD shall each be responsible for their own internal and/or transaction costs.

Terms acknowledged and agreed to by:

Mojave Water Agency:


Kathryn A. Cornier, General Manager

Palmdale Water District:


Dennis D. LaMoreaux, General Manager

**TERM SHEET FOR A WATER TRANSFER
BETWEEN
MOJAVE WATER AGENCY AND PALMDALE WATER DISTRICT
TRANSFER 2 OF 2**

1. Recitals

- a. Mojave Water Agency ("MWA") and Palmdale Water District ("PWD") each have water supply contracts with the California Department of Water Resources ("DWR") for water from the State Water Project ("SWP").
- b. DWR has implemented the Water Management Contract Amendment to the SWP Water Supply Contracts, which allows for non-permanent water transfers of Project Water pursuant to Article 56(d).
- c. For SWP allocations greater than or equal to 35%, PWD will have a portion of its Table A water available for delivery to MWA by 2035.
- d. Transfer of Table A water contemplated under this term sheet satisfies the criteria under Article 57(d) of MWA's and PWD's Water Supply Contracts.
- e. This transfer is part two of a two-part Transfer Package. For part one of the Transfer Package, MWA will have transferred 3,333 AF of Article 56 Carryover Water to PWD in 2021 as a prerequisite.

2. Principles for Agreement

- a. PWD shall make available and MWA shall take delivery of up to 3,333 acre-feet (AF) of PWD's Table A water by 2035.
- b. PWD shall be responsible for the SWP delivery costs for the water delivered to MWA, either by direct billing from DWR or through reimbursement to MWA.
- c. If prior to June 30, 2035, PWD provides written notification to MWA of their intent to reduce the total water made available to MWA under this agreement, PWD shall pay a rate of \$400 per AF plus 5% interest compounded annually (starting in calendar year 2022 through the date of PWD's notification) for every AF of water not made available.
- d. On July 1, 2035, if PWD has not made water available to MWA or paid MWA for any portion of the 3,333 AF not made available, PWD will pay MWA \$400 per AF plus 5% interest compounded annually (starting in calendar year 2022 through 2035).
- e. All payments shall be made within 30 days of MWA invoice date.
- f. Transfer of PWD's Table A water to MWA will occur as soon as the Change in Point of Delivery agreement between PWD, MWA, and DWR is executed; the point of transfer is Banks pumping plant.

- g. MWA will assist PWD with the request to DWR for approval of the transfer and appropriate California Environmental Quality Act (CEQA) compliance.
- h. By execution of an agreement between MWA and PWD, MWA and PWD confirm compliance with Article 57(g) of their respective Water Supply Contracts related to this transfer.
- i. This term sheet memorializes the prospective terms, as negotiated and agreed upon by the parties. It does not bind the parties or commit them to any definite course of action without first complying with the requirements of CEQA and upon final approval of the Change in Point of Delivery agreement among PWD, MWA, and DWR. This term sheet does not restrict the parties from considering any alternatives, including a “no-action” alternative, or from requiring any feasible mitigation measures regarding any potential water transfer between them. The parties’ execution of this term sheet does not constitute issuing an approval for any transfer of water between them.
- j. MWA and PWD shall each be responsible for their own internal and/or transaction costs.

Terms acknowledged and agreed to by:

Mojave Water Agency:


Kathryn A. Cortner, General Manager

Palmdale Water District:


Dennis D. LaMoreaux, General Manager



Hotel and Travel Accommodations

Event Name/Date:

State Water Resources Control Board Virtual Water Partnership Training/August 19, 2021

CONTACT INFORMATION

First Name

Last Name

Date

ACCOMMODATION INFORMATION

Rooms and rates are subject to availability. Complete and submit this form as soon as possible to guarantee a room at the host hotel. In the event that the host hotel is booked, every effort will be made to secure a room at the closest hotel within comparable rates to the event discounted rate.

Arrival Date

Departure Date

No. of guests

Room Type

Do you require a smoking room?

☐ Yes ☐ No**Do you need transportation from the airport to the hotel?**☐ Yes ☐ No

Flight Number

Time

ADDITIONAL INFORMATION/REQUESTS

Staff Representative

State Water Resources Control Board

Division of Drinking Water

June 29, 2021

Dennis Lamoreaux
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

Palmdale Water District CA1910102

Water Partnership and Regionalization Opportunities

Dear Dennis Lamoreaux,

In recognition of the challenges of increasing droughts, fires and aging infrastructure, the State Water Resources Control Board's (State Water Board) Division of Drinking Water is working to facilitate water partnerships and decrease water infrastructure fragmentation to help increase water resiliency across California.

Palmdale Water District is in close proximity to or encompasses several small public water systems. Please see the attached map for more information. Due to close proximity, we encourage you to explore whether water partnership or consolidation is an option for your system and these nearby communities. To further discuss the benefits of water partnerships, consolidations and regionalization in your area and to facilitate local introductions, the State Water Board will be conducting a free water partnership training focused specifically on the Lancaster area.

THE FREE VIRTUAL WATER PARTNERSHIP TRAINING WILL BE HELD ON:

AUGUST 19, 2021 FROM 1:30 PM - 4:00 PM

2 contact hours will be available for this training.

REGISTRATION CAN BE COMPLETED USING THE WEBLINK BELOW:

bit.ly/LancasterWorkshopRegistration

The State Water Board is also emphasizing consolidation and regionalization opportunities that occur via state funding by providing financial incentives to larger water systems. Incentives for consolidation may include, but are not limited to:

- Principle forgiveness/grant funding of up to \$5,000 per connection when consolidating a small, disadvantaged water system, and up to \$10,000 per connection for a small, severely disadvantaged water system, with maximum of \$5 million per water system. Grant funding will be prioritized for addressing health-based violations for the small water system (Funding category A-C). This is in addition to any funding for the construction of the consolidation project.
- Up to \$10 million in zero percent (0%) interest rate financing from available sources for a construction project that solely benefits a receiving public water system (PWS) when the PWS fully consolidates one or more small water systems or extends service to one or more communities having at least 15 service connections or a year-round population of at least 25 people that are not currently served by a PWS; the Deputy Director may approve an interest rate for repayable Drinking Water State Revolving Fund (DWSRF) financing for the consolidation project not less than 0%.
- Eligible principal forgiveness/grant funding to increase a receiving PWS's water supply capacity if the PWS does not have sufficient capacity to serve the additional customers of the subsumed PWS; if repayable financing is needed to provide additional capacity to consolidate a PWS, it will be provided at zero percent (0%).
- Prioritization of consolidation projects for DWSRF and associated drinking water funding.

We hope that you consider these financial incentives, participate in the training, and/or reach out to neighboring water systems to hold discussions on the possibilities of water partnerships and regionalization. The State Water Board's Engagement Units can assist in facilitating individual outreach to nearby water systems or setting up meetings and calls. Examples of highlighted success stories can be found on our website at:

www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/engagement_unit.html

If you have any questions or need help getting contact information for adjacent water systems, please contact me via email at Walker.Grimshaw@waterboards.ca.gov or telephone at (818) 551-2070.

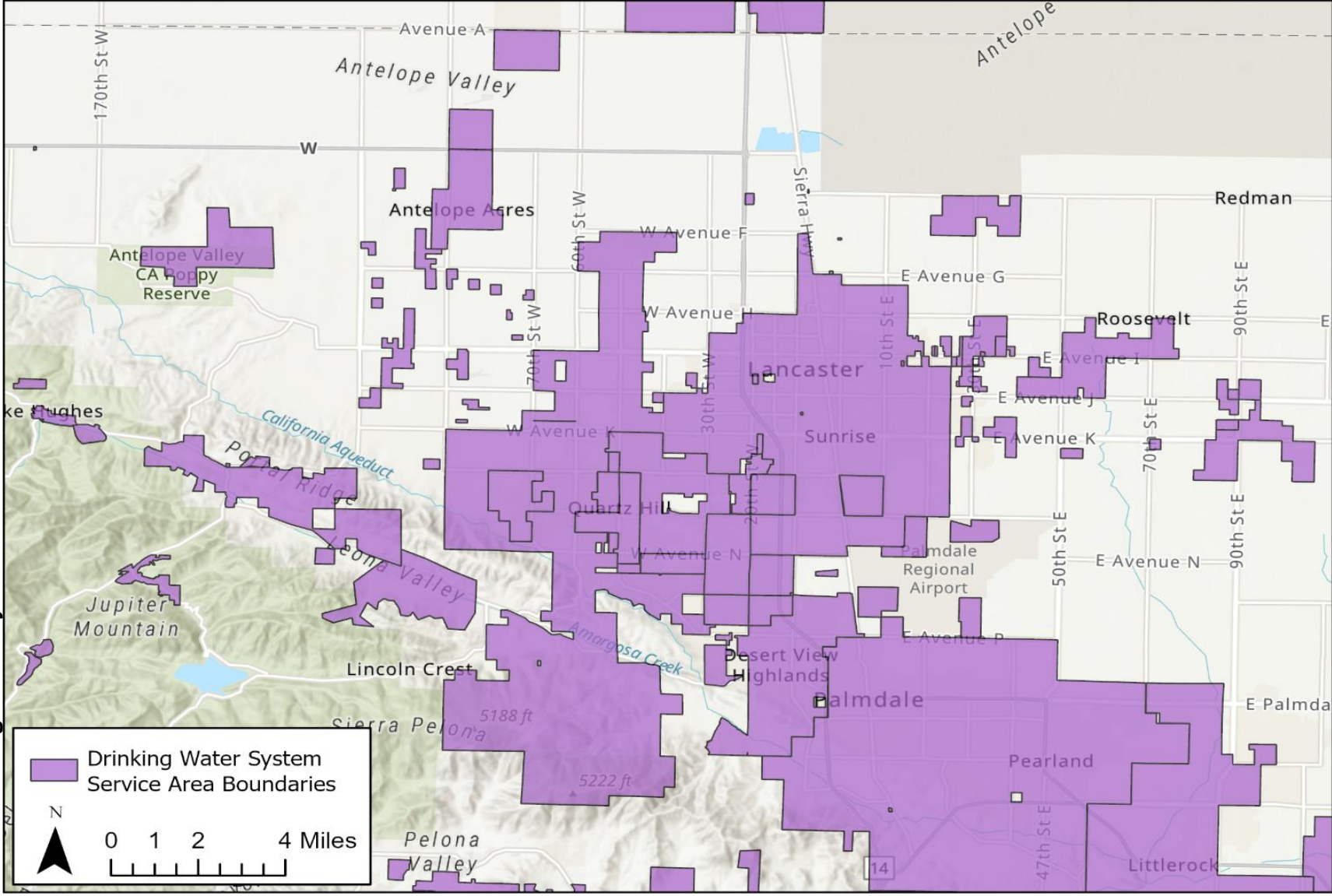
Sincerely,



Walker Grimshaw

Water Resource Control Engineer, Southern Engagement Unit
State Water Resources Control Board, Division of Drinking Water

Figure 1: Drinking Water Systems in Lancaster Area with Consolidation Potential



**PALMDALE
WATER DISTRICT
BOARD MEMORANDUM**

DATE:	August 4, 2021	August 9, 2021
TO:	BOARD OF DIRECTORS	Board Meeting
FROM:	Mr. Bob Egan, Financial Advisor	
RE:	<i>AGENDA ITEM NO. 8.1.a – STATUS REPORT ON CASH FLOW STATEMENT AND CURRENT CASH BALANCES AS OF JUNE 2021. (FINANCIAL ADVISOR EGAN/FINANCE COMMITTEE)</i>	

Attached are the Cash Notes, the Investment Funds Report, and the Cash Flow Report as of June 2021. The reports will be reviewed in detail at the Board meeting.

Enclosure

		<u>2021</u>	
		<u>Second Quarter 2021 Major account Activity</u>	
		<u>acct 11469</u>	
		Balance	6/30/2021
			7,553,786.25
		Balance	3/31/2021
			4,042,089.91
		Increase	3,511,696.34
		<u>Three months activity</u>	
		Taxes received	3,352,356.19
		Interest/Mkt value received	(1,100.25)
		Transfer from 11432.	160,440.40
		Increase	3,511,696.34
		<u>Acct 11475</u>	
		Balance	6/30/2021
			1,667,963.60
		Balance	3/31/2021
			40,185.78
		Increase	1,627,777.82
		<u>Three months activity</u>	
		Interest received	(575.11)
		Capital improvements received	1,628,352.93
		Increase	1,627,777.82
		<u>Acct 11432</u>	
		Balance	6/30/2021
			3,011,468.71
		Balance	3/31/2021
			3,171,690.10
		Decrease	(160,221.39)
		<u>Three months activity</u>	
		transfer to 11469	(160,440.04)
		Interest/Mkt value received	218.65
		Decrease	(160,221.39)
		<u>Acct 24016.</u>	
		Balance	6/30/2021
			475,172.40
		Balance	3/21/2021
			475,097.36
		Increase	75.04
		<u>Three months activity</u>	
		Interest/Mkt value received	75.04
		Increase	75.04

		<u>2021</u>		
		<u>May to June 2021 Major account Activity</u>		
		<u>acct 11469</u>		
		Balance	6/30/2021	7,553,786.25
		Balance	5/31/2021	7,027,747.68
		Increase		526,038.57
		<u>One month activity</u>		
		Taxes received		527,516.05
		Interest/Mkt value received		(1,477.48)
		Increase		526,038.57
		<u>Acct 11475</u>		
		Balance	6/30/2021	1,667,963.60
		Balance	5/31/2021	844,973.70
		Increase		822,989.90
		<u>One month activity</u>		
		Interest received		(575.47)
		Capital improvements received		823,565.37
		Increase		822,989.90
		<u>Acct 11432</u>		
		Balance	6/30/2021	3,011,468.71
		Balance	5/31/2021	3,011,406.07
				62.64
		<u>One month activity</u>		
		Transfer to 11469.		
		Interest/Mkt value received		62.64
		Increase		62.64
		<u>Acct 24016.</u>		
		Balance	6/30/2021	475,172.40
		Balance	5/31/2021	475,177.76
		Decrease		(5.36)
		<u>One month activity</u>		
		Interest/Mkt value received		(5.36)
		Decrease		(5.36)

**PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
June 30, 2021**

	<u>June 2021</u>		<u>May 2021</u>		<u>March 2021</u>	
Federal Agency Obligations	7,367,927.20	56.28%	4,326,003.00	35.87%	4,332,294.20	52.94%
Negotiable Certificates of Deposit	4,238,285.89	32.37%	2,753,842.11	22.83%	2,757,964.39	33.70%
Local Agency Investment Fund (LAIF)	12,675.19	0.10%	12,675.19	0.11%	12,661.36	0.15%
	<u>11,618,888.28</u>		<u>7,092,520.30</u>		<u>7,102,919.95</u>	
Cash and Cash Equivalents	1,436,592.83	10.97%	4,947,914.15	41.02%	1,061,945.49	12.98%
Accrued Interest	36,230.53	0.28%	21,239.16	0.18%	18,699.38	0.23%
	<u>13,091,711.64</u>		<u>12,061,673.61</u>		<u>8,183,564.82</u>	

PALMDALE WATER DISTRICT
INVESTMENT FUNDS REPORT
June 30, 2021

					June 2021	May 2021	March 2021
CASH							
1-00-0103-100	Citizens - Checking				199,314.69	486,944.08	318,793.04
1-00-0103-200	Citizens - Refund				(177.15)	-	-
1-00-0103-300	Citizens - Merchant				165,807.95	197,009.13	117,347.27
	Bank Total				364,945.49	683,953.21	436,140.31
1-00-0110-000	PETTY CASH				300.00	300.00	300.00
1-00-0115-000	CASH ON HAND				5,400.00	5,400.00	5,400.00
	TOTAL CASH				370,645.49	689,653.21	441,840.31
INVESTMENTS							
1-00-0135-000	Local Agency Investment Fund			Acct. Total	12,675.19	12,675.19	12,661.36
1-00-0120-000	UBS Money Market Account General (SS 11469)						
	UBS USA Core Savings				195,796.03	111,353.67	111,304.66
	UBS RMA Government Portfolio				-	2,990,788.83	575.62
	Accrued interest				25,056.91	3,533.28	4,063.88
					220,852.94	3,105,675.78	115,944.16
US Government Securities							
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value	Market Value
9127963HO	US Treasury Bill	06/17/2021			-	2,000,000.00	1,999,940.00
912828T67	US Treasury Note	10/31/2021	1.250	500,000	501,980.00	502,500.00	503,475.00
912796A90	US Treasury Bill	12/30/2021		2,000,000	1,999,440.00	-	-
9128286H8	US Treasury Note	03/15/2022	2.375	2,000,000	2,032,340.00	-	-
912828176	US Treasury Note	03/31/2022	1.750	1,000,000	1,012,420.00	-	-
				5,500,000	5,546,180.00	2,502,500.00	2,503,415.00
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	First General bank	07/19/2021	2.750	200,000	200,286.00	200,784.00	201,634.00
2	TIAA FSB Florida	07/29/2021	2.000	225,000	225,353.25	225,760.50	226,460.25
3	Capital One Bank	08/17/2021	1.600	50,000	50,093.50	50,158.50	50,269.50
4	Bank Hapoalim	08/23/2021	3.000	100,000	100,442.00	100,715.00	101,187.00
5	State Bank of Indi	08/30/2021	0.100	240,000	240,021.60	240,038.40	240,048.00
6	Ultima Bank	09/28/2021	2.950	100,000	100,709.00	100,978.00	101,432.00
7	UBS Bank	09/30/2021	1.700	250,000	250,875.00	251,192.50	251,742.50
8	First Seacoast Bank	11/15/2021	0.500	250,000	249,982.50	249,985.00	249,957.50
9	Citibank NA	12/21/2021	3.250	87,000	88,345.02	-	-
10	CIT US	01/21/2022	2.500	176,000	178,453.44	-	-
11	Sallie Mae Bank	05/16/2022	2.550	100,000	102,192.00	-	-
				1,778,000	1,786,753.31	1,419,611.90	1,422,730.75
	Acct. Total				7,553,786.25	7,027,787.68	4,042,089.91
1-00-1110-000	UBS Money Market Account Capital (SS 11475)						
	UBS Bank USA Dep acct				770,234.22	844,973.70	18,017.78
	UBS RMA Government Portfolio				2,050.00	-	22,168.00
					772,284.22	844,973.70	40,185.78
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	Business Bank MO	01/20/2022	2.000	154,000	155,666.28	-	-
2	Franklin Synergy bank	01/31/2022	2.000	247,000	249,820.74	-	-
3	Synchrony Bank	04/24/2022	2.300	247,000	250,230.76	-	-
4	First Financial	03/07/2022	0.030	240,000	239,961.60	-	-
				888,000	895,679.38	-	-
	Acct. Total				1,667,963.60	844,973.70	40,185.78
1-00-0125-000	UBS Access Account General (SS 11432)						
	UBS Bank USA Dep acct				87,688.36	300,966.01	-
	UBS RMA Government Portfolio				-	-	459,935.35
	Accrued interest				7,837.83	15,447.39	12,208.83
					95,526.19	316,413.40	472,144.18
US Government Securities							
CUSIP #	Issuer	Maturity Date	Rate	PAR	Market Value	Market Value	Market Value
912827R77	US Treasury Note	05/31/2021	1.375		-	1,200,000.00	1,202,580.00
9128284W7	US Treasury Note	08/15/2021	2.750	620,000	622,083.20	623,503.00	626,299.20
912796A90	US Treasury Bill	12/30/2021		1,200,000	1,199,664.00	-	-
				1,820,000	1,821,747.20	1,823,503.00	1,828,879.20
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	Sallie Mae Bank	05/10/2021	2.450		-	-	240,640.80
2	Merrick Bk	06/01/2021	0.250	224,000	-	224,004.48	224,076.16
3	Safra National	09/09/2021	0.150	62,000	62,012.40	62,019.84	62,027.28
4	First Nat'l Bk TX	09/09/2021	0.100	178,000	178,017.80	178,030.26	178,037.38
5	Citibank NA	10/26/2021	3.150	163,000	164,656.08	165,123.89	165,885.10
6	Luther Burbank	12/10/2021	0.030	224,000	223,979.84	-	-
7	Morgan Stanley	12/20/2021	1.750	240,000	241,960.80	242,311.20	-
8	Wells Fargo	01/18/2022	3.000	220,000	223,568.40	-	-
				1,311,000	1,094,195.32	871,489.67	870,666.72
	Acct. Total				3,011,468.71	3,011,406.07	3,171,690.10
Total Managed Accounts					12,245,893.75	10,896,842.64	7,266,627.15
1-00-1121-000	UBS Rate Stabilization Fund (SS 24016) - District Restricted						
	UBS Bank USA Dep acct				10,178.73	10,178.73	8,103.77
	UBS RMA Government Portfolio				-	-	-
	Accrued interest				3,335.79	2,258.49	2,426.67
					13,514.52	12,437.22	10,530.44
Certificates of Deposit							
	Issuer	Maturity Date	Rate	Face Value			
1	Fifth Third bank	04/16/2021	1.150		-	-	52,025.48
2	Goldman Sachs Bank	08/19/2021	2.550	77,000	77,263.34	77,438.90	77,740.74
3	Discover Bank	09/06/2021	3.000	230,000	231,299.50	231,927.40	233,010.70
4	Goldman Sachs Bank	11/09/2021	3.000	100,000	101,081.00	101,355.00	101,790.00
5	Bank of India	01/12/2022	0.100	52,000	52,014.04	52,019.24	-
				459,000	461,657.88	462,740.54	464,566.92
	Acct. Total				475,172.40	475,177.76	475,097.36
D TOTAL CASH AND INVESTMENTS					13,091,711.64	12,061,673.61	8,183,564.82
	Increase (Decrease) in Funds				1,030,038.03		
1-00-1135-000	2018A Bonds - Project Funds (BNY Mellon)						
	Construction Funds				2,185,197.30	2,185,141.32	2,196,481.44
	Issuance Funds				12,517.37	12,517.06	12,516.45
					2,197,714.67	2,197,658.38	2,208,997.89

PALMDALE WATER DISTRICT														Budget 2021 Carryover Information
2021 Cash Flow Report (Based on Nov. 23, 2020 Approved Budget)														
	January	February	March	April	May	June	July	August	September	October	November	December	YTD	
Total Cash Beginning Balance (BUDGET)	11,749,481	10,956,032	11,073,711	9,199,205	10,989,695	11,414,389	10,746,726	10,169,877	10,356,760	7,864,417	7,941,244	8,067,984		
Total Cash Beginning Balance	11,749,481	10,705,394	10,483,186	8,183,565	10,204,829	12,061,674	13,091,712	11,698,811	11,833,695	9,802,487	9,739,315	9,650,055		
Budgeted Water Receipts	2,122,390	2,057,833	1,962,426	2,180,092	2,300,637	2,484,596	2,774,247	2,846,803	3,014,766	2,815,381	2,432,608	2,417,183	29,408,961	
Water Receipts	2,073,914	2,052,885	2,192,803	2,101,463	2,248,524	2,567,980	2,774,247	2,846,803	3,014,766	2,815,381	2,432,608	2,417,183	29,538,555	
DWR Refund (Operational Related)				1,773		23,103							24,876	
Other													-	
Total Operating Revenue (BUDGET)													-	
Total Operating Revenue (ACTUAL)	2,073,914	2,052,885	2,192,803	2,103,236	2,248,524	2,591,083	2,774,247	2,846,803	3,014,766	2,815,381	2,432,608	2,417,183	29,563,431	
Total Operating Expenses excl GAC (BUDGET)	(2,119,444)	(1,828,796)	(1,794,590)	(1,931,431)	(2,144,777)	(2,198,269)	(2,274,154)	(2,418,458)	(2,372,430)	(2,286,594)	(2,117,409)	(1,847,964)	(25,334,316)	
GAC (BUDGET)			(151,000)		(151,000)	(151,000)	(151,000)			(151,000)		(151,000)	(906,000)	
Operating Expenses excl GAC (ACTUAL)	(2,096,914)	(2,221,923)	(2,281,727)	(1,607,632)	(1,705,168.27)	(2,534,621)	(2,145,935)	(2,325,239)	(2,318,711)	(2,062,375)	(2,063,690)	(1,794,245)	(25,158,180)	
Littlerock Dam - Sediment Removal			(326,118)	(177,477)	(26,505)									
GAC		(107,803)				(72,412)	(151,000)			(151,000)	(151,000)	(151,000)	(784,215)	
Prepaid Insurance (paid)/refunded							(74,500)	(39,500)		(170,500)			(284,500)	
Total Operating Expense (ACTUAL)	(2,096,914)	(2,329,726)	(2,607,845)	(1,785,109)	(1,731,673)	(2,607,033)	(2,371,435)	(2,364,739)	(2,318,711)	(2,383,875)	(2,214,690)	(1,945,245)	(26,226,895)	
Non-Operating Revenue:														
Assessments, net (BUDGET)	686,050	264,605	18,650	2,167,790	745,795	13,325	86,225	134,500	-	-	137,500	2,620,560	6,875,000	
Actual/Projected Assessments, net	674,492	313,497	25,913	2,045,361	779,479	18,309	86,225	134,500	-	-	137,500	2,620,560	6,835,836	
Asset Sale/Unencumbered Money (Taxes)			5,128										5,128	
RDA Pass-through (Successor Agency)	331,676					509,207							840,883	
Interest	10,174	9,268	10,766	7,133	6,500	10,333	14,583	14,583	14,584	14,584	14,584	14,584	141,676	
Market Adjustment	(9,827)	(8,701)	(9,414)	(6,675)	(6,179)	(12,229)							(53,027)	
Grant Re-imbursement									50,000		50,000		100,000	
Capital Improvement Fees - Infrastructure		18,012	14,316	8,498	250,625	473,831							765,283	
Capital Improvement Fees - Water Supply			7,852		545,664	349,734							903,250	
DWR Refund (Capital Related)			30,082	183,245	23,985								237,312	
Other	-	28,340	2,533	-	24,517	-	4,000	4,000	4,000	4,000	4,000	5,000	80,390	
Total Non-Operating Revenues (BUDGET)													-	
Total Non-Operating Revenues (ACTUAL)	1,006,514	360,416	87,175	2,237,563	1,624,591	1,349,184	104,808	153,083	68,584	18,584	206,084	2,640,144	9,856,731	
Non-Operating Expenses:														
Budgeted Capital Expenditures	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(199,044)	(2,388,533)	
Budgeted Capital Expenditures (Committed During Year)													-	
Actual/Projected Capital Expenditures	(359,933)	(57,836)	(80,020)	(286,481)	(36,687)	(55,286)	(199,044)	(251,044)	(250,408)	(264,044)	(264,044)	(283,703)	(2,388,533)	
WRB Capital Expenditures (COP - Amargosa Recharge Proj)	(720,579)												(720,579)	
Const. of Monitoring Wells/Test Basin (Water Supply)													-	
Grade Control Structure (Water Supply)													-	
SWP Capitalized	(829,455)	(232,720)	(232,720)	(232,719)	(232,718)	(232,718)	(829,449)	(232,718)	(232,718)	(232,718)	(232,718)	(232,718)	(3,986,089)	
Investment in PRWA (Suspended Contribution for 2021)													-	
Butte County Water Transfer							(766,050)					(782,084)	(1,548,134)	
Bond Payments - Interest			(1,018,267)						(1,083,369)				(2,101,635)	
Principal			(625,652)						(1,212,851)				(1,838,503)	
Capital leases - Holman Capital (2017 Lease)	(89,477)						(89,477)						(178,953)	
Capital leases - Enterprise FM Trust (Vehicles)	(23,803)	(11,017)	(10,831)	(10,905)	(10,905)	(10,905)	(11,833)	(11,833)	(11,833)	(11,833)	(11,833)	(11,833)	(149,367)	
Capital leases - Wells Fargo (Printers)	(4,354)	(4,210)	(4,265)	(4,321)	(4,286)	(4,286)	(4,667)	(4,667)	(4,667)	(4,667)	(4,667)	(4,667)	(53,723)	
Total Non-Operating Expenses (ACTUAL)	(2,027,601)	(305,783)	(1,971,754)	(534,426)	(284,597)	(303,196)	(1,900,520)	(500,262)	(2,795,846)	(513,262)	(513,262)	(1,315,005)	(12,965,517)	
Total Cash Ending Balance (BUDGET)	10,956,032	11,073,711	9,199,205	10,989,695	11,414,389	10,746,726	10,169,877	10,356,760	7,864,417	7,941,244	8,067,984	9,990,449		
Total Cash Ending Balance (ACTUAL)	10,705,394	10,483,186	8,183,565	10,204,829	12,061,674	13,091,712	11,698,811	11,833,695	9,802,487	9,739,315	9,650,055	11,447,131		
											Budget	9,990,449	Carryover	
											Difference	1,456,682	Adj. Difference	1,456,682
2019 Cash Ending Balance (ACTUAL)	12,059,367	12,115,860	10,269,966	11,324,072	10,909,681	10,781,332	9,476,817	10,391,159	8,066,551	8,518,101	10,068,908	11,749,481		

Indicates actual expenditures/revenues:

Indicates anticipated expenditures/revenues:

PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: August 3, 2021 **August 9, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 8.1.b – STATUS REPORT ON FINANCIAL STATEMENTS, REVENUE, AND EXPENSE AND DEPARTMENTAL BUDGET REPORTS FOR JUNE 2021. (FINANCE MANAGER WILLIAMS/FINANCE COMMITTEE)***

Discussion:

Presented here are the Balance Sheet and Profit/Loss Statement for the period ending June 30, 2021. Also included are the Quarter-To-Quarter Comparisons and Year-to-Date Revenue and Expense Analysis. Finally, I have provided individual departmental budget reports through the month of June 2021.

This is the 6th month/2nd quarter of the District's Budget Year 2021. The target percentage is 50%. Revenues ideally are at or above, and expenditures ideally are below.

Balance Sheet:

- Pages 1 and 2 is our balance sheet trending for the 6-month period and a graphic presentation of Assets, Liabilities, and Net Position at June 30, 2021.
- The significant change is the increase in cash and investments. The increase is due to the receipt of Capital Improvement Fees of approximately \$800K.

Profit/Loss Statement:

- Page 3 is our profit/loss statement trending for the 6-month period.
- Operating revenue is at 46.6% of budget.
- Cash operating expense is at 44.5% of budget.
- All departmental budgets are at or below the target percentage.
- Revenues have exceeded expenses for the month by \$1.1M and year-to-date revenues have exceeded expenditures by \$2M.
- Note we have received just over \$1.6M in Capital Improvement Fees YTD.
- Pages 4 through 6 is showing the P&L in various graphic forms using major report category totals.
- Page 7 is showing the operating expense distributed between personnel and operation costs. Labor costs are at 56% of total expenses with salaries making up 39% of that.

August 3, 2021

Quarter-To-Quarter Comparison P&L:

- Page 7-1 is our 2nd quarter comparison, comparing 2021 to 2020.
- Total operating revenue increased \$1.17M, or 18.5%.
- Total operating expense increased \$174K, or 3.3%.
- Units billed increased by 242K.
- Revenue per unit sold increased \$0.15.
- Revenue per connection increased \$14.22.
- Units sold per connection increased 2.90.

Revenue Analysis Year-To-Date:

- Page 8 is our comparison of revenue, year-to-date.
- Operating revenue through June 2021 is up \$1.9M, or 16.5%.
- Retail water revenue from all areas are up by \$1.6M from last year. That's shown by the combined green highlighted area.
- Retail water sales, excluding meter fees, is up \$1M.
- Total revenue is up \$3.6M, or 22%.
- Operating revenue is at 46.6% of budget, last year was at 42.8% of budget.

Expense Analysis Year-To-Date:

- Page 9 is our comparison of expense, year-to-date.
- Cash Operating Expenses through June 2021 are up \$1.15M, or 10%, compared to 2020, Total Expenses are up \$1.2M, or 7%.

Departments:

- Pages 11 through 21 are detailed individual departmental budgets for your review.

Non-Cash Definitions:

Depreciation: This is the spreading of the total expense of a capital asset over the expected life of that asset.

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

Bad Debt: The uncollectible accounts receivable that has been written off.

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

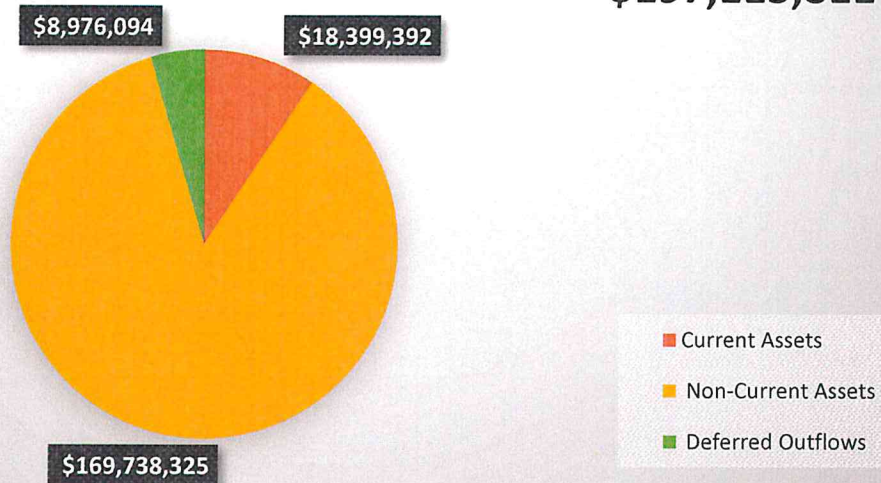
Capitalized Construction: The value of our labor force used to construct our asset infrastructure.

**Palmdale Water District
Balance Sheet Report**

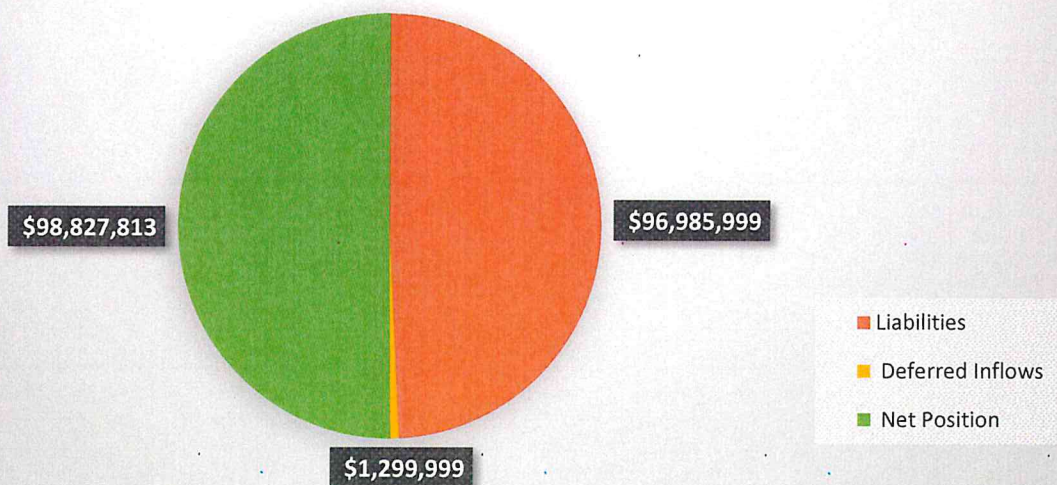
	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021
ASSETS												
Current Assets:												
Cash and cash equivalents	\$ 1,166,119	\$ 611,892	\$ 441,840	\$ 408,843	\$ 689,653	\$ 370,645						
Investments	9,539,275	9,871,294	7,741,725	9,795,986	11,372,020	12,721,066						
Accrued interest receivable	-	-	-	-	-	-						
Accounts receivable - water sales and services, net	2,417,921	2,393,121	2,319,933	2,454,924	2,829,261	3,023,399						
Accounts receivable - property taxes and assessments	3,666,062	3,352,565	3,326,652	1,281,291	501,812	483,503						
Accounts receivable - other	84,957	83,463	83,463	72,482	72,482	69,431						
Materials and supplies inventory	1,324,379	1,323,295	1,309,878	1,302,052	1,354,420	1,391,967						
Prepaid items and other deposits	497,063	472,177	447,289	422,400	364,267	339,381						
Total Current Assets	\$ 18,695,776	\$ 18,107,808	\$ 15,670,780	\$ 15,737,979	\$ 17,183,915	\$ 18,399,392						
Non-Current Assets:												
Restricted - cash and cash equivalents	\$ 2,243,011	\$ 2,227,709	\$ 2,219,718	\$ 2,219,774	\$ 2,207,428	\$ 2,207,485						
Investment in Palmdale Recycled Water Authority	1,958,222	1,958,222	1,958,222	1,958,222	1,958,222	1,958,222						
Capital assets - not being depreciated	25,978,998	26,101,866	26,284,807	26,480,564	26,575,365	25,517,267						
Capital assets - being depreciated, net	141,222,926	140,743,973	140,289,793	139,812,737	139,341,686	140,055,351						
Total Non-Current Assets	\$ 171,403,157	\$ 171,031,770	\$ 170,752,539	\$ 170,471,298	\$ 170,082,702	\$ 169,738,325						
TOTAL ASSETS	\$ 190,098,934	\$ 189,139,579	\$ 186,423,319	\$ 186,209,276	\$ 187,266,616	\$ 188,137,717						
DEFERRED OUTFLOWS OF RESOURCES:												
Deferred loss on debt defeasance, net	\$ 3,634,579	\$ 3,621,522	\$ 3,608,464	\$ 3,595,406	\$ 3,582,348	\$ 3,569,291						
Deferred outflows of resources related to pensions	5,406,803	5,406,803	5,406,803	5,406,803	5,406,803	5,406,803						
Total Deferred Outflows of Resources	\$ 9,041,382	\$ 9,028,325	\$ 9,015,267	\$ 9,002,209	\$ 8,989,151	\$ 8,976,094						
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 199,140,316	\$ 198,167,903	\$ 195,438,585	\$ 195,211,485	\$ 196,255,768	\$ 197,113,811						
LIABILITIES AND NET POSITION												
Current Liabilities:												
Accounts payable and accrued expenses	\$ 1,233,999	\$ 965,572	\$ 472,147	\$ 140,405	\$ (79,926)	\$ (24)						
Customer deposits for water service	2,992,666	2,992,893	2,991,271	2,978,272	3,020,568	3,032,272						
Construction and developer deposits	1,607,184	1,607,498	1,610,498	1,610,498	1,630,498	1,626,591						
Accrued interest payable	718,954	908,721	40,110	180,562	361,123	541,685						
Long-term liabilities - due in one year:	-	-	-	-	-	-						
Compensated absences	463,802	486,599	516,896	516,896	516,896	516,896						
Rate Stabilization Fund	460,000	460,000	460,000	460,000	460,000	460,000						
Capital lease payable	(89,477)	(89,477)	(89,477)	(89,477)	(89,477)	(89,477)						
Loan payable	1,261,002	1,261,002	635,350	635,350	635,350	635,350						
Revenue bonds payable	14,932,501	14,932,501	14,932,501	14,932,501	14,932,501	14,932,501						
Total Current Liabilities	\$ 23,580,632	\$ 23,525,309	\$ 21,569,296	\$ 21,365,007	\$ 21,387,533	\$ 21,655,794						
Non-Current Liabilities:												
Long-term liabilities - due in more than one year:												
Compensated absences	\$ 154,601	\$ 162,200	\$ 172,299	\$ 172,299	\$ 172,299	\$ 172,299						
Capital lease payable	261,137	261,137	261,137	261,137	261,137	261,137						
Loan payable	5,982,868	5,971,270	5,959,672	5,948,074	5,936,476	5,924,878						
Revenue bonds payable	40,335,604	40,335,604	40,335,604	40,335,604	40,335,604	40,335,604						
Net other post employment benefits payable	16,576,836	16,674,224	16,770,928	16,868,089	16,965,355	17,062,516						
Aggregate net pension liability	11,573,771	11,573,771	11,573,771	11,573,771	11,573,771	11,573,771						
Total Non-Current Liabilities	\$ 74,884,816	\$ 74,978,206	\$ 75,073,411	\$ 75,158,974	\$ 75,244,642	\$ 75,330,205						
Total Liabilities	\$ 98,465,449	\$ 98,503,515	\$ 96,642,707	\$ 96,523,981	\$ 96,632,176	\$ 96,985,999						
DEFERRED INFLOWS OF RESOURCES:												
Unearned property taxes and assessments	\$ 2,750,000	\$ 2,200,000	\$ 1,650,000	\$ 1,100,000	\$ 550,000	\$ -						
Deferred inflows of resources related to pensions	1,299,999	1,299,999	1,299,999	1,299,999	1,299,999	1,299,999						
Total Deferred Inflows of Resources	\$ 4,049,999	\$ 3,499,999	\$ 2,949,999	\$ 2,399,999	\$ 1,849,999	\$ 1,299,999						
NET POSITION:												
Profit/(Loss) from Operations	\$ 70,947	\$ (389,533)	\$ (708,043)	\$ (299,388)	\$ 1,230,580	\$ 2,284,799						
Restricted for investment in Palmdale Recycled Water Authority	1,958,222	1,958,346	1,958,720	1,958,778	1,958,778	1,958,778						
Unrestricted	94,595,700	94,595,576	94,595,202	94,628,115	94,584,235	94,584,235						
Total Net Position	\$ 96,624,868	\$ 96,164,389	\$ 95,845,879	\$ 96,287,506	\$ 97,773,593	\$ 98,827,813						
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 199,140,316	\$ 198,167,903	\$ 195,438,585	\$ 195,211,485	\$ 196,255,768	\$ 197,113,811						

BALANCE SHEET AS OF JUNE 30, 2021

ASSETS \$197,113,811



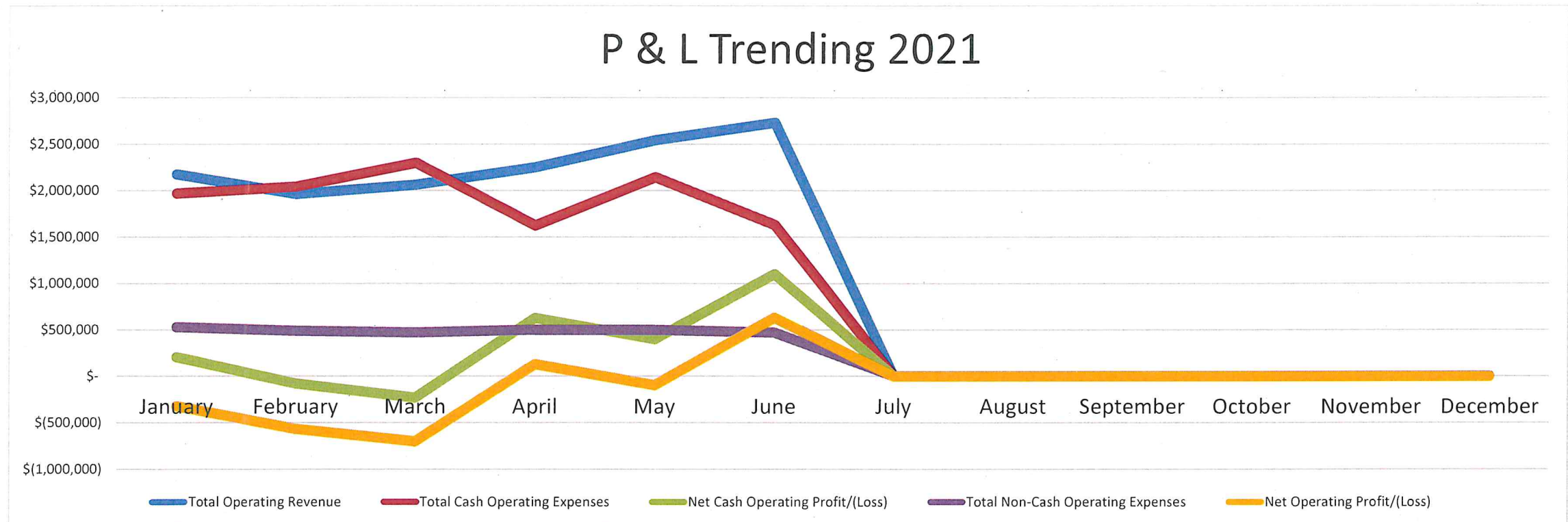
Liabilities & Net Position \$197,113,811



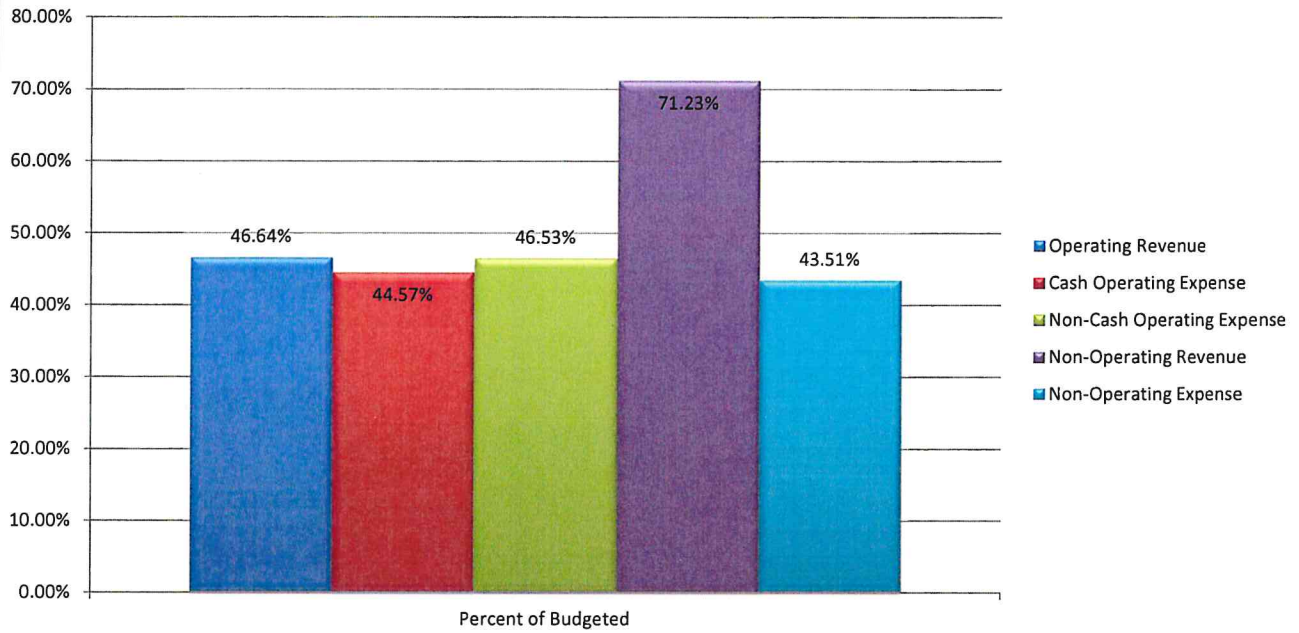
Palmdale Water District
Consolidated Profit and Loss Statement
For the Six Months Ending 6/30/2021

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date	Adjustments	Adjusted Budget	% of Budget
Operating Revenue:																
Wholesale Water	\$ 29,314	\$ 20,187	\$ 10,378	\$ 15,248	\$ 34,075	\$ 60,280							\$ 169,482		\$ 400,000	42.37%
Water Sales	759,890	577,935	658,948	785,790	1,016,365	1,245,849							5,044,776		12,114,400	41.64%
Meter Fees	1,261,621	1,264,811	1,267,920	1,266,869	1,269,667	1,253,871							7,584,758		14,865,600	51.02%
Water Quality Fees	43,623	34,830	40,470	49,149	60,500	71,841							300,413		781,860	38.42%
Elevation Fees	20,960	16,986	20,221	24,459	32,466	39,674							154,766		366,843	42.19%
Other	57,433	46,099	65,426	107,832	127,751	58,251							462,792		880,258	52.57%
Total Operating Revenue	\$ 2,172,841	\$ 1,960,846	\$ 2,063,364	\$ 2,249,346	\$ 2,540,824	\$ 2,729,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,716,987	\$ -	\$ 29,408,961	46.64%
Cash Operating Expenses:																
Directors	\$ 1,981	\$ 7,185	\$ 13,609	\$ 11,314	\$ 10,491	\$ 12,930							\$ 57,510		\$ 147,790	38.91%
Administration-Services	126,365	155,826	216,995	171,821	157,094	170,755							998,856		2,219,350	45.01%
Administration-District	160,443	177,163	260,496	190,007	204,477	170,967							1,163,555		2,323,316	50.08%
Engineering	88,188	144,647	174,408	117,025	123,479	124,792							772,541		1,678,000	46.04%
Facilities	528,418	390,647	490,158	460,892	532,149	504,149							2,906,412		6,164,200	47.15%
Operations	175,105	193,620	330,453	214,751	364,647	224,700							1,503,276		3,409,900	44.09%
Finance	114,148	126,486	172,542	127,980	121,920	120,562							783,638		1,720,050	45.56%
Water Use Efficiency	16,594	17,750	24,841	18,124	18,434	17,126							112,869		390,950	28.87%
Human Resources	26,147	28,873	46,985	35,432	32,305	32,170							201,912		508,900	39.68%
Information Technology	176,083	162,782	114,085	87,995	105,355	101,817							748,116		1,739,300	43.01%
Customer Care	79,281	101,631	138,763	97,693	101,495	103,780							622,643		1,466,700	42.45%
Source of Supply-Purchased Water	305,907	188,140	78,395	77,158	273,606	21,677							944,883		2,400,000	39.37%
Plant Expenditures	60,757	17,367	29,669	10,632	24,137	4,376							146,937		565,860	25.97%
Sediment Removal Project	454	328,232	203,982	-	-	20,144							552,811		600,000	92.14%
GAC Filter Media Replacement	107,803	-	-	-	72,412	-							180,215		906,000	19.89%
Total Cash Operating Expenses	\$ 1,967,674	\$ 2,040,349	\$ 2,295,381	\$ 1,620,823	\$ 2,142,003	\$ 1,629,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,696,174	\$ -	\$ 26,240,316	44.57%
Net Cash Operating Profit/(Loss)	\$ 205,168	\$ (79,502)	\$ (232,017)	\$ 628,523	\$ 398,822	\$ 1,099,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,020,813	\$ -	\$ 3,168,645	63.78%
Non-Cash Operating Expenses:																
Depreciation	\$ 426,471	\$ 422,812	\$ 420,912	\$ 420,912	\$ 414,905	\$ 439,201							\$ 2,545,212		\$ 5,000,000	50.90%
OPEB Accrual Expense	127,710	127,710	127,710	127,710	127,710	127,710							766,260		1,750,000	43.79%
Bad Debts	1,407	1,052	(627)	5,057	610	434							7,933		350,000	2.27%
Service Costs Construction	7,647	794	16,880	16,875	15,205	21,443							78,844		150,000	52.56%
Capitalized Construction	(34,833)	(63,787)	(94,337)	(71,223)	(61,437)	(118,098)							(443,715)		(900,000)	49.30%
Total Non-Cash Operating Expenses	\$ 528,403	\$ 488,580	\$ 470,538	\$ 499,331	\$ 496,993	\$ 470,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,954,534	\$ -	\$ 6,350,000	46.53%
Net Operating Profit/(Loss)	\$ (323,235)	\$ (568,083)	\$ (702,555)	\$ 129,192	\$ (98,171)	\$ 629,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (933,721)	\$ -	\$ (3,181,355)	29.35%
Non-Operating Revenues:																
Assessments (Debt Service)	\$ 416,845	\$ 416,845	\$ 416,845	\$ 416,845	\$ 416,845	\$ 416,845							\$ 2,501,070		\$ 5,000,000	50.02%
Assessments (1%)	464,828	133,155	138,283	133,155	133,155	642,362							1,644,938		2,475,000	66.46%
DWR Fixed Charge Recovery	-	-	30,082	183,245	23,985	-							237,312		175,000	135.61%
Interest	346	567	1,352	458	321	(1,897)							1,147		175,000	0.66%
CIF - Infrastructure	-	18,012	14,316	8,498	250,625	473,831							765,283		150,000	510.19%
CIF - Water Supply	-	-	7,852	-	545,664	349,734							903,250		450,000	200.72%
Grants - State and Federal	-	-	-	-	-	-							-		100,000	0.00%
Other	-	28,340	2,533	-	24,517	-							55,390		50,000	110.78%
Total Non-Operating Revenues	\$ 882,020	\$ 596,920	\$ 611,262	\$ 742,201	\$ 1,395,112	\$ 1,880,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,108,390	\$ -	\$ 8,575,000	71.23%
Non-Operating Expenses:																
Interest on Long-Term Debt	\$ 184,429	\$ 184,429	\$ 184,429	\$ 183,247	\$ 183,247	\$ 183,247							\$ 1,103,029		\$ 3,001,426	36.75%
Deferred Charges-Cost of Issuance	-	-	-	-	-	-							-		-	-
Amortization of SWP	288,860	288,861	288,862	288,863	288,864	288,865							1,733,174		3,104,350	55.83%
Change in Investments in PRWA	-	124	374	58	-	-							556		300,000	0.19%
Water Conservation Programs	8,016	7,880	7,782	10,669	10,691	8,072							53,110		236,500	22.46%
Total Non-Operating Expenses	\$ 481,305	\$ 481,295	\$ 481,447	\$ 482,837	\$ 482,802	\$ 480,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,889,869	\$ -	\$ 6,642,276	43.51%
Net Earnings	\$ 77,480	\$ (452,457)	\$ (572,741)	\$ 388,557	\$ 814,140	\$ 2,029,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,284,799	\$ -	\$ (1,248,631)	-182.98%

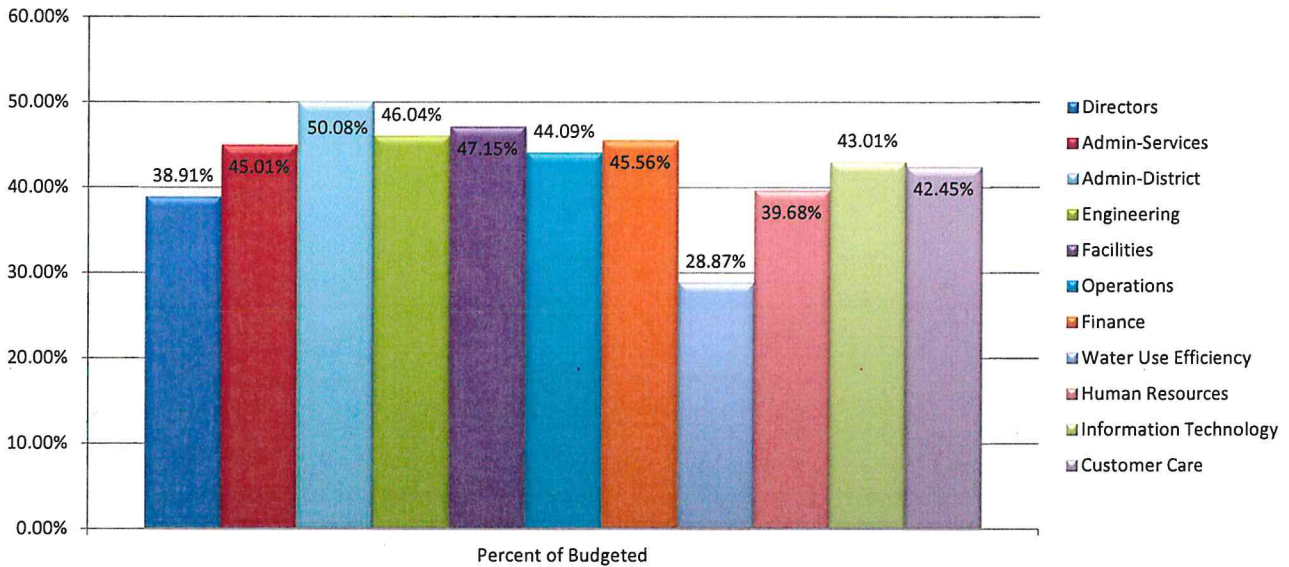
	January	February	March	April	May	June	July	August	September	October	November	December
Total Operating Revenue	\$ 2,172,841	\$ 1,960,846	\$ 2,063,364	\$ 2,249,346	\$ 2,540,824	\$ 2,729,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Operating Expenses	\$ 1,967,674	\$ 2,040,349	\$ 2,295,381	\$ 1,620,823	\$ 2,142,003	\$ 1,629,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash Operating Profit/(Loss)	\$ 205,168	\$ (79,502)	\$ (232,017)	\$ 628,523	\$ 398,822	\$ 1,099,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Cash Operating Expenses	\$ 528,403	\$ 488,580	\$ 470,538	\$ 499,331	\$ 496,993	\$ 470,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Operating Profit/(Loss)	\$ (323,235)	\$ (568,083)	\$ (702,555)	\$ 129,192	\$ (98,171)	\$ 629,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



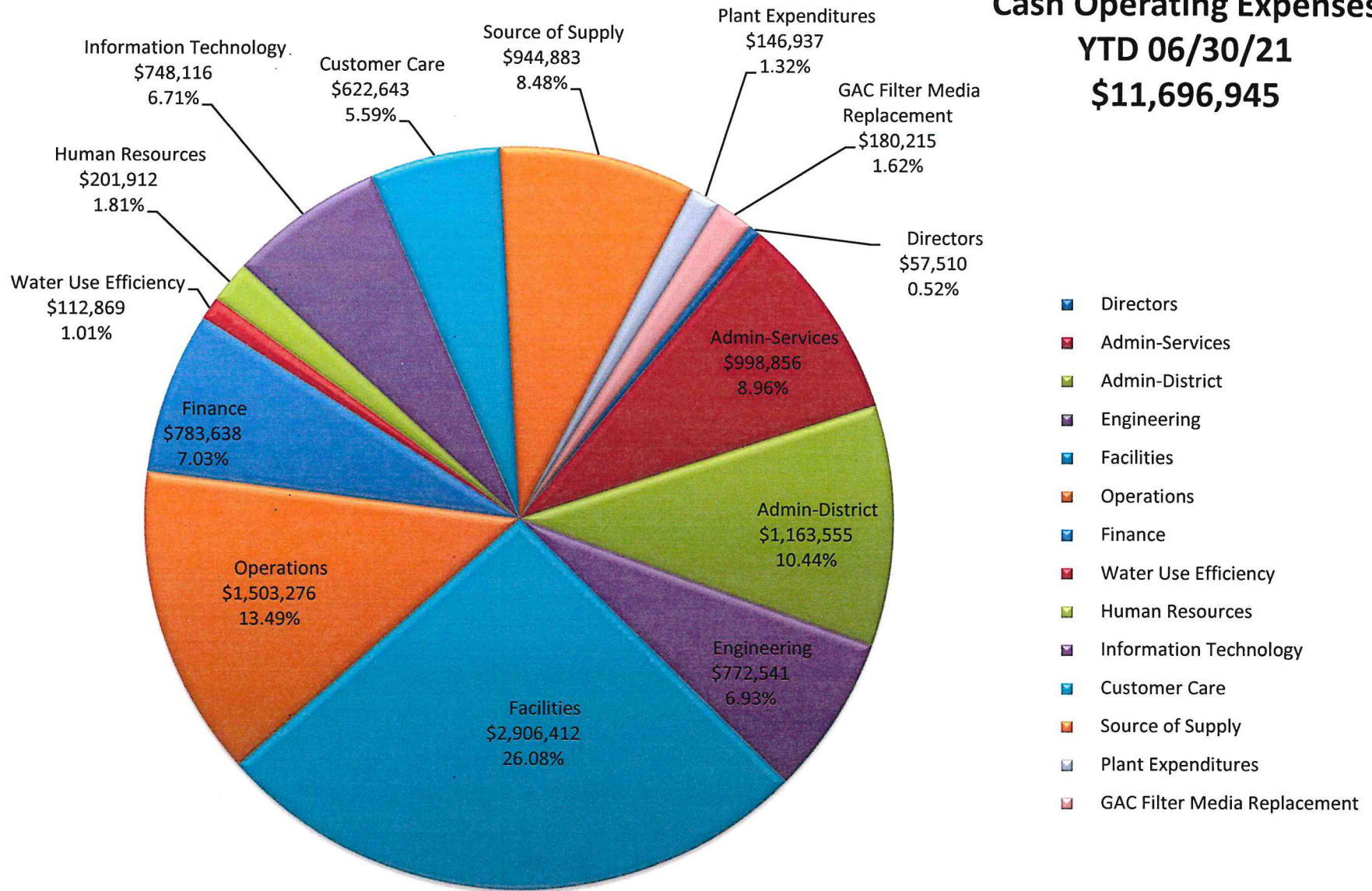
P & L BUDGET vs. ACTUAL



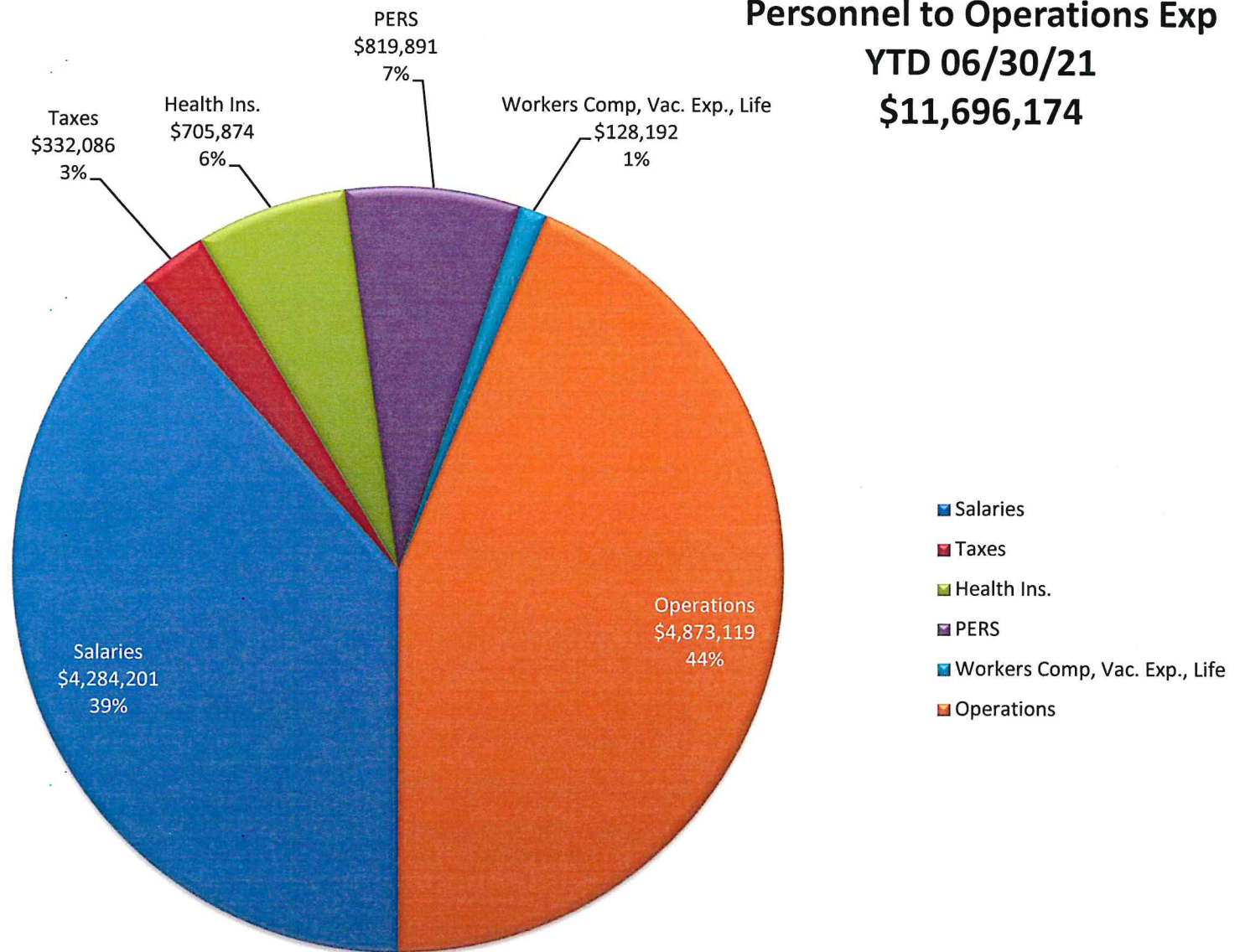
DEPARTMENTAL - BUDGET vs. ACTUAL



Cash Operating Expenses YTD 06/30/21 \$11,696,945



Personnel to Operations Exp
YTD 06/30/21
\$11,696,174



**Palmdale Water District
Profit and Loss Statement
Quarterly Comparison**

	2nd Qtr 2020	2nd Qtr 2021	Change	% Change	Consumption Comparison			
					Units Billed	2020	2021	Change
Operating Revenue:								
Wholesale Water	\$ 64,590	\$ 109,603	\$ 45,013	69.69%	Active	80,325	80,681	356
Water Sales	2,447,087	3,048,004	600,917	24.56%	Vacant	2,061	1,850	211
Meter Fees	3,470,549	3,790,406	319,857	9.22%				
Water Quality Fees	195,331	181,490	(13,841)	-7.09%				
Elevation Fees	84,752	96,599	11,848	13.98%	Rev/unit	\$ 3.57	\$ 3.73	\$ 0.15
Other	82,454	293,834	211,380	256.36%	Rev/con	\$ 78.99	\$ 93.21	\$ 14.22
Total Operating Revenue	\$ 6,344,762	\$ 7,519,935	\$ 1,175,173	18.52%	Unit/con	22.11	25.01	2.90
Cash Operating Expenses:								
Directors	\$ 23,156	\$ 34,735	\$ 11,579	50.00%				
Administration-Services	530,321	499,670	(30,651)	-5.78%				
Administration-District	446,673	565,452	118,779	26.59%				
Engineering	412,925	365,297	(47,628)	-11.53%				
Facilities	1,583,784	1,497,189	(86,595)	-5.47%				
Operations	776,858	804,098	27,241	3.51%				
Finance	327,730	370,463	42,733	13.04%				
Water Conservation	60,046	53,684	(6,362)	-10.60%				
Human Resources	100,600	99,906	(693)	-0.69%				
Information Technology	294,083	295,167	1,084	0.37%				
Customer Care	350,132	302,967	(47,165)	-13.47%				
Source of Supply-Purchased Water	312,075	372,441	60,366	19.34%				
Plant Expenditures	-	39,145	39,145					
Sediment Removal Project	-	20,144	20,144					
GAC Filter Media Replacement	-	72,412	72,412					
Total Cash Operating Expenses	\$ 5,218,382	\$ 5,392,771	\$ 174,388	3.34%				
Non-Cash Operating Expenses:								
Depreciation	\$ 1,279,059	\$ 1,275,017	\$ (4,041)	-0.32%				
OPEB Accrual Expense	383,130	383,130	-	0.00%				
Bad Debts	(2,497)	6,100	8,598	-344.27%				
Service Costs Construction	44,075	53,523	9,448	21.44%				
Capitalized Construction	(404,144)	(250,758)	153,386	-37.95%				
Total Non-Cash Operating Expenses	\$ 1,299,623	\$ 1,467,014	\$ 167,391	12.88%				
Net Operating Profit/(Loss)	\$ (173,243)	\$ 660,151	\$ 833,394	-481.05%				
Non-Operating Revenues:								
Assessments (Debt Service)	\$ 1,250,535	\$ 1,250,535	\$ 0	0.00%				
Assessments (1%)	842,316	908,672	66,356	7.88%				
DWR Fixed Charge Recovery	183,955	207,230	23,275	12.65%				
Interest	45,664	(1,118)	(46,782)	-102.45%				
CIF - Infrastructure	60,368	732,955	672,586	1114.14%				
CIF - Water Supply	-	895,398	895,398					
Grants - State and Federal	-	-	-					
Other	7,980	24,517	16,537	207.24%				
Total Non-Operating Revenues	\$ 2,390,818	\$ 4,018,189	\$ 1,627,370	68.07%				
Non-Operating Expenses:								
Interest on Long-Term Debt	\$ 743,749	\$ 549,740	\$ (194,009)	-26.09%				
Deferred Charges-Cost of Issuance	127,252	-	(127,252)	-100.00%				
Amortization of SWP	475,770	866,591	390,821	82.15%				
Change in Investments in PRWA	5,459	58	(5,400)	-98.93%				
Water Conservation Programs	20,001	29,432	9,432	47.16%				
Total Non-Operating Expenses	\$ 1,372,230	\$ 1,445,823	\$ 73,592	5.36%				
Net Earnings	\$ 845,345	\$ 3,232,518	\$ 2,387,173	282.39%				

Palmdale Water District
Revenue Analysis
For the Six Months Ending 6/30/2021

	2021					2020 to 2021 Comparison		
	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget	June	Year-to-Date	% Change
Operating Revenue:								
Wholesale Water	\$ 109,202	\$ 60,280	\$ 169,482	\$ 400,000	42.37%	\$ 13,681	\$ 86,312	103.78%
Water Sales	3,798,928	1,245,849	5,044,776	12,114,400	41.64%	115,637	1,010,013	25.03%
Meter Fees	6,330,887	1,253,871	7,584,758	14,865,600	51.02%	100,412	681,390	9.87%
Water Quality Fees	228,572	71,841	300,413	781,860	38.42%	(13,336)	(24,798)	-7.63%
Elevation Fees	115,092	39,674	154,766	366,843	42.19%	1,107	18,388	13.48%
Other	404,541	58,251	462,792	880,258	52.57%	4,187	162,735	54.23%
Total Water Sales	\$ 10,987,222	\$ 2,729,765	\$ 13,716,987	\$ 29,408,961	46.64%	\$ 221,688	\$ 1,934,040	16.53%
Non-Operating Revenues:								
Assessments (Debt Service)	\$ 2,084,225	\$ 416,845	\$ 2,501,070	\$ 5,000,000	50.02%	\$ 0	\$ 0	0.00%
Assessments (1%)	1,002,576	642,362	1,644,938	2,475,000	66.46%	66,356	114,963	7.51%
DWR Fixed Charge Recovery	237,312	-	237,312	175,000	135.61%	(33,614)	53,357	29.01%
Interest	3,044	(1,897)	1,147	175,000	0.66%	(8,793)	(146,859)	-99.22%
CIF - Infrastructure	291,452	473,831	765,283	150,000	510.19%	413,463	692,886	957.07%
CIF - Water Supply	553,516	349,734	903,250	450,000	200.72%	349,734	903,250	
Grants - State and Federal	-	-	-	100,000	0.00%	-	-	
Other	55,390	-	55,390	50,000	110.78%	-	47,358	589.59%
Total Non-Operating Revenues	\$ 4,227,515	\$ 1,880,875	\$ 6,108,390	\$ 8,575,000	71.23%	\$ 787,146	\$ 1,664,955	37.47%
Total Revenue	\$ 15,214,737	\$ 4,610,640	\$ 19,825,377	\$ 37,983,961	52.19%	\$ 1,008,834	\$ 3,598,994	22.29%

	2020				
	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget
Operating Revenue:					
Wholesale Water	\$ 36,570	\$ 46,599	\$ 83,169	\$ 295,000	28.19%
Water Sales	2,904,552	1,130,212	4,034,764	10,028,794	40.23%
Meter Fees	5,749,909	1,153,459	6,903,368	14,956,694	46.16%
Water Quality Fees	240,035	85,176	325,211	783,015	41.53%
Elevation Fees	97,811	38,567	136,378	354,450	38.48%
Other	245,993	54,064	300,057	877,625	34.19%
Total Water Sales	\$ 9,238,300	\$ 2,461,478	\$ 11,699,778	\$ 27,295,578	42.86%
Non-Operating Revenues:					
Assessments (Debt Service)	\$ 2,084,225	\$ 416,845	\$ 2,501,070	\$ 4,925,250	50.78%
Assessments (1%)	953,969	576,006	1,529,975	2,346,000	65.22%
DWR Fixed Charge Recovery	150,341	33,614	183,955	175,000	105.12%
Interest	141,111	6,896	148,007	150,000	98.67%
CIF - Infrastructure	12,028	60,368	72,396	18,750	386.11%
CIF - Water Supply	-	-	-	56,250	0.00%
Grants - State and Federal	-	-	-	100,000	0.00%
Other	8,032	-	8,032	50,000	16.06%
Total Non-Operating Revenues	\$ 3,349,706	\$ 1,093,729	\$ 4,443,436	\$ 7,821,250	56.81%
Total Revenue	\$ 12,588,006	\$ 3,555,207	\$ 16,143,213	\$ 35,116,828	45.97%

Palmdale Water District
Operating Expense Analysis
For the Six Months Ending 6/30/2021
2021

2020 to 2021 Comparison

	Thru May	June	Year-to-Date	Adjusted Budget	% of Budget	June	Year-to-Date	% Change
Cash Operating Expenses:								
Directors	\$ 44,580	\$ 12,930	\$ 57,510	\$ 147,790	38.91%	\$ 5,163	\$ 14,206	32.81%
Administration-Services	828,101	170,755	998,856	2,219,350	45.01%	22,349	11,365	1.15%
Administration-District	992,587	170,967	1,163,555	2,323,316	50.08%	71,992	127,783	12.34%
Engineering	647,748	124,792	772,541	1,678,000	46.04%	2,917	(9,920)	-1.27%
Facilities	2,402,262	504,149	2,906,412	6,164,200	47.15%	90,715	(76,156)	-2.55%
Operations	1,278,576	224,700	1,503,276	3,409,900	44.09%	(8,034)	(80,879)	-5.11%
Finance	663,076	120,562	783,638	1,720,050	45.56%	17,794	136,673	21.13%
Water Conservation	95,743	17,126	112,869	390,950	28.87%	(1,037)	(9,721)	-7.93%
Human Resources	169,742	32,170	201,912	508,900	39.68%	2,870	(1,037)	-0.51%
Information Technology	646,300	101,817	748,116	1,739,300	43.01%	(3,010)	65,642	9.62%
Customer Care	518,864	103,780	622,643	1,466,700	42.45%	4,139	(57,616)	-8.47%
Source of Supply-Purchased Water	923,206	21,677	944,883	2,400,000	39.37%	(97,935)	200,242	26.89%
Plant Expenditures	142,561	4,376	146,937	565,860	25.97%	4,376	96,587	191.83%
Sediment Removal Project	532,667	20,144	552,811	600,000	92.14%	20,144	552,811	
GAC Filter Media Replacement	180,215	-	180,215	906,000	19.89%	-	180,215	
Total Cash Operating Expenses	\$ 10,066,229	\$ 1,629,945	\$ 11,696,174	\$ 26,240,316	44.57%	\$ 132,445	\$ 1,150,197	9.83%
Non-Cash Operating Expenses:								
Depreciation	\$ 2,106,011	\$ 439,201	\$ 2,545,212	\$ 5,000,000	50.90%	\$ 14,746	\$ (36,122)	-1.40%
OPEB Accrual Expense	638,550	127,710	766,260	1,750,000	43.79%	-	-	0.00%
Bad Debts	7,499	434	7,933	350,000	2.27%	455	4,776	151.24%
Service Costs Construction	57,401	21,443	78,844	150,000	52.56%	9,201	(16,851)	-17.61%
Capitalized Construction	(325,617)	(118,098)	(443,715)	(900,000)	49.30%	53,103	182,153	-29.10%
Total Non-Cash Operating Expenses	\$ 2,483,845	\$ 470,690	\$ 2,954,534	\$ 6,350,000	46.53%	\$ 77,505	\$ 133,956	4.53%
Non-Operating Expenses:								
Interest on Long-Term Debt	\$ 919,782	\$ 183,247	\$ 1,103,029	\$ 3,001,426	36.75%	\$ (67,536)	\$ (287,060)	-20.65%
Deferred Charges-Cost of Issuance	-	-	-	-		-	(127,252)	-100.00%
Amortization of SWP	1,444,309	288,865	1,733,174	3,104,350	55.83%	50,980	306,257	21.46%
Change in Investments in PRWA	556	-	556	300,000	0.19%	-	(10,338)	-94.89%
Water Conservation Programs	45,038	8,072	53,110	236,500	22.46%	2,358	16,217	43.96%
Total Non-Operating Expenses	\$ 2,409,686	\$ 480,184	\$ 2,889,869	\$ 6,642,276	43.51%	\$ (14,198)	\$ (102,176)	-3.41%
Total Expenses	\$ 14,959,759	\$ 2,580,819	\$ 17,540,578	\$ 39,232,592	44.71%	\$ 195,752	\$ 1,181,977	7.23%

**Palmdale Water District
Operating Expense Analysis
For the Six Months Ending 6/30/2021**

2020 to 2021 Comparison

	2020			Adjusted Budget	% of Budget
	Thru May	June	Year-to-Date		
Cash Operating Expenses:					
Directors	\$ 35,537	\$ 7,767	\$ 43,304	\$ 144,150	30.04%
Administration-Services	839,085	148,406	987,491	2,056,121	48.03%
Administration-District	936,797	98,975	1,035,772	2,128,988	48.65%
Engineering	660,585	121,876	782,460	1,635,725	47.84%
Facilities	2,569,134	413,434	2,982,567	6,449,794	46.24%
Operations	1,351,421	232,734	1,584,155	3,248,390	48.77%
Finance	544,197	102,768	646,965	1,346,687	48.04%
Water Conservation	104,427	18,163	122,590	358,682	34.18%
Human Resources	173,649	29,299	202,948	492,512	41.21%
Information Technology	577,648	104,826	682,475	1,229,489	55.51%
Customer Care	580,618	99,640	680,259	1,292,548	52.63%
Source of Supply-Purchased Water	625,029	119,612	744,641	2,321,476	32.08%
Plant Expenditures	50,350	-	50,350	610,556	8.25%
Sediment Removal Project	-	-	-	600,000	
GAC Filter Media Replacement	-	-	-	783,015	0.00%
Total Cash Operating Expenses	\$ 9,048,476	\$ 1,497,500	\$ 10,545,976	\$ 24,698,133	42.70%
Non-Cash Operating Expenses:					
Depreciation	\$ 2,156,879	\$ 424,455	\$ 2,581,334	\$ 5,050,000	51.12%
OPEB Accrual Expense	638,550	127,710	766,260	1,750,000	43.79%
Bad Debts	3,179	(21)	3,158	35,000	9.02%
Service Costs Construction	83,453	12,242	95,695	100,000	95.70%
Capitalized Construction	(454,667)	(171,202)	(625,868)	(600,000)	104.31%
Total Non-Cash Operating Expenses	\$ 2,427,394	\$ 393,185	\$ 2,820,579	\$ 6,335,000	44.52%
Non-Operating Expenses:					
Interest on Long-Term Debt	\$ 1,139,305	\$ 250,783	\$ 1,390,088	\$ 2,648,000	52.50%
Deferred Charges-Cost of Issuance	127,252	-	127,252	-	
Amortization of SWP	1,189,032	237,885	1,426,917	2,881,000	49.53%
Change in Investments in PRWA	10,895	-	10,895	300,000	3.63%
Water Conservation Programs	31,179	5,714	36,893	236,500	15.60%
Total Non-Operating Expenses	\$ 2,497,663	\$ 494,382	\$ 2,992,045	\$ 6,065,500	49.33%
Total Expenses	\$ 13,973,534	\$ 2,385,067	\$ 16,358,600	\$ 37,098,633	44.09%

**Palmdale Water District
2021 Directors Budget
For the Six Months Ending Wednesday, June 30, 2021**

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-01-4000-000 Directors Pay	\$ -	\$ -	\$ -	\$ -	
Employee Benefits					
1-01-4005-000 Payroll Taxes	2,291	5,790		3,499	39.57%
1-01-4010-000 Health Insurance - Directors	19,919	53,000		33,081	37.58%
Subtotal (Benefits)	22,210	58,790	-	36,580	37.78%
Total Personnel Expenses	\$ 22,210	\$ 58,790	\$ -	\$ 36,580	37.78%

OPERATING EXPENSES:

1-01-xxxx-006 Director Share - Dizmang, Gloria	\$ 7,370				
1-01-xxxx-008 Director Share - Mac Laren, Kathy	4,825				
1-01-xxxx-010 Director Share - Dino, Vincent	7,929				
1-01-xxxx-012 Director Share - Wilson, Don	6,253				
1-01-xxxx-013 Director Share - Merino, Amberrose	8,923				
Subtotal Operating Expenses	35,300	89,000	-	53,700	39.66%
Total O & M Expenses	\$ 57,510	\$ 147,790	\$ -	\$ 90,280	38.91%

Palmdale Water District
2021 Administration Services Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-02-4000-000 Salaries	\$ 640,822	\$ 1,392,500	\$ 751,678	46.02%
1-02-4000-100 Overtime	1,471	6,000	4,529	24.52%
Subtotal (Salaries)	\$ 642,293	\$ 1,398,500	\$ -	45.93%

Employee Benefits

1-02-4005-000 Payroll Taxes	\$ 49,082	\$ 98,500	49,418	49.83%
1-02-4010-000 Health Insurance	84,227	184,500	100,273	45.65%
1-02-4015-000 PERS	62,566	131,250	68,684	47.67%
Subtotal (Benefits)	\$ 195,875	\$ 414,250	\$ -	47.28%

Total Personnel Expenses

\$ 838,168	\$ 1,812,750	\$ -	\$ 974,582	46.24%
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OPERATING EXPENSES:

1-02-4050-000 Staff Travel	\$ -	\$ 15,500	\$ -	\$ 15,500	0.00%
1-02-4050-100 General Manager Travel	130	5,200		5,070	2.50%
1-02-4060-000 Staff Conferences & Seminars	909	6,200		5,291	14.66%
1-02-4060-100 General Manager Conferences & Seminars	1,029	4,100		3,071	25.10%
1-02-4130-000 Bank Charges	96,391	200,000		103,609	48.20%
1-02-4150-000 Accounting Services	19,500	26,000		6,500	75.00%
1-02-4175-000 Permits	1,440	18,100		16,660	7.96%
1-02-4180-000 Postage	7,519	17,000		9,481	44.23%
1-02-4190-100 Public Relations - Publications	10,866	31,200		20,334	34.83%
1-02-4190-700 Public Affairs - Marketing/Outreach	11,726	40,000		28,274	29.32%
1-02-4190-710 Public Affairs -Advertising	-	5,000		5,000	0.00%
1-02-4190-720 Public Affairs - Equipment	-	2,500		2,500	0.00%
1-02-4190-730 Public Affairs -Conference/Seminar/Travel	274	3,000		2,726	9.13%
1-02-4190-740 Public Affairs - Consultants	-	2,000		2,000	0.00%
1-02-4190-750 Public Affairs - Membership	1,050	1,200		150	87.50%
1-02-4200-000 Advertising	153	4,100		3,947	3.74%
1-02-4205-000 Office Supplies	9,699	25,500		15,801	38.04%
Subtotal Operating Expenses	\$ 160,688	\$ 406,600	\$ -	\$ 245,912	39.52%

Total Departmental Expenses

\$ 998,856	\$ 2,219,350	\$ -	\$ 1,220,494	45.01%
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Palmdale Water District
2021 Administration District Wide Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
2021	2021	2021	REMAINING	USED

Personnel Budget:

1-02-5070-001 On-Call	\$ 40,469	\$ 75,000	\$ 34,531	53.96%
Subtotal (Salaries)	\$ 40,469	\$ 75,000	\$ -	53.96%

Employee Benefits

1-02-5070-002 PERS-Unfunded Liability	\$ 406,782	\$ 840,316	433,534	48.41%
1-02-5070-003 Workers Compensation	130,051	296,000	165,949	43.94%
1-02-5070-004 Vacation Benefit Expense	(4,765)	83,000	87,765	-5.74%
1-02-5070-005 Life Insurance	2,906.60	7,000	4,093	41.52%
Subtotal (Benefits)	\$ 534,974	\$ 1,226,316	\$ 691,342	43.62%

Total Personnel Expenses

\$ 575,443	\$ 1,301,316	\$ -	\$ 725,873	44.22%
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OPERATING EXPENSES:

1-02-5070-006 Other Operating	\$ 36,047	\$ 60,000	23,953	60.08%
1-02-5070-007 Consultants	186,080	275,000	88,920	67.67%
1-02-5070-008 Insurance	141,862	260,000	118,138	54.56%
1-02-5070-009 Groundwater Adjudication - Legal	18,462	41,000	22,538	45.03%
1-02-5070-010 Legal Services	65,224	131,000	65,776	49.79%
1-02-5070-011 Memberships/Subscriptions	98,520	165,000	66,480	59.71%
1-02-5070-013 Succession Planning	-	25,000	25,000	0.00%
1-02-5070-014 Groundwater Adjudication - Assessment	41,916	65,000	23,084	64.49%
Subtotal Operating Expenses	\$ 588,111	\$ 1,022,000	\$ 433,889	57.55%

Total Departmental Expenses

\$ 1,163,555	\$ 2,323,316	\$ -	\$ 1,159,761	50.08%
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Palmdale Water District
2021 Engineering Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-03-4000-000 Salaries	\$ 551,550	\$ 1,225,750	\$ -	\$ 674,200	45.00%
1-03-4000-100 Overtime	13,283	15,000		1,717	88.56%
Subtotal (Salaries)	\$ 564,834	\$ 1,240,750	\$ -	\$ 675,916	45.52%

Employee Benefits

1-03-4005-000 Payroll Taxes	43,262	98,000		54,738	44.14%
1-03-4010-000 Health Insurance	93,732	176,500		82,768	53.11%
1-03-4015-000 PERS	53,257	117,750		64,493	45.23%
Subtotal (Benefits)	\$ 190,251	\$ 392,250	\$ -	\$ 201,999	48.50%

Total Personnel Expenses

\$ 755,085	\$ 1,633,000	\$ -	\$ 877,915	46.24%
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OPERATING EXPENSES:

1-03-4050-000 Staff Travel	\$ -	\$ 5,000		\$ 5,000	0.00%
1-03-4060-000 Staff Conferences & Seminars	1,690	7,500		5,810	22.53%
1-03-4060-001 Staff Training - Auto CAD Civil 3D	-	10,000		10,000	0.00%
1-03-4155-000 Contracted Services	-	1,500		1,500	0.00%
1-03-4165-000 Memberships/Subscriptions	2,838	3,500		662	81.08%
1-03-4250-000 General Materials & Supplies	3,027	4,000		973	75.68%
1-03-4250-100 Supplies - Plotter Paper/Toner	54	4,500		4,446	1.21%
1-03-8100-100 Computer Software - Maint. & Support	9,846	9,000		(846)	109.40%
Subtotal Operating Expenses	\$ 17,455	\$ 45,000	\$ -	\$ 27,545	38.79%

Total Departmental Expenses

\$ 772,541	\$ 1,678,000	\$ -	\$ 905,459	46.04%
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Palmdale Water District
2021 Facilities Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	PERCENT
2021	2021	2021	REMAINING	USED

Personnel Budget:

1-04-4000-000 Salaries	\$ 1,015,223	\$ 2,248,000	\$ 1,232,777	45.16%
1-04-4000-100 Overtime	75,343	144,000	68,657	52.32%
Subtotal (Salaries)	\$ 1,090,566	\$ 2,392,000	\$ -	\$ 1,301,434 45.59%

Employee Benefits

1-04-4005-000 Payroll Taxes	85,893	189,500	103,607	45.33%
1-04-4010-000 Health Insurance	203,842	445,000	241,158	45.81%
1-04-4015-000 PERS	99,265	214,000	114,735	46.39%
Subtotal (Benefits)	\$ 389,001	\$ 848,500	\$ -	\$ 459,499 45.85%

Total Personnel Expenses

\$ 1,479,567	\$ 3,240,500	\$ -	\$ 1,760,933	45.66%
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OPERATING EXPENSES:

1-04-4050-000 Staff Travel	\$ 37	\$ 6,200	\$ 6,163	0.60%
1-04-4060-000 Staff Conferences & Seminars	50	15,500	15,450	0.32%
1-04-4155-000 Contracted Services	58,603	239,100	180,497	24.51%
1-04-4175-000 Permits-Dams	4,677	42,000	37,323	11.14%
1-04-4215-100 Natural Gas - Wells & Boosters	129,988	225,000	95,012	57.77%
1-04-4215-200 Natural Gas - Buildings	6,519	9,500	2,981	68.62%
1-04-4220-100 Electricity - Wells & Boosters	669,805	860,000	190,195	77.88%
1-04-4220-200 Electricity - Buildings	30,470	95,000	64,530	32.07%
1-04-4225-000 Maint. & Repair - Vehicles	14,344	34,000	19,656	42.19%
1-04-4230-100 Maint. & Rep. Office Building	4,569	26,500	21,931	17.24%
1-04-4230-200 Maint. & Rep. Two Way Radios	-	5,000		
1-04-4235-110 Maint. & Rep. Equipment	5,188	12,700	7,512	40.85%
1-04-4235-400 Maint. & Rep. Operations - Wells	33,728	84,500	50,772	39.91%
1-04-4235-405 Maint. & Rep. Operations - Boosters	26,169	52,800	26,631	49.56%
1-04-4235-410 Maint. & Rep. Operations - Shop Bldgs	1,051	26,000	24,949	4.04%
1-04-4235-415 Maint. & Rep. Operations - Facilities	11,479	52,000	40,521	22.07%
1-04-4235-420 Maint. & Rep. Operations - Water Lines	92,709	315,000	222,291	29.43%
1-04-4235-425 Maint. & Rep. Operations - Littlerock Dam	43	15,500	15,457	0.28%
1-04-4235-435 Maint. & Rep. Operations - Palmdale Canal	515	7,000	6,485	7.36%
1-04-4235-440 Maint. & Rep. Operations - Large Meters	4,764	15,500	10,736	30.74%
1-04-4235-450 Maint. & Rep. Operations - Hypo Generators	1,201	7,900	6,699	15.20%
1-04-4235-455 Maint. & Rep. Operations - Heavy Equipment	13,176	44,000	30,824	29.95%
1-04-4235-460 Maint. & Rep. Operations - Storage Reservoirs	1,295	5,200	3,905	24.91%
1-04-4235-461 Maint. & Rep. Operations - Air Vac	3,179	5,200	2,021	61.14%
1-04-4235-470 Maint. & Rep. Operations - Meters Exchanges	52,439	155,000	102,561	33.83%
1-04-4300-100 Testing - Regulatory Compliance	7,975	20,500	12,525	38.90%
1-04-4300-200 Testing - Large Meters	7,880	13,000	5,120	60.62%
1-04-4300-300 Testing - Edison Testing	-	12,000	12,000	0.00%
1-04-6000-000 Waste Disposal	6,484	21,000	14,516	30.88%
1-04-6100-100 Fuel and Lube - Vehicle	57,667	142,000	84,333	40.61%
1-04-6100-200 Fuel and Lube - Machinery	19,159	26,000	6,841	73.69%
1-04-6200-000 Uniforms	7,833	28,000	20,167	27.97%
1-04-6300-100 Supplies - General	30,315	65,000	34,685	46.64%
1-04-6300-300 Supplies - Electrical	-	3,000	3,000	0.00%
1-04-6300-800 Supplies - Construction Materials	14,689	35,000	20,311	41.97%
1-04-6400-000 Tools	17,194	45,100	27,906	38.12%
1-04-7000-100 Leases -Equipment	6,407	15,000	8,593	42.71%
1-04-7000-100 Leases -Vehicles	85,244	142,000	56,756	60.03%
Subtotal Operating Expenses	\$ 1,426,845	\$ 2,923,700	\$ -	\$ 1,491,855 48.80%

Total Departmental Expenses

\$ 2,906,412	\$ 6,164,200	\$ -	\$ 3,252,788	47.15%
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Palmdale Water District
2021 Operation Budget
For the Six Months Ending Wednesday, June 30, 2021

	YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-05-4000-000 Salaries	\$ 523,234	\$ 1,154,000		\$ 630,766	45.34%
1-05-4000-100 Overtime	44,784	99,000		54,216	45.24%
Subtotal (Salaries)	\$ 568,018	\$ 1,253,000	\$ -	\$ 684,982	45.33%
Employee Benefits					
1-05-4005-000 Payroll Taxes	44,443	91,000		46,557	48.84%
1-05-4010-000 Health Insurance	78,392	182,000		103,608	43.07%
1-05-4015-000 PERS	54,246	118,500		64,254	45.78%
Subtotal (Benefits)	\$ 177,081	\$ 391,500	\$ -	\$ 214,419	45.23%
Total Personnel Expenses	\$ 745,099	\$ 1,644,500	\$ -	\$ 899,401	45.31%
OPERATING EXPENSES:					
1-05-4050-000 Staff Travel	\$ -	\$ 3,100		\$ 3,100	0.00%
1-05-4060-000 Staff Conferences & Seminars	-	3,100		3,100	0.00%
1-05-4120-100 Training - Lab Equipment	-	5,200			
1-05-4155-000 Contracted Services	17,298	99,600		82,302	17.37%
1-05-4175-000 Permits	8,712	81,300		72,588	10.72%
1-05-4215-200 Natural Gas - WTP	3,188	3,200		12	99.62%
1-05-4220-200 Electricity - WTP	114,206	215,000		100,794	53.12%
1-05-4230-110 Maint. & Rep. - Office Equipment	-	5,300		5,300	0.00%
1-05-4235-110 Maint. & Rep. Operations - Equipment	27,179	21,000		(6,179)	129.42%
1-05-4235-410 Maint. & Rep. Operations - Shop Bldgs	3,752	6,300		2,548	59.55%
1-05-4235-415 Maint. & Rep. Operations - Facilities	99,607	74,000		(25,607)	134.60%
1-05-4235-500 Maint. & Rep. Operations - Wind Turbine	700	10,000		9,300	7.00%
1-05-4236-000 Palmdale Lake Management	106,532	130,000		23,468	81.95%
1-05-6000-000 Waste Disposal	27,511	21,000		(6,511)	131.00%
1-05-6200-000 Uniforms	5,602	16,000		10,398	35.01%
1-05-6300-100 Supplies - Misc.	4,999	15,200		10,201	32.89%
1-05-6300-600 Supplies - Lab	46,645	72,000		25,355	64.79%
1-05-6300-700 Outside Lab Work	34,840	60,000		25,160	58.07%
1-05-6400-000 Tools	1,203	6,100		4,897	19.73%
1-05-6500-000 Chemicals	256,203	915,000		658,797	28.00%
1-05-7000-100 Leases -Equipment	-	3,000		3,000	0.00%
Subtotal Operating Expenses	\$ 758,177	\$ 1,765,400	\$ -	\$ 1,002,023	42.95%
Total Departmental Expenses	\$ 1,503,276	\$ 3,409,900	\$ -	\$ 1,901,424	44.09%

Palmdale Water District
2021 Finance Budget
For the Six Months Ending Wednesday, June 30, 2021

	YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
Personnel Budget:					
1-06-4000-000 Salaries	\$ 463,135	\$ 996,500		\$ 533,365	46.48%
1-06-4000-100 Overtime	4,658	2,000		(2,658)	232.92%
Subtotal (Salaries)	\$ 467,793	\$ 998,500	\$ -	\$ 530,707	46.85%
Employee Benefits					
1-06-4005-000 Payroll Taxes	36,044	75,500		39,456	47.74%
1-06-4010-000 Health Insurance	78,034	176,000		97,966	44.34%
1-06-4015-000 PERS	49,481	105,750		56,269	46.79%
Subtotal (Benefits)	\$ 163,559	\$ 357,250	\$ -	\$ 193,691	45.78%
Total Personnel Expenses	\$ 631,352	\$ 1,355,750	\$ -	\$ 724,398	46.57%
OPERATING EXPENSES:					
1-06-4050-000 Staff Travel	\$ -	\$ 2,000		\$ 2,000	0.00%
1-06-4060-000 Staff Conferences & Seminars	29	1,500.00		1,471	1.93%
1-06-4155-000 Contracted Services	7,385	12,600		5,215	58.61%
1-06-4155-100 Contracted Services - Infosend	106,919	283,000		176,081	37.78%
1-06-4165-000 Memberships/Subscriptions	220	500		280	44.00%
1-06-4230-110 Maintenance & Repair - Office Equipment	-	500		500	0.00%
1-06-4250-000 General Material & Supplies	-	2,000		2,000	0.00%
1-06-4260-000 Business Forms	175	1,500		1,325	11.67%
1-06-4270-100 Telecommunication - Office	24,821	32,000		7,179	77.57%
1-06-4270-200 Telecommunication - Cellular Stipend	11,475	25,700		14,225	44.65%
1-06-7000-100 Leases - Equipment	1,262	3,000		1,738	42.08%
Subtotal Operating Expenses	\$ 152,286	\$ 364,300	\$ -	\$ 212,014	41.80%
Total Departmental Expenses	\$ 783,638	\$ 1,720,050	\$ -	\$ 936,412	45.56%

Palmdale Water District
2021 Water Use Efficiency Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-07-4000-000 Salaries	\$ 79,352	\$ 170,500	\$ 91,148	46.54%
1-07-4000-100 Overtime	1,390	5,000	3,610	27.81%
Subtotal (Salaries)	\$ 80,742	\$ 175,500	\$ 94,758	46.01%

Employee Benefits

1-07-4005-000 Payroll Taxes	6,624	13,750	7,126	48.17%
1-07-4010-000 Health Insurance	15,366	31,000	15,634	49.57%
1-07-4015-000 PERS	8,745	19,500	10,755	44.85%
Subtotal (Benefits)	\$ 30,735	\$ 64,250	\$ -	47.84%

Total Personnel Expenses

\$ 111,477	\$ 239,750	\$ -	\$ 124,663	46.50%
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OPERATING EXPENSES:

1-07-4050-000 Staff Travel	\$ -	\$ 2,600	\$ 2,600	0.00%
1-07-4060-000 Staff Conferences & Seminar	-	3,100	3,100	0.00%
1-07-4190-300 Public Relations - Landscape Workshop/Training	252	5,200	4,948	4.84%
1-07-4190-400 Public Relations - Contests	1,140	3,100	1,960	36.77%
1-07-4190-500 Public Relations - Education Programs	-	125,000	125,000	0.00%
1-07-4190-900 Public Relations - Other	-	5,200	5,200	0.00%
1-07-6300-100 Supplies - Misc.	-	7,000	7,000	0.00%
Subtotal Operating Expenses	\$ 1,392	\$ 151,200	\$ -	0.92%

Total Departmental Expenses

\$ 112,869	\$ 390,950	\$ -	\$ 274,472	28.87%
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Palmdale Water District
2021 Human Resources Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-08-4000-000 Salaries	\$ 123,895	\$ 267,250		\$ 143,355	46.36%
1-08-4000-100 Salaries - Overtime	268	1,000		732	26.82%
Subtotal (Salaries)	\$ 124,163	\$ 268,250	\$ -	\$ 143,355	46.29%

Employee Benefits

1-08-4005-000 Payroll Taxes	9,681	20,750		11,069	46.66%
1-08-4010-000 Health Insurance	13,150	31,000		17,850	42.42%
1-08-4015-000 PERS	11,415	24,500		13,085	46.59%
Subtotal (Benefits)	\$ 34,247	\$ 76,250	\$ -	\$ 42,003	44.91%

Total Personnel Expenses

\$ 158,410	\$ 344,500	\$ -	\$ 185,358	45.98%
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OPERATING EXPENSES:

1-08-4050-000 Staff Travel	\$ -	\$ 1,500		\$ 1,500	0.00%
1-08-4060-000 Staff Conferences & Seminars	-	1,500		1,500	0.00%
1-08-4070-000 Employee Expense	27,809	67,500		39,691	41.20%
1-08-4090-000 Temporary Staffing	-	-		-	
1-08-4095-000 Employee Recruitment	1,151	3,100		1,949	37.14%
1-08-4100-000 Employee Retention	517	5,200		4,683	9.94%
1-08-4120-100 Training-Safety	1,380	36,000		34,620	3.83%
1-08-4120-200 Training-Speciality	3,265	15,500		12,235	21.06%
1-08-4121-000 Safety Program	-	1,000		1,000	0.00%
1-08-4165-000 Membership/Subscriptions	2,336	1,600		(736)	146.01%
1-08-4165-100 HR/Safety Publications	-	1,000		1,000	0.00%
1-08-6300-500 Supplies - Safety	7,044	30,500		23,456	23.09%
Subtotal Operating Expenses	\$ 43,501	\$ 164,400	\$ -	\$ 120,899	26.46%

Total Departmental Expenses

\$ 201,912	\$ 508,900	\$ -	\$ 306,988	39.68%
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Palmdale Water District
2021 Information Technology Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-09-4000-000 Salaries	\$ 263,203	\$ 583,750	\$ -	\$ 320,547	45.09%
1-09-4000-100 Overtime	11,127	21,000		9,873	52.98%
Subtotal (Salaries)	\$ 274,330	\$ 604,750	\$ -	\$ 330,420	45.36%

Employee Benefits

1-09-4005-000 Payroll Taxes	20,976	46,500		25,524	45.11%
1-09-4010-000 Health Insurance	36,846	94,000		57,154	39.20%
1-09-4015-000 PERS	29,232	46,250		17,018	63.20%
Subtotal (Benefits)	\$ 87,053	\$ 186,750	\$ -	\$ 99,697	46.61%

Total Personnel Expenses

\$ 361,383	\$ 791,500	\$ -	\$ 430,117	45.66%
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OPERATING EXPENSES:

1-09-4050-000 Staff Travel	\$ -	\$ 3,100		\$ 3,100	0.00%
1-09-4060-000 Staff Conferences & Seminars	6,004	10,400		4,396	57.73%
1-09-4155-000 Contracted/Cloud Services	121,613	293,300		171,687	41.46%
1-09-4165-000 Memberships/Subscriptions	399	2,600		2,201	15.34%
1-09-4235-445 Maibt & Repair - Telemetry	3,870	5,300			
1-09-4270-000 Telecommunications	56,335	119,100		62,765	47.30%
1-09-6300-400 Supplies - Telemetry	146	-		(146)	
1-09-6450-110 Equipment - GF Signet Flow Meters	-	7,600			
1-09-7000-100 Leases - Equipment	25,633	56,000			
1-09-8000-100 Computer Equipment - Computers	2,409	45,000		42,591	5.35%
1-09-8000-200 Computer Equipment - Laptops	5,452	45,000		39,548	12.11%
1-09-8000-300 Computer Equipment - Monitors	9,943	12,000		2,057	82.86%
1-09-8000-500 Computer Equipment - Toner Cartridges	125	2,500		2,375	5.01%
1-09-8000-550 Computer Equipment - Telephony	-	3,000		3,000	0.00%
1-09-8000-600 Computer Equipment - Other	10,656	30,000		19,344	35.52%
1-09-8000-650 Computer Equipment - Warranty & Support	3,420	15,000		11,580	22.80%
1-09-8100-100 Computer Software - Maint. and Support	92,241	237,900		145,659	38.77%
1-09-8100-150 Computer Software - Dynamics GP Support	39,636	40,000		364	99.09%
1-09-8100-200 Computer Software - Software and Upgrades	8,852	20,000		11,148	44.26%
Subtotal Operating Expenses	\$ 386,733	\$ 947,800	\$ -	\$ 521,670	40.80%

Total Departmental Expenses

\$ 748,116	\$ 1,739,300	\$ -	\$ 951,787	43.01%
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0.00

Palmdale Water District
2021 Customer Care Budget
For the Six Months Ending Wednesday, June 30, 2021

YTD ACTUAL 2021	ORIGINAL BUDGET 2021	ADJUSTMENTS 2021	ADJUSTED BUDGET REMAINING	PERCENT USED
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Personnel Budget:

1-10-4000-000 Salaries	\$ 429,673	\$ 1,013,000	\$ 583,327	42.42%
1-10-4000-100 Overtime	1,319	7,500	6,181	17.58%
Subtotal (Salaries)	\$ 430,992	\$ 1,020,500	\$ -	42.23%

Employee Benefits

1-10-4005-000 Payroll Taxes	33,791	80,000	46,209	42.24%
1-10-4010-000 Health Insurance	102,284	233,000	130,716	43.90%
1-10-4015-000 PERS	44,901	96,500	51,599	46.53%
Subtotal (Benefits)	\$ 180,976	\$ 409,500	\$ -	44.19%

Total Personnel Expenses

\$ 611,968	\$ 1,430,000	\$ -	\$ 818,032	42.79%
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OPERATING EXPENSES:

1-10-4050-000 Staff Travel	\$ -	\$ 2,000	\$ 2,000	0.00%
1-10-4060-000 Staff Conferences & Seminars	-	3,100	3,100	0.00%
1-10-4155-000 Contracted Services	9,711	25,400	15,689	38.23%
1-10-4230-110 Maintenance & Repair-Office Equipment	-	200	200	0.00%
1-10-4250-000 General Material & Supplies	964	5,000	4,036	19.27%
1-10-4260-000 Business Forms	-	1,000	1,000	0.00%
Subtotal Operating Expenses	\$ 10,675	\$ 36,700	\$ -	29.09%

Total Departmental Expenses

\$ 622,643	\$ 1,466,700	\$ -	\$ 844,057	42.45%
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Palmdale Water District
2020 Capital Projects - Contractual Commitments and Needs

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. 2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Total	2022 Carryover
2021	21-401	GAC Replacements @ WTP	Water Quality	Calgon Carbon	-	07/09/2014	107,803	-			107,803											107,803	
2021	21-401	GAC Replacement @ Underground Booster Station	Water Quality	Evoqua	-	03/10/2017	72,526	-							72,526							72,526	
										-	-	-	-	-	-	-	-	-	-	-	-	-	-
			Sub-Totals:		-		180,329	-	-	-	107,803	-	-	-	72,526	-	-	-	-	-	-	180,329	-

- = 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

Project Summary (W/O GAC Included)	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Total
Total Approved Contracts to Date	16,131,401													
Total Payments on Approved Contracts to Date	16,115,685													
Total Contract Balance to Date	2,315,071													
Non-Operating Capital Expenditures (Paid)		1,080,512	57,836	102,503	294,523	36,687	66,737	-	-	-	-	-	-	1,638,798
Non-Operating Capital Expenditures (Projected)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funding Available Through Water Supply Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019 Funding Through Budgeted Non-Operating Capital Ex.	1,638,798	1,080,512	57,836	102,503	294,523	36,687	66,737	-	-	-	-	-	-	1,638,798

Water Revenue Bond - Series 2018A

Updated: July 19, 2021

Project	Project #	Description	Bond Allocation	Contractual Commitment	Payout to Date	Over/(Under)	Uncommitted Bond \$
LGCS-ASI	04-501	Littlerock Dam - Grade Control Structure (Construction)	\$ 8,160,257	\$ 10,619,601	\$ 10,697,276	\$ (77,675)	\$ (2,537,019)
		Original Contract Amt: \$9,500,808, C.O.1: \$1,118,792.54					
LGCS-ASP	04-501	Littlerock Dam - Grade Control Structure (Monitoring)		1,238,287	998,280	240,007	(998,280)
WTP		Water Treatment Plant Improvements	2,375,000		-	-	
6MG		6 M.G. Reservoir Renovations	1,050,000		-	-	
WMR		Various W.M. Replacements	1,789,612		-	-	
PWD		Design, Engineering and Other Preconstruction Costs	173,000		-	-	
WRB		Bond Issuance Costs	226,303		226,303	-	
ISS		Issuance Funds			(12,092)		
Interest Earned through September 30, 2020					(333,309)		
Totals:			\$ 13,774,172	\$ 11,857,888	\$ 11,576,457	\$ 162,332	\$ (3,535,299)
2018A Water Revenue Bonds - Unallocated Funds:				\$ 1,916,284			
2018A Water Revenue Bonds - Remaining Funds to payout:					\$ 2,197,715		

Requisition No.	Payee	Date Approved	Invoice No.	Project	Payment Amount
	Issuance Costs	Jun 27, 2018	N/A	WRB	\$ 226,302.82
	Interest - Jul 2018		N/A	INT	1,384.72
	Interest - Aug 2018		N/A	INT	20,900.39
1	Aspen Environmental Group	Sep 12, 2018	1116.007-01	LGCS-ASP	28,105.88
2	ASI Construction LLC	Sep 18, 2018	01	LGCS-ASI	60,027.00
	Interest - Sep 2018		N/A	INT	21,047.68
3	ASI Construction LLC	Oct 2, 2018	02	LGCS-ASI	156,655.00
4	Aspen Environmental Group	Oct 8, 2018	1116.007-02	LGCS-ASP	51,072.42
5	Aspen Environmental Group	Oct 30, 2018	1116.007-03	LGCS-ASP	56,698.38
	Interest - Oct 2018		N/A	INT	20,838.36
6	ASI Construction LLC	Nov 7, 2018	03	LGCS-ASI	844,455.00
	Interest - Nov 2018		N/A	INT	22,998.40
7	Aspen Environmental Group	Dec 10, 2018	1116.007-04	LGCS-ASP	99,711.66
7	ASI Construction LLC	Dec 10, 2018	04	LGCS-ASI	665,631.99
	Interest - Dec 2018		N/A	INT	21,673.24
8	Aspen Environmental Group	Jan 3, 2019	1116.007-05	LGCS-ASP	67,719.03
9	ASI Construction LLC	Jan 7, 2019	05	LGCS-ASI	1,494,216.00
10	Aspen Environmental Group	Jan 29, 2019	1116.007-06	LGCS-ASP	56,529.35
	Interest - Jan 2019		N/A	INT	22,085.33
11	ASI Construction LLC	Feb 14, 2019	06	LGCS-ASI	338,899.30
	Interest - Feb 2019		N/A	INT	20,485.96
12	Aspen Environmental Group	Feb 28, 2019	1116.007-07	LGCS-ASP	78,799.25
	Interest - Mar 2019		N/A	INT	17,656.62
13	Aspen Environmental Group	Apr 1, 2019	1116.007-08	LGCS-ASP	34,790.67
13	Aspen Environmental Group	Apr 1, 2019	1116.008-01	LGCS-ASP	7,731.53
14	Aspen Environmental Group	Apr 22, 2019	1116.007-09	LGCS-ASP	6,938.12
	Interest - Apr 2019		N/A	INT	19,042.25
15	Aspen Environmental Group	May 15, 2019	1116.007-10	LGCS-ASP	6,958.75
	Interest - May 2019		N/A	INT	18,485.68
	Interest - June 2019		N/A	INT	18,852.79
16	Aspen Environmental Group	Jul 1, 2019	1116.007-11	LGCS-ASP	11,059.71
17	Aspen Environmental Group	Jul 30, 2019	1116.007-12	LGCS-ASP	22,237.47
	Interest - July 2019		N/A	INT	18,017.03
18	Aspen Environmental Group	Aug 27, 2019	1116.007-13	LGCS-ASP	58,421.77
19	ASI Construction LLC	Aug 28, 2019	Chng Order 4	LGCS-ASI	1,118,792.54
	Interest - August 2019		N/A	INT	18,580.51
	Interest - September 2019		N/A	INT	16,527.97
20	ASI Construction LLC	Oct 15, 2019	08	LGCS-ASI	1,361,654.50
	Interest - October 2019		N/A	INT	14,239.81

(Cont.)

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PALMDALE WATER DISTRICT BOARD MEMORANDUM

DATE: August 3, 2021 **August 9, 2021**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Michael Williams, Finance Manager/CFO
VIA: Mr. Dennis LaMoreaux, General Manager
RE: ***AGENDA ITEM 8.1.d – OTHER FINANCIAL REPORTS. (FINANCE MANAGER WILLIAMS/FINANCE COMMITTEE)***

Discussion:

Presented here are financial related items for your review.

1. Effects of COVID-19 event:
 - a. As of June 30, 2021, we have 1,575 single family accounts with a past due balance over 60 days with amounts greater than \$50.00. Total outstanding for those accounts at 60+ days \$919,061. At March 31, 2021, there were 1,619 single family accounts same stat with outstanding balance \$846,200. June's total is a 9% increase from March 31st and 2% increase from May 31st.
At June 30, 2020, there were 653 single family accounts same stat with outstanding balance \$220,780.
 - b. Cash received for the month of June 2021, was \$453,774, or 22% higher than May 2021, and \$490,133, or 24% higher than April 2021, and \$379,785, or 17.8% higher than June 2020.
2. Revenue Projections (attachment):
 - a. Revenue projections for 2021 based on selling 16,317 AF shows as of June 30th, revenue is ahead of projections by approximately \$711K.
3. Payment Transactions by Type (attachment):
 - a. The 2nd Qtr report for 2021 shows a slight reduction in total payments by approximately 2,900 from 2020. This is most likely due to COVID-19, the lobby being closed since mid-March 2020, and an increase in delinquencies.
 - b. Although there was a reduction in total payments, there was a huge increase in electronic payments of approximately 9,100.
4. Accounts Receivable Aging Report June 30, 2021 (attachment):
 - a. Aging report shows receivables at 06/30/21 are approximately \$789K higher than 06/30/20. That is reflective of higher sales numbers in 2021 and, of course, the COVID delinquencies. There is an increase in 120+day delinquency from 06/30/20 of approximately \$339K.

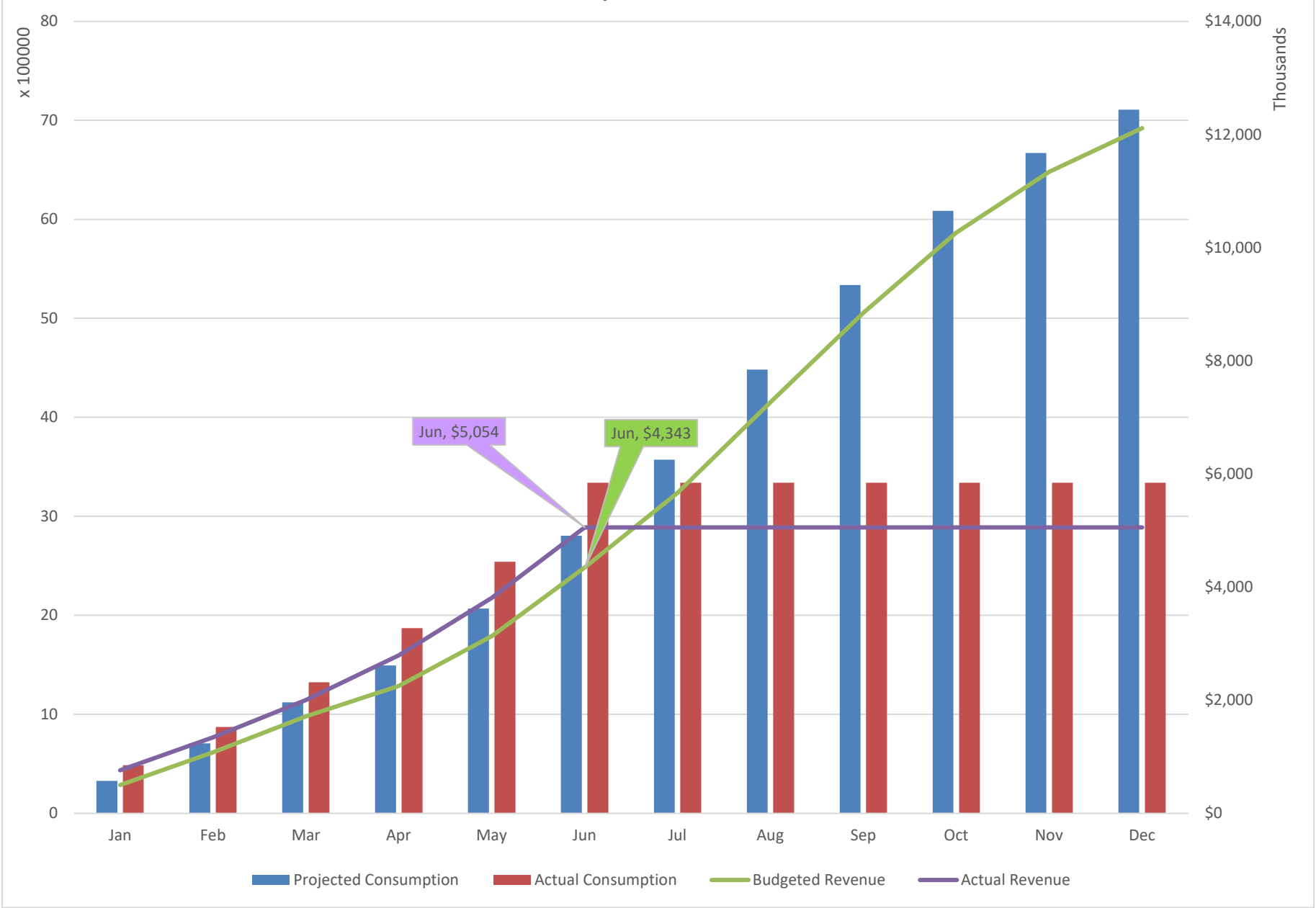
BOARD OF DIRECTORS
PALMDALE WATER DISTRICT

VIA: Mr. Dennis LaMoreaux, General Manager

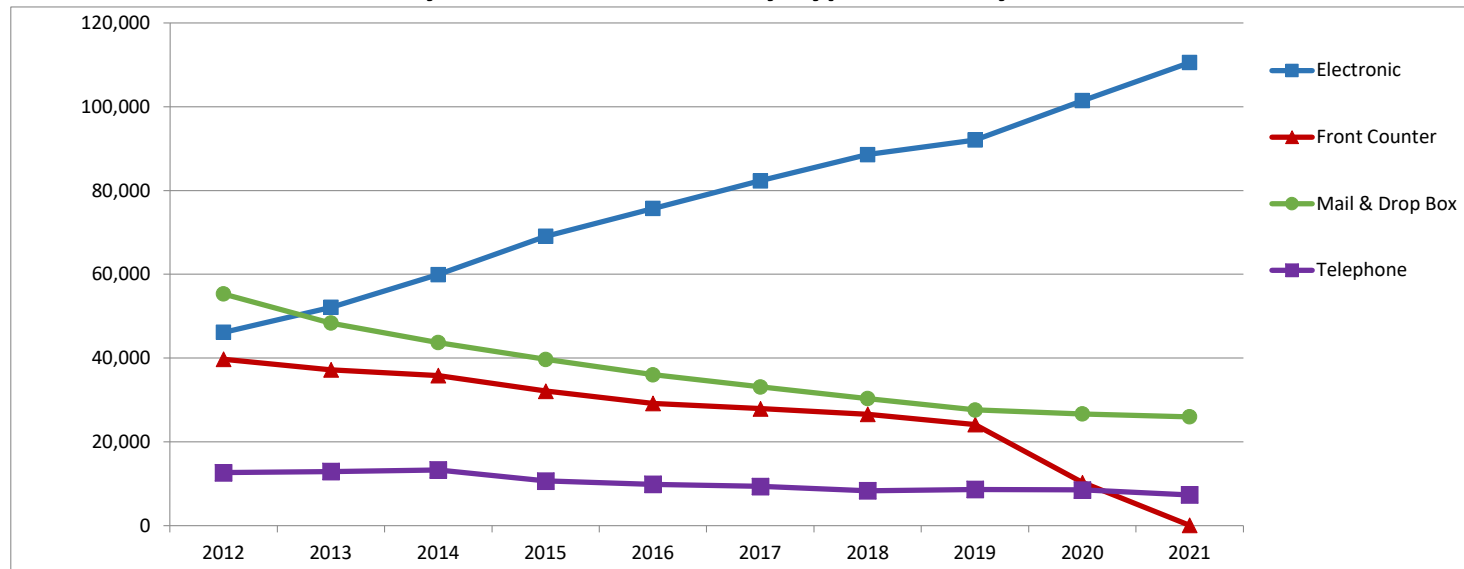
August 3, 2021

5. Rate Assistance Program:
 - a. At June 30th there were 702 participants, 350 are Seniors, 14 are Veterans, and 338 are Low Income.
6. Billing and Collection Stats (attachment):
 - a. Billing & collection cycle complete through May 2021 shows a slight increase in bills issued but a slight decrease in notices mailed compared to May 2019 & 2020. Due to governor's order, there is no comparison for shut-off notices and disconnections as of February 2020.
7. Status on 2021 Bond Issue (attachment):
 - a. The District went to market on July 1, 2021 and sold the bonds at a Net Interest Cost of 2.732%. The sale closed on July 20, 2021 with \$10M in proceeds wired to Bank of New York Mellon Trust Account Project Fund.

2021 Revenue Projections Based on 16,317 AF



Payment Transactions By Types January - June



Payment Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Electronic	46,116	52,106	59,928	69,074	75,724	82,325	88,583	92,037	101,437	110,585
Front Counter	39,764	37,217	35,841	32,128	29,161	27,916	26,560	24,136	10,274	62
Mail & Drop Box	55,317	48,366	43,690	39,680	36,024	33,116	30,331	27,609	26,668	25,961
Telephone	12,633	12,881	13,324	10,642	9,842	9,361	8,324	8,634	8,495	7,327
Total	153,830	150,570	152,783	151,524	150,751	152,718	153,798	152,416	146,874	143,935

Detail of Electronic Payments	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
META - ACH Pymt	3,754	3,811	1,633	1,617	801	849	842	865	851	864
WES - ACH Pymt	439	495	493	488	497	521	508	462	462	386
INF - Website Pymts	31,206	34,534	36,779	38,452	41,039	44,351	47,806	51,135	57,073	62,825
IVR - Automated Pay ##	0	0	4,091	10,984	13,816	15,996	17,444	18,411	19,932	20,680
KIOSK - Automated Pay \$\$	0	0	0	0	547	457	1,284	696	359	0
PNM - Automated Pay %%	0	0	0	0	21	1,260	1,989	2,309	3,514	5,420
VAN - ACH Pymt &&	10,717	13,266	16,932	17,533	19,003	18,891	18,710	18,159	19,246	20,410
Total	46,116	52,106	59,928	69,074	75,724	82,325	88,583	92,037	101,437	110,585

##- IVR service started March 13, 2014

\$\$ - Kiosk service started July 1, 2015

%% - PNM - Pay Near Me service started June 9, 2016

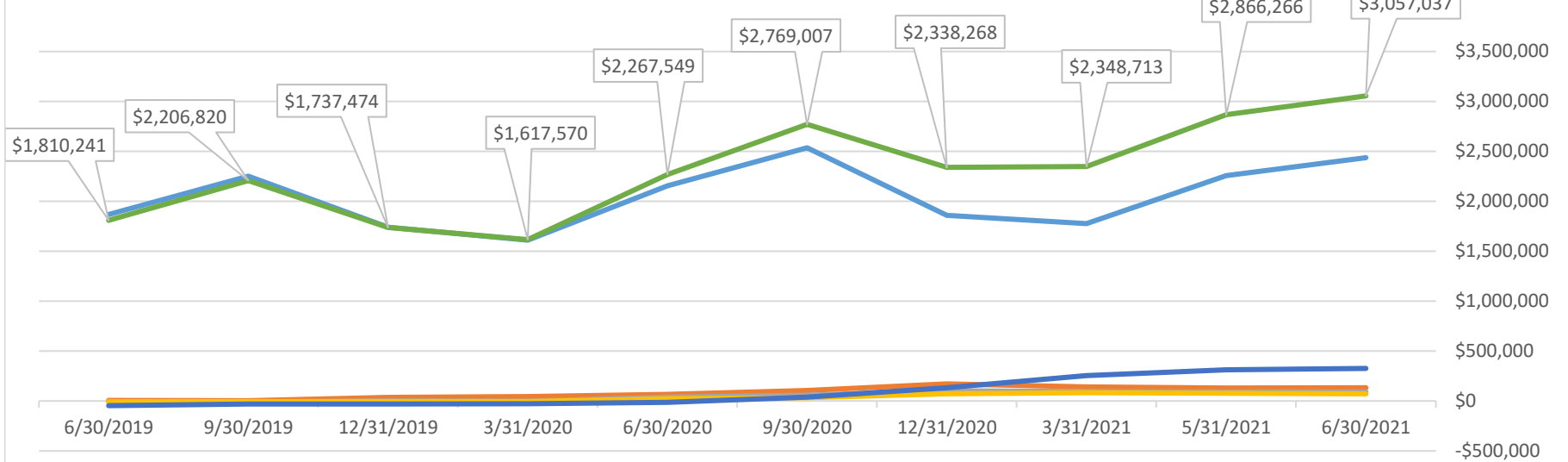
&& - Vanco ACH service started Sept 2011

Accounts Receivable Aging Report

	0-30 days	31-60 days	61-90 days	91-120 days	121+ days	Balance
6/30/2021	\$2,436,253	\$132,026	\$90,372	\$71,876	\$326,510	\$3,057,037
5/31/2021	\$2,257,490	\$128,859	\$91,332	\$78,163	\$310,421	\$2,866,266
3/31/2021	\$1,777,140	\$141,520	\$92,929	\$82,821	\$254,303	\$2,348,713
12/31/2020	\$1,859,885	\$173,247	\$102,856	\$71,585	\$130,696	\$2,338,268
9/30/2020	\$2,536,819	\$103,572	\$56,414	\$33,856	\$38,346	\$2,769,007
6/30/2020	\$2,154,477	\$65,380	\$38,984	\$22,054	-\$13,346	\$2,267,549
3/31/2020	\$1,611,602	\$44,717	-\$3,970	-\$5,373	-\$29,407	\$1,617,570
12/31/2019	\$1,739,176	\$35,389	-\$936	-\$5,813	-\$30,343	\$1,737,474
9/30/2019	\$2,250,102	\$3,677	-\$9,637	-\$6,208	-\$31,113	\$2,206,820
6/30/2019	\$1,867,456	\$4,978	-\$8,295	-\$6,641	-\$47,257	\$1,810,241

\$789,488 From 06/30/20 - 06/30/21

Trending Aging Report



Billing Statistics										Based on Shut Notice
	Bills (A)	LF Notice (B)	Shut Notice (C)	Off & Lock (D)	Based on Bills Issued			Based on Late Notices		
					B / A	C / A	D / A	C / B	D / B	D / C
May-19	26,639	6,178	2,265	434	23.2%	8.5%	1.6%	36.7%	7.0%	19.16%
Jun-19	26,617	6,189	2,337	404	23.3%	8.8%	1.5%	37.8%	6.5%	17.29%
Dec-19	26,699	6,565	2,456	326	24.6%	9.2%	1.2%	37.4%	5.0%	13.27%
Jan-20	26,692	5,837	937		21.9%	3.5%	0.0%	16.1%	0.0%	0.00%
Feb-20	26,677	3,967			14.9%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Mar-20	26,693				0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!	#DIV/0!
Apr-20	26,707				0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!	#DIV/0!
May-20	26,723	5,901			22.1%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Jun-20	26,728	5,678			21.2%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Jan-21	26,802	6,358			23.7%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Feb-21	26,810	5,643			21.0%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Mar-21	26,827	5,700			21.2%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
Apr-21	26,642	5,641			21.2%	0.0%	0.0%	0.0%	0.0%	#DIV/0!
May-21	26,830	5,885			21.9%	0.0%	0.0%	0.0%	0.0%	#DIV/0!

BOND SUMMARY STATISTICS

Palmdale Water District Financing Authority
Water Revenue Bonds, Series 2021A
Final Numbers
As of 7.1.21

Dated Date	07/20/2021
Delivery Date	07/20/2021
Last Maturity	10/01/2051
Arbitrage Yield	2.294886%
True Interest Cost (TIC)	2.616848%
Net Interest Cost (NIC)	2.731680%
All-In TIC	2.749021%
Average Coupon	3.115722%
Average Life (years)	22.974
Duration of Issue (years)	16.617
Par Amount	9,390,000.00
Bond Proceeds	10,267,309.10
Total Interest	6,721,449.93
Net Interest	5,892,968.83
Total Debt Service	16,111,449.93
Maximum Annual Debt Service	717,925.00
Average Annual Debt Service	533,540.79
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.200000
Total Underwriter's Discount	5.200000
Bid Price	108.823015

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	1,765,000.00	122.815	4.000%	15.750
Term Bond 2041	1,490,000.00	97.608	2.250%	19.214
Term Bond 2046	2,815,000.00	120.100	4.000%	23.277
Term Bond 2051	3,320,000.00	98.327	2.500%	28.245
	9,390,000.00			22.974

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,390,000.00	9,390,000.00	9,390,000.00
+ Accrued Interest			
+ Premium (Discount)	877,309.10	877,309.10	877,309.10
- Underwriter's Discount	-48,828.00	-48,828.00	
- Cost of Issuance Expense		-177,696.95	
- Other Amounts		-40,784.15	-40,784.15
Target Value	10,218,481.10	10,000,000.00	10,226,524.95
Target Date	07/20/2021	07/20/2021	07/20/2021
Yield	2.616848%	2.749021%	2.294886%

MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, JUNE 17, 2021:

A meeting of the Finance Committee of the Palmdale Water District was held Thursday, June 17, 2021, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. Chair Wilson called the meeting to order at 4:00 p.m.

1) Roll Call.

Attendance:

Committee:

Don Wilson, Chair

Gloria Dizmang, Committee Member

Others Present:

Dennis LaMoreaux, General Manager

Mike Williams, Finance Manager

Dennis Hoffmeyer, Accounting Spvrs.

Bob Egan, Financial Advisor

Dawn Deans, Executive Assistant

0 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Dizmang, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

3) Public Comments for Non-Agenda Items.

There were no 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 May 19, 2021.

It was moved by Committee Member Dizmang, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Finance Committee meeting held May 19, 2021.

4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of May 2021. (Financial Advisor Egan)

Financial Advisor Egan provided an overview of the detailed April to May 2021 Major Account Activity Report and the May 2021 Cash Flow Statement, including the increase in water receipts, RDA pass-through funds, capital improvement fees, and the projected year-end balance, followed by discussion of the importance of maintaining a \$10 million year-end balance.

4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for May 2021. (Finance Manager Williams)

Finance Manager Williams reviewed in detail the balance sheet, profit and loss statement and trends, quarter to quarter comparisons, and revenue and expense analysis reports for the period ending May 2021 and stated that most departments are operating at or below the targeted expenditure percentage of 41.6%.

4.4) Discussion and Overview of Committed Contracts Issued. (Finance Manager Williams)

Finance Manager Williams provided an overview of the Contractual Commitments and Needs Report for new and replacement capital projects, consulting and engineering support projects, new and replacement equipment, water quality fee funded projects, committed and projected capital expenditures, and the payout summary for the Water Revenue Bond Series 2018A through May 2021.

5) Reports.

5.1) Finance Manager Williams:

a) The Effect of COVID-19 Event.

Finance Manager Williams stated that due to COVID-19 events, as of May 31, 2021, there were 1,586 single family accounts with a balance of \$50 or more and over sixty days past due with a total past due amount of \$899,253 compared to 1,546 accounts at April 30, 2021 with an outstanding balance of \$852,642 and 823 accounts at May 31, 2020 with an outstanding balance of \$227,644 and that cash received for May 2021 was \$36,358 higher than April 2021, \$78,944 less than March 2021, and \$331,605 higher than May 2020 followed by potential payment assistance from the state for outstanding accounts.

b) Revenue Projections.

He then stated that 2021 revenue is ahead of projections by approximately \$680,000 as of May 31, 2021.

c) Status on 2020 Audit.

He then stated that receipt of a draft 2020 Audit is anticipated by the end of this week.

d) Status on 2021 Bond Issue.

He then stated that a credit rating call was held June 9, a copy of this presentation has been provided to the Board, and staff anticipates an increase in the District's rating and that the bond issue is anticipated to close mid-July.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan stated that the Debt Service Coverage for June 2020 to May 2021 is 2.42.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

7) Date of Next Committee Meeting.

It was determined that the next Finance Committee meeting will be held July 29, 2021 at 1:00 p.m.

8) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 4:28 p.m.


Chair

**MINUTES OF SPECIAL MEETING OF THE FINANCE COMMITTEE OF THE
PALMDALE WATER DISTRICT, JUNE 29, 2021:**

A special meeting of the Finance Committee of the Palmdale Water District was held Tuesday, June 29, 2021, at 2029 East Avenue Q, Palmdale, CA 93550 and via teleconference. Chair Wilson called the meeting to order at 2:00 p.m.

1) Roll Call.

Attendance:

Committee:

Don Wilson, Chair

Gloria Dizmang, Committee Member

Others Present:

Dennis LaMoreaux, General Manager

Mike Williams, Finance Manager

Judy Shay, Public Affairs Director

Dennis Hoffmeyer, Accounting Spvsr.

Bob Egan, Financial Advisor

Dawn Deans, Executive Assistant

1 member of the public

2) Adoption of Agenda.

It was moved by Committee Member Dizmang, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

3) Public Comments for Non-Agenda Items.

There were no 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 a Recommendation for Presentation, Consideration, and Possible Action on Receiving and Filing of 2020 Annual Financial Report. (Finance Manager Williams/Paul Kaymark, Nigro & Nigro)

Finance Manager Williams, Financial Advisor Egan, and Mr. Paul Kaymark, of Nigro & Nigro, provided an overview of the highlights in the 2020 Annual Financial Report and the Analysis of the District's Net Position, and after a brief discussion of total cash, liabilities, investments, debt refinancing, the benefits of the five-year water rate plan, reserves, and zero negative auditor findings, it was moved by Committee Member Dizmang, seconded by Chair Wilson, and unanimously carried by all members

of the Committee present at the meeting that the Committee concurs with staff's recommendation to receive and file the draft Annual Financial Statements with the Independent Auditor's Report for the year ended December 31, 2020 and that this item be presented to the full Board for consideration at the July 12, 2021 Regular Board Meeting.

5) Reports.

5.1) Finance Manager Williams:

a) S&P Rating Adjustment Rationale.

Finance Manager Williams stated that the District's bond rating has been increased to "Stable A" and then provided an overview of S&P's rationale for making this adjustment.

The Committee then commended staff on a job well done for improving the District's financial position to achieve the bond rating upgrade.

6) Board Members' Requests for Future Agenda Items.

There were no requests for future agenda items.

7) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:45 p.m.


Chair