



PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

PRESS RELEASE

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FOR IMMEDIATE RELEASE

Contact:

Judy Shay

Public Affairs Director

d: 661-456-1041

c: 661-297-3011

jshay@palmdalewater.org

Laura Gallegos

Public Affairs Specialist

d: 661-441-5944

c: 661-208-2581

lgallegos@palmdalewater.org

BOARD ADOPTS \$22.96 Million BUDGET, \$1.18 MILLION LESS 2018

Palmdale, CA – The Palmdale Water District (PWD) Board of Directors voted Tuesday night to adopt a \$22.96 million budget for fiscal year 2019, which begins in January. The budget is \$1.18 million less than its 2018 budget of \$24.14 million.

The budget was approved with a 4-0 vote after a detailed presentation by PWD Finance Manager/CFO Michael Williams. Director Joe Estes was absent.

According to the budget, PWD expects its 2019 operating revenues to be about \$25.74 million. The increase is based on sales of 17,250 acre-feet of water with a 4.25 percent rate adjustment, which was adopted by the Board in 2016. The sale of water is for both retail to ratepayers and wholesale to Antelope Valley-East Kern Water Agency and the Littlerock Creek Irrigation District.

The anticipated expenses for next year is about \$22.96 million, which is a decrease of about \$1.18 million from the 2018 budget amount of \$24.14

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million. Operating expenses will decrease because of depreciation of the meter exchange project and downward departmental adjustments due to completed projects that were carried over from previous years.

“I am very pleased with this budget,” said Board President Vince Dino. “I know there was a lot of hard work that was put into this budget by staff.”

Under the expense column is a \$100,000 allocation for a new rate study that will be a months-long process in 2019 to determine what increases in water rates will be needed to upkeep PWD’s infrastructure and to continue treating and distributing high-quality water to more than 115,000 people. The rate study will cover the next five years, 2020-2024, and include workshops and public hearings to allow ratepayers the opportunity to learn about PWD projects, infrastructure and the justifications behind any rate increase.

The budget also includes \$57,000 for this year’s election expenses.

In addition, there is an increase of about \$650,000 for personnel costs. Next year, PWD will fill three vacant positions – Plant Operator, Operations Technician and Maintenance Worker. It also will hire two new positions, Lab Analyst and Service Worker III, for a portion of the year. Other personnel expenses include a cost of living increase, a slight jump in medical care costs, and salary range adjustments to remain competitive with other water districts.

The budget will leave the District with about \$11.65 million in reserves at the end of 2019.

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Since 1918, the Palmdale Water District has provided high-quality water at a reasonable cost. We pride ourselves on providing great customer service; advocating for local water issues that help our residents; educating the community on water conservation; and leading our region in researching and implementing emerging technologies that increase operational efficiency. For more information about PWD, visit www.palmdalewater.org.

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