



PALMDALE WATER DISTRICT

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PRESS RELEASE

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FOR IMMEDIATE RELEASE

BOARD ADOPTS \$24 MILLION BUDGET FOR 2020

Palmdale, CA – The Palmdale Water District (PWD) Board of Directors voted unanimously Monday to adopt a \$24.09 million budget for calendar year 2020, which begins on Jan. 1.

The budget was approved with a 5-0 vote after a presentation by PWD Finance Manager/CFO Michael Williams. The Board started the regular meeting early to give itself additional time to get familiar with the budget.

According to the budget, PWD expects its 2020 operating revenue to be \$27.29 million. This is an increase of \$1.56 million over 2019's revenue. The new operating revenue includes the sales of 16,341 acre-feet of water with an 8.1% revenue adjustment, which was adopted by the Board on Oct. 28, 2019, when the rates for years 2020-2024 were set.

“The financial information and data provided in the 2019 Water Rate Study is an indicator of what is included in the 2020 budget,” Williams said. “We use the plans to schedule projects and maintenance, accordingly, over

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the next five years, but we look at our budget on a year-to-year basis.”

The anticipated operating expenses for next year are \$24.09 million, which is an increase of \$1.13 million from the 2019 budget amount of \$22.96 million. The increase in operating expenses are a result of an inflationary escalation applied to different categories, including water purchases and recovery, water quality, treatment plant expenditures, and departmental expenses.

“Our staff are highly skilled employees who are essential to providing the high-quality water that Palmdale receives,” Board Director Gloria Dizmang said. “As a member of the board, I want to ensure they have the necessary tools and resources to continue providing water reliability.”

As part of the 2019 Water Rate Study, about 100 capital improvement projects were identified as needing to be completed between 2020-24. In 2020, the projects include removing approximately 120,000 cubic yards of sediment from Littlerock Dam, replacing about 2,500 meters, completing several well rehabilitations and replacing aging pipeline.

According to Williams, PWD will invest \$4.95 million in new capital improvement projects and complete the commitment to the Upper Amargosa Creek project next year. The budget will leave the District with about \$7.5 million in reserves at the end of 2020 as determined by the Water Rate Study, if all projects are completed as outlined in the plan.

Since 1918, the Palmdale Water District has provided high-quality water at a reasonable cost. We pride ourselves on providing great customer care; advocating for local water issues that help our residents; educating the community on water-use efficiency; and leading our region in

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researching and implementing emerging technologies that increase operational efficiency. For more information about PWD, visit www.palmdalewater.org.

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