

**PALMDALE RECYCLED
WATER AUTHORITY
BOARD MEMORANDUM**

DATE: October 10, 2022 **October 17, 2022**
TO: BOARD OF DIRECTORS **Board Meeting**
FROM: Dennis Hoffmeyer, Treasurer-Auditor, PRWA
VIA: Mr. Dennis LaMoreaux, Executive Director, PRWA

**RE: AGENDA ITEM NO 6.1 – CONSIDERATION AND POSSIBLE ACTION ON
RESOLUTION NO. 2022-001 AUTHORIZING THE ADOPTION OF THE PALMDALE
RECYCLED WATER AUTHORITY 2023 ANNUAL BUDGET**

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends approving the 2023 annual budget as presented in the 2023 Budget Document and approve Resolution No. PRWA 2022-001 authorizing the adoption of the Palmdale Recycled Water Authority 2023 Annual Budget.

Background:

A part of the Palmdale Recycled Water Authority's duties is to create an annual operating budget. The 2023 Budget continues with the removal of the contributions by both agencies as it has been determined that contributions this year are not needed. The budget includes funds necessary to move forward with updating the Recycled Water Facility Master Plan.

Financial Impact:

As set forth in the 2023 Budget Document, the fiscal year is projected to result in \$1,562,059 in unappropriated reserves.

Supporting Documents:

Resolution No. PRWA 2022-001
2023 Budget Document (Exhibit A to Resolution No. PRWA 2022-001)

RESOLUTION NO. PRWA 2022-001

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE RECYCLED WATER AUTHORITY AUTHORIZING THE ADOPTION OF THE PALMDALE RECYCLED WATER AUTHORITY 2023 BUDGET

WHEREAS, The Palmdale Recycled Water Authority has identified the need for a 2023 Budget, and

WHEREAS, The Palmdale Recycled Water Authority Board reviewed the Budget for calendar year 2023, and

WHEREAS, the Palmdale Recycled Water Authority considered the budget as submitted and made all changes and amendments thereto which said Authority, desired to make therein; and

WHEREAS, individual project costs have been proportionately budgeted to the respective project areas based upon the benefit attributable to the targeted project area including improving inadequate public improvements and public facilities, improving and correcting depreciated values; and,

WHEREAS, the Palmdale Recycled Water Authority has heretofore raised sufficient revenues to finance and balance said budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Palmdale Recycled Water Authority:

SECTION 1: The original of the Budget of the Palmdale Recycled Water Authority shall be placed on file in the office of the Authority Clerk and shall be open to public inspection.

SECTION 2: The Palmdale Recycled Water Authority hereby approves all of the adjustments to the calendar year 2023 revenues and expenditures as presented in the calendar year 2023 budget document.

SECTION 3: The Budget of the Palmdale Recycled Water Authority is hereby approved and adopted. In adopting said budget the Authority Board approved the specified amounts for each of the various programs and accounts set forth.

SECTION 4: The Authority Treasurer is hereby authorized and instructed to take all steps necessary to implement this resolution in accordance with the provisions of the budget document.

SECTION 5: Without prior approval of the Authority Board, the Executive Director shall have authority to transfer up to \$25,000 from program to program, except for shifts in appropriations relating to personnel. Any transfer of more than such amount shall be approved by the Authority Board.

SECTION 6: The Authority Treasurer, with the approval of the Executive Director shall approve the Encumbrances and Continuing Appropriations from the Authority's budget for calendar year 2023.

SECTION 7: The Budget for calendar year 2023, as submitted, amended, modified, revised, corrected, adopted, and filed by the Authority shall be the calendar year 2023 Budget for the Palmdale Recycled Water Authority. The Budget is subject to the requirements of Article XIII B of the California Constitution.

SECTION 8: The Clerk of the Authority shall certify to the adoption of this Resolution and enter it into the official records of the Authority.

PASSED, APPROVED and ADOPTED this 17th day of October 2022, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Vincent Dino, Chair

ATTEST:

Roxanne Faber
Acting Authority Secretary

Approved as to form:

G. Ross Trindle,
Authority Counsel

PALMDALE RECYCLED WATER AUTHORITY

Proposed Budget - CY 2023

Acct. #	Revenues:	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROPOSED
1-00-3100-100	Contribution - Palmdale Water District	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
1-00-3100-200	Contribution - City of Palmdale	300,000	300,000	300,000	-	-	-
1-00-3000-000	Revenue - Water Sales	55,806	34,829	40,172	91,404	49,058	75,000
1-00-3050-000	Revenue - Meter Fees	19,579	17,982	16,216	35,873	38,764	35,000
1-00-3075-000	Revenue - Miscellaneous Fees	578	100	605	9,218	620	500
1-00-3150-000	Grants	-	-	-	-	-	-
1-00-3500-000	Interest Earnings	4,543	26,902	11,814	635	863	1,500
	Total Revenue	\$ 680,506	\$ 679,813	\$ 668,807	\$ 137,130	\$ 89,305	\$ 112,000
	Expenses:						
1-00-4000-000	Public Representative - Meetings & Travel	\$ 2,722	\$ 750	\$ 1,559	\$ 2,229	\$ 1,100	\$ 3,000
1-00-4010-000	Payroll Tax Expense (Employer)	57	57	69	69	46	200
1-00-4500-100	Depreciation-General	53,407	53,407	53,407	53,407	53,407	53,407
1-00-5000-000	Banking Fees	939	523	662	731	808	1,000
1-00-5025-000	Provision for Bad Debt	-	-	-	-	-	500
1-00-5100-000	Insurance	1,789	6,703	6,457	7,371	7,773	8,000
1-00-5200-000	Memberships	2,996	3,130	4,102	4,102	4,102	4,100
1-00-5300-000	Marketing & Outreach	-	-	10,096	6,405	-	5,000
1-00-5500-000	Travel & Meetings	-	-	-	-	-	1,500
1-00-5600-000	Permits & Fees	-	-	-	-	-	5,000
1-00-6000-000	Purchased Water	16,631	16,963	19,481	31,293	20,000	17,500
1-00-6500-000	Materials & Supplies	7,928	-	394	13,689	1,500	10,000
1-00-6600-000	Maint. & Rep. - Water System	-	-	13,814	2,328	9,758	10,000
1-00-8000-150	Contract Services - Professional Services	-	1,382	63,614	5,138	-	30,000
1-00-8000-200	Contract Services - Financial Audit	10,225	8,000	8,500	8,500	8,500	8,500
	Total Expenses	\$ 96,694	\$ 90,915	\$ 182,155	\$ 135,261	\$ 106,995	\$ 157,707
	Change in Net Position at December 31	\$ 549,906	\$ 1,138,804	\$ 1,625,456	\$ 1,627,325	\$ 1,607,766	\$ 1,562,059
	Net Income/(Expense):				\$ (17,690)		\$ (45,707)