



PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

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BOARD ADOPTS \$27.8 MILLION BUDGET FOR 2022

Palmdale, CA – The Palmdale Water District (PWD) Board of Directors unanimously approved Monday night a \$27.86 million budget for the calendar year 2022.

The Board accepted the budget as presented by PWD Finance Manager/CFO Dennis Hoffmeyer. The budget, which will be effective Jan. 1, shows expected operating expenses to increase \$1.6 million, or 6.1%, from 2021's budget of \$26.24 million. Contributing to the increase are carryover water transfer costs, departmental operating expenses and personnel expense accounts.

According to Hoffmeyer, the 2022 operating revenue is based on selling 17,000 acre-feet of water, which will equal to about \$31,747,600 based on an 8.1% rate adjustment adopted by the Board in 2019. This revenue is about \$2.3 million higher than the 2021 budgeted figure of \$29,408,961. Total revenue also includes \$550,000 in potential capital

(more)

improvement fees.

“We appreciate the Board approving and supporting this strong budget,” Hoffmeyer said. “It puts us in a very good position to continue meeting the needs of customers, especially during a time when the entire state is in a drought and it becomes more expensive to provide clean, safe water.”

Budget figures show that the District will end this year with about \$11.2 million in cash reserves and a reserve of \$12.1 million planned for the end of 2022. One year ago, the projection was that the ending reserve would be \$9.9 million. The figures do not include more than \$1.2 million in unpaid water bills since the start of the COVID-19 pandemic in March 2020.

“We have looked at this budget thoroughly, and it is one that is well thought out and planned,” said Board Director Don Wilson, who chairs the Finance Committee. “Kudos to our accounting staff. I know they worked hard to present a plan with the customers’ best interests in mind.”

A complete 2022 budget package will be available in January on the PWD website at www.palmdalewater.org.

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