

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, FEBRUARY 9, 2015:**

*A meeting of the Finance Committee of the Palmdale Water District was held Monday, February 9, 2015, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Dizmang called the meeting to order.*

**1) Roll Call.**

**Attendance:**

Finance Committee:  
Gloria Dizmang, Chair  
Vincent Dino, Committee  
Member

**Others Present:**

Dennis LaMoreaux, General Manager  
Matt Knudson, Assistant General Manager  
Mike Williams, Finance Manager  
Dennis Hoffmeyer, Senior Accountant  
Bob Egan, Financial Advisor  
Dawn Deans, Executive Assistant  
0 members of the public

**2) Adoption of Agenda.**

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to adopt the agenda, as written.

**3) Public Comments.**

There were no public comments.

**4) Action Items:**

**4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held January 12, 2015.**

It was moved by Committee Member Dino, seconded by Chair Dizmang, and unanimously carried to approve the minutes of the Finance Committee meeting held January 12, 2015, as written.

**4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of December 31, 2014. (Financial Advisor Egan)**

Financial Advisor Egan reviewed the investment funds and cash flow reports as of December 31, 2014, along with preliminary reports through January 31, 2015,

including assessments and redevelopment fees received, the Butte payment, GAC payments, final year-end balances, and projects carried forward to 2015.

**4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for December 31, 2014. (Finance Manager Williams)**

Finance Manager Williams reviewed the balance sheet, profit and loss statement, year-to-year comparisons, month-to-month comparisons, consumption comparisons, and revenue and expense analysis reports for the period ending December 31, 2014, along with the graphic presentations for these reports, and then stated that most departments are operating below the targeted expenditure percentage of 100% followed by discussion of capitalized construction, overtime charges, Operations Department supplies, employment recruitment, and Information Technology Department memberships, subscriptions, and laptop purchases.

It was then stated that a list of miscellaneous supplies for the Operations Department and Information Technology Department laptop purchases will be provided at the next meeting.

**4.4) Discussion and Overview of Committed Contracts Issued and Water Revenue Bond Projects. (Assistant General Manager Knudson)**

Assistant General Manager Knudson reviewed the status of approved 2015 engineering projects included in the Committed Contracts and Payout Schedule, including those projects contractually committed, budgeted projects, and payments for projects funded from the Water Revenue Series 2013A Bonds followed by discussion of GAC change-outs and the status of the environmental work for the Littlerock Dam Sediment Removal Project.

**5) Information Items.**

**5.1) Status of Debt Service Coverage. (Financial Advisor Egan)**

Financial Advisor Egan stated that the Debt Service Coverage schedule is a work in process, and staff will have this available in the next few days.

**5.2) Other.**

General Manager LaMoreaux stated that the budget summary is complete and now follows the five Strategic Initiatives of the Strategic Plan; that a copy has been placed in the Directors' in-boxes; and that the final budget will be published.

Finance Manager Williams stated that as of January 31, there are 155 participants in the Rate Assistance Program.

He then stated that an interim contact meeting with the auditors is scheduled for February 11; that the auditors will be on site February 25; and that they are on target to have the audit complete and ready for presentment to the full Board on March 25, 2015.

After a brief discussion of the Finance Committee's review of the final audit report prior to Board presentment, it was determined that the next Finance Committee meeting will be held March 23, 2015 at 10:30 a.m. to review financial statements and the final audit report and that these items will be presented to the full Board at the March 25, 2015 Regular Board meeting.

There were no additional information items.

**6) Board Members' Requests for Future Agenda Items.**

It was stated that "Discussion and possible action on final audit report for 2014 audit" will be placed on the next agenda.

There were no further requests for future agenda items.

It was then stated that the next Finance Committee meeting will be held March 23, 2015 at 10:30 a.m.

**7) Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned.

  
Chair