

MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, OCTOBER 21, 2025:

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, October 21, 2025, at 2029 East Avenue Q, Palmdale, CA 93550. Chair Wilson called the meeting to order at 2:30 p.m.

1) Roll Call.

Attendance:

Committee:
Don Wilson, Chair
Scott Kellerman,
Committee Member

Others Present:

Dennis LaMoreaux, General Manager
Scott Rogers, Assistant General Manager
Viri Iguaran, Finance Manager
Bob Egan, Financial Advisor
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
0 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Kellerman, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to adopt the agenda, as written.

3) Public Comments for Non-Agenda Items.

There were no public comments for non-agenda items.

4) Action Items: (The Public Shall Have an Opportunity to Comment on Any Action Item as Each Item is Considered by the Committee Prior to Action Being Taken.)

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held September 16, 2025.

It was moved by Committee Member Kellerman, seconded by Chair Wilson, and unanimously carried by all members of the Committee present at the meeting to approve the minutes of the Finance Committee meeting held September 16, 2025, as written.

4.2) Discussion and Overview of Cash Flow Statement and Current Cash Balances as of September 2025. (Financial Advisor Egan)

Financial Advisor Egan provided an overview of the monthly Major Account Activity Report, the Quarterly Major Account Activity Report, and the Investment Funds Report through September 2025, including account transfers, scheduled payments, received and anticipated assessments, capital improvement funds, interest and market values, future investment earnings, and grant reimbursements.

Finance Manager Iguaran then stated that staff is revising the format of the Cash Flow Statement for more accurate financial representation and that this updated report will be provided at the next meeting.

4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for September 2025. (Finance Manager Iguaran)

Finance Manager Iguaran reviewed in detail the Balance Sheet, the Balance Sheet Variance, the Income Statement, the Income Statement Variance, and the Departmental Reports for the period ending September 2025, including assets and liabilities, retained earnings, scheduled payments, capital improvement fees received, investments and interest earnings, and state and federal grant reimbursements, and then stated that operating revenues are above the historical trend average at 88%; that expenses are below the historical trend average at 70.10%; and that two departments are above the traditional budgetary percentage of 75.33% due to electricity costs, waste disposal and chemical expenses, and annual contracted services followed by a brief discussion of the sludge removal from the Leslie O. Carter Water Treatment Plant and of automated meter reading (AMR) and advanced metering infrastructure (AMI).

4.4) Discussion and Overview of Committed Contracts Issued. (Finance Manager Iguaran)

Finance Manager Iguaran provided an overview of the committed and uncommitted 2023A and 2024A Water Revenue Bond funds.

5) Reports.

5.1) Finance Manager Iguaran:

a) Accounts Receivable Overview.

Finance Manager Iguaran reported that as of September 30, the total outstanding balance for accounts 60 days delinquent was \$174,687.00.

b) Revenue Projections.

She then reported that based on selling 15,000 AF of water, 2025 revenue is ahead of projections by approximately \$3.4 million as of September 30.

c) Payment Transactions by Type.

There was no report for Payment Transactions by Type.

d) Rate Assistance Program.

She then stated that staff is working on a revenue analysis for the 2026 Rate Assistance Program.

e) Billing and Collection Statistics.

She then provided a brief overview of billing and collection statistics as of September 30.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan reported that the Debt Service Coverage for October 2024 to September 2025 is 4.38 and remains in a healthy position to make a transfer into the Rate Stabilization Fund before year-end.

5.3) Other.

Finance Manager Iguaran stated that staff will be preparing their departmental budget requests in the coming week and that the draft 2026 Budget will be presented at the November Finance Committee Meeting for review and recommendation to the full Board in December.

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

There were no requests for future agenda items.

7) **Date of Next Committee Meeting.**

After a brief discussion of the budget timeline, it was determined that the next Finance Committee Meeting will be held November 25, 2025 at 1:30 p.m.

8) **Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned at 3:09 p.m.



Chair