

MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT, NOVEMBER 25, 2025:

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, November 25, 2025, at 2029 East Avenue Q, Palmdale, CA 93550. Chair Wilson called the meeting to order at 1:30 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
Cynthia Sanchez, Alternate Committee Member
Debbie Dino, Board Member
Judy Shay, Public Affairs Director
Danielle Henry, Executive Assistant
3 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 October 21, 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 October 21, 2025, as written.

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

Financial Advisor Egan provided an overview of the monthly Major Account Activity Report and the Investment Funds Report through October 2025, including account transfers, scheduled payments, interest and market values, future investment earnings, and the projected year-end balance.

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

Finance Manager Iguaran reviewed in detail the Balance Sheet, the Income Statement, and the Departmental Reports for the period ending October 2025, including assets and liabilities, retained earnings, scheduled payments, water transfer sales, investments and interest earnings, and state and federal grant reimbursements, and stated that operating revenues are above the historical trend average at 98.37%; that expenses are below the historical trend average at 75.91%; and that two departments are above the projected budgetary percentage of 84.35% due to electricity and chemical costs, annual contracted services, and staff time dedicated to reading failing meters followed by a brief discussion of meter replacements.

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

Finance Manager Iguaran provided an overview of the Water Revenue Bond Summary reports for committed and uncommitted 2023A and 2024A Water Revenue Bond funds followed by a brief discussion of the projects paid out through the 2024A Water Revenue Bonds.

4.5) Consideration on a Recommendation to Approve the 2026 Budget. (Finance Manager Iguaran)

Finance Manager Iguaran reported that the 2026 Budget is still in preparation after which it was determined that a Special Finance Committee Meeting will be held on

December 9, 2025, at 1:30 p.m. to review the draft budget prior to its presentation to the full Board at the December 15, 2025, Regular Board Meeting.

5) Reports.

5.1) Finance Manager Iguaran:

a) Accounts Receivable Overview.

Finance Manager Iguaran reported the outstanding balances for accounts 60-, 90-, and 120-days delinquent as of October 31, and noted that there are currently 16 payment arrangements totaling \$28,320.50, of which \$16,572.34 has been collected to date.

b) Revenue Projections.

She then reported that based on selling 15,000 AF of water, 2025 revenue is ahead of projections by approximately \$3.7 million as of October 31.

c) Billing and Collection Statistics.

She then provided a brief overview of billing and collection statistics as of October 31.

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.

There were no other items to report.

6) Board Members' Requests for Future Agenda Items.

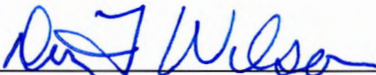
There were no requests for future agenda items.

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

It was determined that the next regular Finance Committee Meeting will be held on January 20, 2026 at 1:30 p.m.

8) **Adjournment.**

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:00 p.m.



Chair