

**MINUTES OF MEETING OF THE FINANCE COMMITTEE OF THE PALMDALE WATER DISTRICT,
MARCH 17, 2026:**

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, March 17, 2026, 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
Viridiana Iguaran, Finance Manager
Bob Egan, Financial Advisor
Cynthia Sanchez, Alternate Committee Member
Debbie Dino, Board Member
Sarah Hernandez, Accounting Supervisor
Danielle Henry, Executive Assistant
Jessica Vasquez, Management Analyst
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 February 17, 2026.

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 February 17, 2026, as written.

4.2) Discussion and Overview of Current Cash Balances and Investment Funds Report as of January 2026. (Financial Advisor Egan)

Financial Advisor Egan provided an overview of the cash balances and Investment Funds Report through January 2026, including account transfers, interest and market values,

assessments received, and scheduled payments and stated that future reporting will include annual comparisons.

4.3) Discussion and Overview of Financial Statements, Revenue, and Expense and Departmental Budget Reports for January 2026. (Finance Manager Iguaran)

Finance Manager Iguaran presented a detailed review of the unaudited Balance Sheet, Income Statement, and Departmental Reports for the period ending January 2026, including assets and liabilities, retained earnings, operating and non-operating revenues, non-cash expenses, and personnel and operational costs; she noted that receivables were lower than the prior year due to the timing of accrued 2025 revenues, grant reimbursements, and pending tax reconciliations, while prepaid expenses increased as a result of improved accounting practices; that restricted cash decreased due to construction spending, that accounts payable increased due to normal period-end timing; that retained earnings totaled \$134 million; that non-operating revenues reflected the timing of grant-related accruals; that several departments appeared over budget for the month primarily due to contract services and the front loading of Health Spending Accounts (HSA), but all remain within their approved annual budgets; and that the audit is scheduled to begin in late March.

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.

4.5) Consideration on a Recommendation to Approve and Authorize the General Manager or His Designee to Enter Into an Agreement with Workday and ERP Analysts for the Enterprise Resource Planning (ERP) System Implementation and Subscription. (\$2,000,000.00 – Not-to-Exceed – Non-Budgeted – Finance Manager Iguaran)

Finance Manager Iguaran presented staff's recommendation for the Committee to support entering into agreements with Workday and ERP Analysts to implement and subscribe to a new cloud-based ERP system to replace the District's aging Microsoft GP system, which is set to reach end-of-life in 2027, and highlighted the capabilities of the modern, integrated system including improvements to financial processes, payroll, budgeting, HR operations, grant management, workflow automation, secure document storage, system integration and enhanced budgeting tools.

She then reviewed the limitations of the current system, the evaluation of multiple vendors, the successful use of Workday among peer agencies, the anticipated annual savings of approximately \$177,000 from consolidating existing programs, the phased implementation plan, and the projected 2026 budget impact of approximately \$482,655, and after a brief discussion of staffing and system efficiency, it was moved by Committee Member Kellerman and seconded by Chair Wilson to approve the recommendation to approve and authorize the General Manager or his designee to enter into an agreement with Workday and ERP Analysts

for the ERP System Implementation and Subscription in the not-to-exceed amount of \$2,000,000.00 over a ten-year period, and that this item be presented to the full Board for consideration at the March 23, 2026 Regular Board Meeting.

5.1) Finance Manager Iguaran:

a) Revenue Projections.

Finance Manager Iguaran reported that based on selling 15,000 AF of water, 2026 revenue is slightly below projections by approximately \$107,000 as of January 31.

b) Monthly Billing Statistics.

She then reported on the January billing activity, including the number of billings, late fee notices, shut-off notices, and shutoffs and locks.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan reported that the Debt Service Coverage for February 2025 to January 2026 is 3.54 and remains strong.

5.3) Other.

There were no other reports.

6) Board Members' Requests for Future Agenda Items.

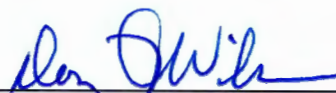
There were no requests for future agenda items.

7) Date of Next Committee Meeting.

It was determined that the next regular Finance Committee Meeting will be held on April 21, 2026 at 1:30 p.m.

8) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:09 p.m.



Chair