

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

A meeting of the Finance Committee of the Palmdale Water District was held Tuesday, February 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
Viri Iguaran, Finance Manager
Bob Egan, Financial Advisor
Cynthia Sanchez, Alternate Committee Member
Debbie Dino, Board Member
Wendell Wall, Facilities Manager
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 November 25, 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 November 25, 2025, as written.

4.2) Consideration and Possible Action on Approval of Minutes of Special Meeting Held December 9, 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 Special Finance Committee meeting held December 9, 2025, as written.

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

Financial Advisor Egan provided an overview of the monthly and quarterly Major Account Activity Reports and the Investment Funds Report through December 2025, including account transfers, assessments received, scheduled payments, interest and market values, capital improvement fees, and future investment changes.

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

Finance Manager Iguaran reviewed in detail the Balance Sheet, Income Statement, Income Statement Variance, and the Departmental Reports for the period ending December 2025, including assets and liabilities, retained earnings, operating and non-operating revenues, non-cash expenses, personnel and operational expenses, capital improvement fees, and anticipated state and federal grant reimbursements, and stated that operating revenues are at 116.3% of budget; that expenses are below the historical trend average at 90.34%; that LSL, LLP continues to assist with the District's bank reconciliations; and that two departments are slightly above the projected budget due to annual contract services and staff time dedicated to service orders for failing meters followed by a brief discussion regarding source of supply costs.

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

Finance Manager Iguaran provided an overview of the committed and uncommitted 2024A and 2023A Water Revenue Bond funds and reported that the District will soon begin drawing WIFIA loan funds followed by a brief discussion regarding projected interest earnings.

5) Reports.

5.1) Finance Manager Iguaran:

a) Revenue Projections.

Finance Manager Iguaran reported that based on selling 15,000 AF of water, 2025 revenue is ahead of projections by approximately \$3.9 million as of December 31.

b) Monthly Billing Statistics.

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

c) Rate Assistance Program.

She then reported that \$190,000 was budgeted for the 2026 Rate Assistance Program to support 633 customers with a \$25 monthly discount, and as of February 11, 2026, 629 customers are enrolled, including 162 Low-Income, 462 Senior, and 5 Veteran participants followed by a brief discussion regarding the annual application process.

5.2) Financial Advisor Egan:

a) Debt Service Coverage Status.

Financial Advisor Egan reported that the Debt Service Coverage for January 2025 to December 2025 is 3.61 and remains healthy.

5.3) Other.

General Manager LaMoreaux reported that staff is working to secure a new Enterprise Resource Planning (ERP) system package, which may require a special Finance Committee meeting before it is presented to the full Board.

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 March 17, 2026 at 1:30 p.m.

8) Adjournment.

There being no further business to come before the Finance Committee, the meeting was adjourned at 2:07 p.m.



Chair