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Minutes

Finance and Audit Committee
Central Iowa Water Works
August 21, 2025
Central Iowa Water Works
4601 Westown Parkway, Suite 122
West Des Moines, IA
8:00 a.m.

Item 1: Call to Order

Chair Scott Brennan called the meeting to order at 8:13 a.m.

Item 2: Roll Call

Present: John McCune (Urbandale Water Utility), Susan Huppert (DMWW), Tom Cope* (Johnston), Carol Butler Freeman (Warren Water District), George Meinecke* (Norwalk), Matt Stoffel (PFM), Dustin Delvaux (CIWW), Tami Madsen (CIWW), Matt Probasco (WDMWW), Christina Murphy* (WDMWW), Michael Heckle* (KCCI)

*Attended remotely

Item 3: Approve Minutes for July 10, 2025 – Approval

Tom Cope moved to approve the Finance and Audit Minutes for July 19, 2025; John McCune Seconded. Minutes were approved.

Item 4: 2026 Budget Update

Matt Stoffel presented the budget update. Since the last Finance & Audit Committee meeting, he has had the opportunity to work with Polk City, DMWW, and WDMWW on their operating budget leaving the CIWW operating budget about 97% complete. He will meet with Grimes next week.

The overall budget has been reduced by $1.5M but remains close to the original budget for year two. Capital projects have been identified that could potentially be debt funded. This changes the bond proceeds from $75.1M to $81.6M. Matt advised the committee that for every $1M increase in debt, future budgets will increase $75k. The budget presented last month had a year over year budget comparison from 2025 to 2026 for variable costs and fixed costs of operating contracts at a change of 7.5%. With the updated operating budget numbers this has been reduced to 1.48% and 2.29%, respectively.

Matt will bring another updated budget in September and a finalized version to the October Finance & Audit Committee meeting for Board of Trustees approval at the October board meeting. He will present an abbreviated version of this meeting's information at the August Board of Trustees meeting.

Item 5: July Financial Summary and July Expenditures

Tami Madsen presented on the July Financials. Items highlighted included interest-bearing cash was at $9.3 million, water sales revenue around $5.3 million, long-term debt at $46.6 million, and investment income year-to-date was at $209k. Legal and accounting fees were over budget, which is not unusual for the first year of operations.

Tami informed the committee that DMWW has reconciled their projects and cash for Schedule IV-11. In September they will pay $7.3 million to CIWW for these projects.

Item 6: July Revenue and Usage Summary

Tami Madsen stated the July Revenue and Usage Summary numbers decreased from the previous month due to the lawn watering ban. Despite the decrease in usage, the Nitrate facility ran for more days than was budgeted. Some of those costs were offset by a reduction in chemical costs.

Item 7: Treasurer Agreement

Tami Madsen informed the committee that the current treasurer agreement is with DMWW on an interim basis. The Executive Committee would like to open the role to all member agencies. CIWW would pay expenses incurred for the member agency serving in the treasurer role.

Amy Kahler stated that DMWW is equipped to continue the role of treasurer if needed.

The Finance & Audit Committee will make a recommendation at the August Board of Trustees meeting to open the role to any interested agencies including DMWW.

Item 8: Private Use Education

Tami Madsen informed the committee that early in 2025 CIWW signed an agreement with Ahlers & Cooney for additional services outside of bond work which include providing private use education for our member agencies. With the new capacity allocation requests including industrial uses, it will be important to monitor private use within the CIWW system.

Item 9: Other Business

Tami Madsen discussed having blended rates for buy-in for the West Plant and Grimes expansions since they are simultaneously undergoing bid and design.

Susan Huppert moved to recommend the implementation of a blended rate for the costs of the West Plant Expansion and the Grimes Expansion to the CIWW Board of Trustees; seconded by Carol Butler Freeman. Approved by voice vote.

Adjournment

Chair Brennan adjourned the meeting at 9:15 a.m.