CENTRAL IOWA WATER WORKS

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Minutes

Finance and Audit Committee
Central Iowa Water Works
June 18, 2026 @ 8:00 a.m.
Central Iowa Water Works
4601 Westown Parkway, Suite 122
West Des Moines, IA

ITEM 1. Call to Order

Vice Chair George Meinecke called the meeting to order at 8:02 a.m.

ITEM 2. Roll Call

Susan Huppert, George Meinecke, John McCune, Tom Cope, Tami Madsen, Dustin Delvaux, Amy Kahler, Matt Stoffel, Christina Murphy, Matt Probasco*, Brian Unsen*(Eide Bailly), Brad Theisen* (Eide Bailly)

*attended remotely

ITEM 3. Approve Minutes for May 21, 2026

Tom Cope moved to approve the minutes; seconded by John McCune. The minutes were approved by unanimous voice vote.

ITEM 4. Reallocation Requests for CIWW Projects – Recommendation

Tami Madsen presented a request from West Des Moines Water Works to reallocate Capital Improvement Program (CIP) funds for the A.C. Ward High Service Pump 5 Replacement and VFD project. She noted that the proposed reallocation is consistent with the approved CIP, and the Technical Committee expressed its support for the request.

Susan Huppert moved to recommend that the Board of Trustees approve the reallocation of funds for the A.C. Ward High Service Pump 5 Replacement and VFD project; seconded by John McCune. The recommendation carried by unanimous voice vote.

Tami Madsen also provided an update on the Water Usage Best Practices Committee. She reported that the committee has identified several opportunities to expand public education on water use and conservation and has discussed the need for additional communications support and research to effectively target educational campaigns. She noted that requests to reallocate funding for these efforts will be presented to the Finance and Audit Committee.

Additionally, Tami Madsen introduced the topic of issuing a request for proposals (RFP) for communication services to assist with public education, video production, and water conversation campaigns. If approved, this item will be brought forward to the Finance and Audit Committee with a request for funding to support the project. The committee discussed the benefits and considerations of utilizing a consulting firm compared to hiring a full-time employee to support communications and outreach efforts.

ITEM 5. 2025 Audit Report

Brian Unsen and Brad Theisen, with Eide Bailly, presented the results of the 2025 audit. They noted that 2025 was the first year of CIWW operations; therefore, no prior-year comparison was available.

Eide Bailly issued a clean audit opinion, with no material weaknesses or significant deficiencies identified in the financial statements and no state compliance findings. The final audit report is pending review and feedback from Amy Kahler and Tami Madsen to ensure the language accurately and clearly communicates the results.

ITEM 6. Project Updates

Tami Madsen provided updates on the project reports. She noted the Saylorville Expansion project estimate and schedule have been revised due to the need to identify adequate water sources and address other project considerations. Tami also reported that a project progress report has been added for the Hickman Road Feeder Main.

ITEM 7. Admission of New Member Agencies

Tami Madsen informed the committee that discussions have taken place between CIWW and the City of Van Meter regarding potential membership in CIWW. She noted that Van Meter is currently evaluating the financial implications of joining CIWW versus building their own water treatment facilities. As the discussions become more substantive and technical in nature, more CIWW participants will be included.

Conversations regarding application procedures, evaluation costs, and related matters will need to occur as subsequent steps. Tami contacted Patrick Beane to inquire about the application fee required to join the WRA. She had not received a response at the time of the meeting.

Tami briefly highlighted three considerations for how to implement an application fee, These included a flat administrative fee regardless of the size of the system, a demand-based fee structure based on the complexity of the system, or a hybrid approach that combines both a flat-fee and demand-based fee. She clarified that the fee would apply to the application review process and would not represent the cost of joining CIWW.

The next step is to engage a technical group to evaluate the request and bring a recommendation back to the Finance and Audit Committee.

ITEM 8. 2027 Capital Improvements Plan

Tami Madsen provided an overview of the Capital Improvement Plan.

ITEM 9. Municipal Advisor Updates

Matt Stoffel provided an update on financial planning and rate projections. He advised that a determination is needed regarding the balance of borrowing versus cash funding in order to refine future rate calculations. Matt noted that CIWW's annual budget may fluctuate, particularly due to variations in the Capital Improvement Plan (CIP), while member communities value consistency in annual rates. He discussed the potential benefit of maintaining more consistent rate increases and using available cash reserves in lower-budget years to offset higher capital spending years.

Matt advised that the Fiscal Year 2027 budget will continue to include funding for reserves; however, beginning in 2028, that reserve contribution is expected to end, potentially creating additional capacity for capital funding. He estimated that a 5% rate increase may be needed to support the current five-year CIP, excluding any future expansion projects. Matt stated that he plans to develop a five-year rate projection to provide member communities with greater visibility into future rate stability.

Matt disclosed to the committee that he serves as the municipal advisor for the City of Van Meter under a retainer agreement. As he has answered questions and modeled financial scenarios for Van Meter, related to membership in CIWW, he is tracking time, requests, and project work separately to ensure costs and responsibilities are appropriately allocated. Matt clarified that his work involves financial advising and is not related to advising Van Meter on whether to become a member of CIWW.

Matt Stoffel informed the committee that the 2026 bank qualification process is essentially complete since there are no additional loans planned for the remainder of the year.

ITEM 10. May Financial Summary and May Expenditures

Preliminary draft financial reports were provided to the committee.

ITEM 11. May Revenue and Usage Summary

No discussion occurred regarding this item.

ITEM 12. Other Business

No other business was discussed.

ITEM 13. Adjourn

Tom Cope moved to adjourn the meeting; seconded by John McCune. Vice Chair Meinecke adjourned the meeting at 9:10 a.m.