



TRABUCO CANYON WATER DISTRICT FINANCE/AUDIT COMMITTEE MEETING RECAP | OCTOBER 14, 2020

DIRECTORS PRESENT

Director Don Chadd, Committee Chair
Director Mike Safranski, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager / Board Secretary
Lorrie Lausten, District Engineer
Karen Warner, Senior Accountant
Lisa Marie Sangi, Administrative Assistant

PUBLIC PRESENT VIA CONFERENCE CALL

There was one caller.

CALL MEETING TO ORDER

Director Chadd called the October 14, 2020 Finance/Audit Committee Meeting to order at 1:00 P.M.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

None

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported the following matters:

- **Silvertree Lane Domestic Pipeline Repair:** Mr. Paludi reported that the project is scheduled to begin the following day. Ms. Lausten mentioned; potholing has already started, and the old line will be abandoned in place.
- **District Water, Wastewater, and Recycled Water Rates and Charges Analysis:** Mr. Paludi provided a brief update on the District's Rate Study with Raftelis Financial Consultants, and he reported that District staff have completed a thorough review of the user peaking and demand impacts on the District's non-domestic water supplies and system.
- **Salary Survey Analysis:** Mr. Paludi provided a brief status report update on the salary survey as performed by Ralph Anderson & Associates.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Paludi presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda.

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FINANCE AUDIT COMMITTEE MEETING RECAP | OCTOBER 14, 2020**

RECOMMENDED ACTION:

The Committee recommended that the Finance/Audit Committee Meeting Recap be forwarded to the Board of Directors for approval (Consent Calendar).

ITEM 2: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Paludi presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review.

RECOMMENDED ACTION:

The Committee recommended that the Directors' Fees and Expenses Report for September 2020, and the Tentative Future Meetings/Attendance Report be forwarded to the Board of Directors for ratification (Consent Calendar).

ITEM 3: OTHER MATTERS

Discussion occurred concerning the partnership between the District and the Orange County Registrar of Voters for General Election early voting center at the District's Administration Facility.

RECOMMENDED ACTION:

No action was taken.

ITEM 4: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for August 2020 for Committee consideration.

STATEMENT OF REVENUES AND EXPENSES

Operating Revenue, Residential Water Revenue

Ms. Warner reported that this line item was higher than anticipated for the time of the year due to increased water demands.

Operating Revenue, Baker Treatment Plant Water Sales

Ms. Warner reported that this line item was higher than the prior month due to decreased water sales to the City of San Clemente.

Operating Expenses, Total Operating Expenses

Ms. Warner reported that this line item was higher than the prior month but was below the year to date budget.

RESTRICTED ASSETS REPORT & INVESTMENT SCHEDULE

Ms. Warner reviewed the District's reserve account levels and investment schedule for the month of August.

There was brief discussion concerning Federal Emergency Management Agency (FEMA) reimbursement for the Alternate Raw Water Transmission Line project. Mr. Paludi reported that FEMA has approved the project for reimbursement, but the District has not received the funds to date.

RECOMMENDED ACTION:

The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of the bills for consideration for October 14, 2020 as presented (Consent Calendar).

ADJOURNMENT

Director Chadd adjourned the October 14, 2020 Finance/Audit Committee Meeting at 1:16 PM.