



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | JANUARY 13, 2021**

DIRECTORS PRESENT VIA CONFERENCE CALL

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

STAFF PRESENT VIA CONFERENCE CALL

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

PUBLIC PRESENT VIA CONFERENCE CALL

Cindy Byerrum, Consultant Eide Bally

CALL MEETING TO ORDER

Director Chadd called the January 13, 2021 Finance/Audit Committee Meeting to order at 1:01 P.M.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

No comments were received.

REPORT FROM THE GENERAL MANAGER

No comments were received.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

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

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.

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RECOMMENDED ACTION:

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

ITEM 3: ADOPTION OF DISTRICT TREASURER'S ANNUAL STATEMENT OF INVESTMENT POLICY

Mr. Paludi presented this matter for Committee consideration, and he mentioned that the District Treasurer's Annual Statement of Investment Policy is reviewed on an annual basis in accordance with the District's General Policy and Rules and Regulations. Mr. Perea presented the DRAFT Resolution for Committee review, and he reported that both the District Treasurer and General Legal Counsel have reviewed and provided comments on the resolution language. Mr. Perea added that the proposed language changes are non-substantive in nature and recommended the Board of Directors adopt the resolution at the following Regular Board Meeting.

RECOMMENDED ACTION(S):

The Committee recommended the Board of Directors adopt Resolution No. 2021-1289 – Resolution of the Board of Directors of Trabuco Canyon Water District Adopting District Treasurer's Annual Statement of Investment Policy (Action Calendar).

ITEM 4: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO CALENDAR YEAR 2021 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

Mr. Paludi presented this matter for Committee consideration, and he mentioned that Director appointments and assignments are made by the Board President. Discussion occurred concerning certain current committee assignments. Director Chadd commented that he would work directly with Mr. Paludi concerning the tentative assignments and to bring to the following Regular Board Meeting for final approval.

RECOMMENDED ACTION(S):

The Committee recommended forwarding the information to the Board of Directors for consideration (Action Calendar).

ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO URBAN WATER INSTITUTE 2021 VIRTUAL SPRING WATER CONFERENCE SPONSORSHIP

Mr. Paludi presented this matter for Committee consideration, and he mentioned that the District is a current member of the Urban Water Institute (UWI). Mr. Paludi reported that the UWI 2021 Virtual Spring Water Conference is to be held on February 17–18, 2021, and he recommended the Board of Directors approve a sponsorship of the event in the amount of \$1,000. Mr. Paludi highlighted the benefits to the District as a member agency of this Southern California water organization.

RECOMMENDED ACTION(S):

The Committee recommended the Board of Directors approve a \$1,000 sponsorship of the Urban Water Institute's 2021 Spring Water Conference (Action Calendar).

ITEM 6: OTHER MATTERS

Mr. Paludi provided a brief update on the Municipal Water District of Orange County (MWDOC) Administration & Finance Committee Meeting, which included a discussion concerning the South Orange County Agencies Group MET Director Nomination Committee.

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RECOMMENDED ACTION:

No action was taken.

ITEM 7: FINANCIAL REPORT

Ms. Byerrum presented the preliminary unaudited financials for November 2020 for Committee consideration and reviewed the following items:

STATEMENT OF REVENUES AND EXPENSES

Operating Revenue, Residential Water Revenue

Ms. Byerrum reported that this line item was lower than the prior month due to lower water demands.

Operating Revenue, Baker Treatment Plant Water Sales

Ms. Byerrum reported that this line item was roughly the same as the prior month.

Operating Expenses, Total Operating Expenses

Ms. Byerrum reported that this line item was lower than the prior month due to less expenses.

RESTRICTED ASSETS REPORT & INVESTMENT SCHEDULE

Ms. Byerrum highlighted the Local Agency Interest Fund (LAIF) rate of return on District investments.

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 January 13, 2021 as presented (Consent Calendar).

ADJOURNMENT

Director Chadd adjourned the January 13, 2021 Finance/Audit Committee Meeting at 1:18 PM.