



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | AUGUST 11, 2021**

DIRECTORS PRESENT

Director Don Chadd, Committee Chair
Director Ed Mandich, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lisa Marie Sangi, Executive Assistant
Gary Kessler, Water Operations Superintendent
Jason Stroud, Maintenance Superintendent

STAFF VIA CONFERENCE CALL

Lorrie Lausten, District Engineer

CONSULTANTS VIA CONFERENCE CALL

Cindy Byerrum, Eide Bailly

PUBLIC PRESENT VIA CONFERENCE CALL

None

CALL MEETING TO ORDER

Director Chadd called the August 11, 2021 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

There were no comments received.

REPORT FROM THE GENERAL MANAGER

There were no comments 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:

President Chadd and Mr. Perea recommended that the Finance/Audit Committee Meeting Recap be forwarded to the Board of Directors for approval (Consent Calendar).

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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 July 2021 and the Tentative Future Meetings/Attendance Report be forwarded to the Board of Directors for consideration (Action Calendar).

ITEM 3: DISCUSSION AND ACTION RELATED TO URBAN WATER INSTITUTE'S 2021 ANNUAL WATER CONFERENCE

Mr. Paludi presented this matter for Committee consideration, and he provided a brief overview of the Urban Water Institute (UWI) 2021 Annual Water Conference. Mr. Paludi recommended the Board of Directors approve a sponsorship for the event for a not to exceed amount of \$1,500. Discussion occurred concerning the conference agenda.

RECOMMENDED ACTION:

The Committee recommended the Board of Directors approve a sponsorship of the Urban Water Institute's 2021 Annual Water Conference in an amount not to exceed \$1,500. (Action Calendar)

ITEM 4: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT HEALTH BENEFIT COSTS FOR CALENDAR YEAR 2022

Mr. Paludi introduced this matter for Committee consideration. Mr. Perea provided a brief overview of the CalPERS approved health plan monthly rates for calendar year 2022, and he highlighted the changes of certain health plans. Mr. Perea reported that the Board approved benchmark plan of PERS Choice has been consolidated with the PERS Care plan for the new PERS Platinum plan. Mr. Perea provided an overview of an internal analysis of health costs and projected costs for Fiscal Year 2021/2022.

RECOMMENDED ACTION(S):

The Committee recommended that the Board of Directors adopt the CalPERS 2022 Health Benefit Rates effective January 1, 2022 by Resolution (Action Calendar).

ITEM 5: OTHER MATTERS

Mr. Paludi reported that District staff prepared a memo concerning a proposal for the repair of the 3 cfs vertical turbine pump at the Dimension Water Treatment Plant (DWTP) that was an item too late to be agenized. Mr. Perea provided an overview of the proposed work to repair the pump, and he indicated that the DWTP was currently offline due to the Backwash Tank Replacement Project. Mr. Kessler reported that the DWTP was scheduled to return to normal operations in mid-September, and Flo-Services proposes to complete the repair and installation prior to the re-start date. Mr. Stroud provided an overview of the mechanical failures and planned repairs.

Mr. Paludi reported the District received a letter from Ducks Unlimited soliciting for donations to their organization, he mentioned that the District has not contributed to this organization in the past. Discussion occurred concerning the organization's mission statement and goals.

RECOMMENDED ACTION:

The Committee approved the purchase of the emergency pump for the Dimension Water Treatment Plant.

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ITEM 6: FINANCIAL REPORT

Mr. Paludi reported that there were no preliminary unaudited financial statements for Committee review as the District's auditors were currently preparing the Fiscal Year 2020/2021 Financial Report (Audit). Director Chadd mentioned that he requested the Ms. Byerrum provide an overview of the District's current and projected financial standing.

Ms. Byerrum provided an overview of the District's current financial position and she recommended the District complete and rates and charges analysis sooner than the end of the currently adopted five-year rates due to anticipated increased capital improvement project costs and conservation impacts due to statewide drought impacts.

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 August 11, 2021 as presented (Consent Calendar).

ADJOURNMENT

Director Chadd adjourned the August 11, 2021 Finance/Audit Committee Meeting at 1:29 p.m.