



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

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### **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  
Lorrie Lausten, District Engineer  
Lisa Marie Sangi, Executive Assistant

### **PUBLIC PRESENT VIA CONFERENCE CALL**

None

### **CALL MEETING TO ORDER**

Director Chadd called the October 13, 2021 Finance/Audit Committee Meeting to order at 1:05 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**

Mr. Paludi reminded that Committee that he would be on vacation for the second half of the month, and that two Board members would not be in attendance at the Regular Board Meeting.

### **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. Director Chadd reported certain changes to his Fees & Expenses Report and requested that District amend his reported schedule.

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**RECOMMENDED ACTION:**

The Committee recommended that the Directors' Fees and Expenses Report for September 2021 and the Tentative Future Meetings/Attendance Report be forwarded to the Board of Directors for consideration as amended (Action Calendar).

**ITEM 3: OTHER MATTERS**

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Mr. Paludi provided a brief report on the planned rates and charges study, and he reported that District staff met with the Executive Committee to review a proposed schedule for adoption and overarching goals, including the use of a new Master Plan and Condition Assessment to guide the process.

**RECOMMENDED ACTION:**

No action was taken.

**ITEM 4: FINANCIAL REPORT**

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Ms. Warner presented the preliminary unaudited financials for August 2021, and she highlighted the following items:

***Operating Revenue, Residential Water***

Ms. Warner reported that water demand for the month was higher than the prior month due to warmer temperatures and increased sales.

***Operating Revenue, Recycled & Reclaimed Water***

Ms. Warner reported that this line item was higher than the prior month due to warmer temperatures and increased sales. Mr. Perea added that Operations was currently supplementing the recycled water reservoir with domestic water, and that non-domestic water users that exceed their allocation according to the Board-adopted policy would be invoiced for their proportional share.

***Operating Revenue, Baker Treatment Plant Sales***

Ms. Warner reported that this line item was higher than the prior month as the District resumed the sale of Baker Water Treatment Plant water to the City of San Clemente as the Dimension Water Treatment Plant (DWTP) Backwash Tank Rehabilitation Project has completed.

***Operating Expenses, Source of Supply***

Ms. Warner reported that this line item was higher than the current year to date due to warmer weather purchasing treated water from Santa Margarita Water District (SMWD) due to the DWTP Backwash Tank Replacement Project.

**RECOMMENDED ACTION:**

The Committee recommended the Board of Directors receive and file the preliminary unaudited financial statements for August 2021 (Consent Calendar).

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 13, 2021 as presented (Consent Calendar).

**ADJOURNMENT**

Director Chadd adjourned the October 13, 2021 Finance/Audit Committee Meeting at 1:13 p.m.