



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | OCTOBER 12, 2022**

DIRECTORS PRESENT

Ed Mandich, Committee Chair
Glenn Acosta, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lorrie Lausten, District Engineer
Lisa Sangi, Executive Assistant

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Director Mandich called the October 12, 2022 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

Mr. Paludi reported that the District received notification from South Coast Water District (SCWD) that former Director Wayne Rayfield has passed away. Discussion occurred concerning Director Rayfield's contributions to the South Orange County water industry.

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(S)

The Committee approved the Finance/Audit Committee Meeting Recap and recommended that the Board receive and file the same (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 Board ratify the Directors' fees and expenses for September 2022 and tentative future meetings/attendance. (Action Calendar).

ITEM 3: OTHER MATTERS

Mr. Paludi provided a brief status update on the rate study development process with the consultant, and he mentioned that District staff intends to schedule a Special Board Meeting to review the proposed financial plan.

RECOMMENDED ACTION:

There was no action taken.

ITEM 4: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for August 2022, and she highlighted the following items:

Operating Revenue, Water Commodity Sales

Ms. Warner reported that this line item was higher than the year to date due to the current warmer weather conditions.

Operating Revenue, Baker Treatment Plant Sales

Ms. Warner reported that this line item was higher than budgeted for year to date.

Operating Revenue, Reclaimed Water Sales

Ms. Warner reported that water demand for the month was significantly higher than the year to date due to increased demand.

Operating Revenue, Recycled Water Sales

Ms. Warner reported that water demand for the month was higher than the year to date due to increased demand.

Operating Revenue, Standby Charges

Ms. Warner reported that this line item did not reflect any revenue due to a timing issue.

Operating Expense, Source of Supply

Ms. Warner reported that this line item was higher than budgeted for the year due to increased costs for water purchases due to warmer weather conditions.

District Capital FY 2022-23 (Unaudited)

Ms. Warner reviewed the capital expenditures to date by project, and she indicated that total year to date capital expenses is slightly higher the budgeted.

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 12, 2022 as presented (Consent Calendar).

ADJOURNMENT

Director Mandich adjourned the October 12, 2022 Finance/Audit Committee Meeting at 1:08 p.m.