



**FINANCE/AUDIT COMMITTEE MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
ADMINISTRATION FACILITY
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CA
OCTOBER 10, 2024 at 8:00 AM**

COMMITTEE MEMBERS

Don Chadd, Committee Chair
Glenn Acosta, Committee Member
Edward Mandich, Committee Member Alternate

DISTRICT STAFF

Fernando Paludi, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Karen Warner, Principal Accountant

AGENDA NOTE:

Trabuco Canyon Water District will make this Finance/Audit Committee Meeting available by telephone audio as follows:

Telephone Audio: 1 (669) 900-6833 **Access Code:** 969-3001-9067

Persons desiring to monitor the Committee meeting agenda items may download the agenda and documents on the internet at www.tcwd.ca.gov. You may submit public comments by email to the Committee at mperea@tcwd.ca.gov. In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 7:00 a.m. (PDT) on the day of the meeting.

CALL MEETING TO ORDER

VISITOR PARTICIPATION

Members of the public wishing to address the Committee regarding a particular item on the agenda are requested to complete a speaker card and submit it to staff. The Committee Chair will call on the visitor following the Committee's discussion about the matter. Committees do not constitute a quorum of the Board of Directors and Committee Members cannot make decisions on matters. The Committee makes recommendations only to the Board of Directors. Members of the public will be given the opportunity to speak to the Committee prior to making a recommendation on the matter. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

ORAL COMMUNICATION

Members of the public who wish to make comment on matters not appearing on the agenda are invited to identify themselves and encouraged to make comment at this time. The Committee Chair will call on the visitor following the Committee's discussion about the matter. Committees do not constitute a quorum of the Board of Directors and Committee Members cannot make decision on matters. The Committee makes recommendations only to the Board of Directors. Under the requirements of State Law, Committee Members cannot take action on items not identified on the agenda and will not make decisions on such matters. The Committee Chair may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

COMMITTEE MEMBER COMMENTS

REPORT FROM THE GENERAL MANAGER

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING AGENDA | OCTOBER 10, 2024**

FINANCIAL MATTERS

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

RECOMMENDED ACTION:

Approve the following Finance/Audit Committee Meeting Recap(s) and recommend that the Board receive and file the same (Consent Calendar):

1. September 12, 2024

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

RECOMMENDED ACTION:

Recommend the Board of Directors approve the Directors' fees and expenses for September 2024 and tentative future meetings/attendance (Action Calendar).

ITEM 3: GRANT RESOLUTION FOR DOVE DAM OUTLET IMPROVEMENTS PROJECT GRANT APPLICATION

RECOMMENDED ACTION:

Recommend that the Board of Directors adopt Resolution No. 2024-XXXX Authorizing the Submission of a Grant Application to the Dam Safety and Climate Resilience Local Assistance Program (Action Calendar).

ITEM 4: FINANCIAL REPORT

A) PRESENTATION OF PRELIMINARY UNAUDITED FINANCIAL STATEMENTS

RECOMMENDED ACTION:

Recommend that the Board receive and file the preliminary unaudited financial statements for August 2024 (Consent Calendar).

B) BILLS FOR CONSIDERATION

RECOMMENDED ACTION:

Approve and ratify the bills for consideration and warrant register and recommend that the Board ratify payment of the Bills for Consideration for October 10, 2024 as presented (Consent Calendar).

ITEM 5: OTHER MATTERS

RECOMMENDED ACTION:

Hear Other Matters from the General Manager or District Staff.

ADJOURNMENT

AVAILABILITY OF AGENDA MATERIALS

Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Trabuco Canyon Water District Finance/Audit Committee in connection with a matter subject to discussion or consideration at an open meeting of the Finance/Audit Committee are available for public inspection at the Trabuco Canyon Water District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Administrative Facility) or will be posted online on the District's website located at www.tcwd.ca.gov. If such writings are distributed to members of the Committee



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING AGENDA | OCTOBER 10, 2024**

less than 72 hours prior to the meeting, they will be available online at www.tcwd.ca.gov at the same time as they are distributed to the Committee, except that, if such writings are distributed immediately prior to or during the meeting, they will be posted online on the District's website located at www.tcwd.ca.gov.

COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277, at least 48 hours in advance of the scheduled Board meeting. Notification at least 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The Board Meeting Room is wheelchair accessible.



TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 10, 2024

FINANCIAL MATTERS

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

RECOMMENDED ACTION:

Approve the following Finance/Audit Committee Meeting Recap(s) and recommend that the Board receive and file the same. (Consent Calendar):

1. *September 12, 2024*

CONTACTS (staff responsible): PALUDI/PEREA



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 12, 2024**

DIRECTORS PRESENT

Glenn Acosta, Committee Member
Edward Mandich, Committee Member Alternate

DIRECTORS ABSENT

Don Chadd, Committee Chair

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant
Phil Serpas, SCADA/CMMS Administrator

CONSULTANTS PRESENT

Cindy Byerrum, District Treasurer – Eide Bailly, LLP (virtually)

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Director Acosta called the September 12, 2024 Finance/Audit Committee Meeting to order at 8:01 a.m.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

None

REPORT FROM THE GENERAL MANAGER

None

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Paludi presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda. Director Mandich did not attend the previous committee meeting and did not vote on this matter.

MOTION: Approve the Finance/Audit Committee Meeting Recap and recommended that the Board receive and file the same as amended (Consent Calendar) – Director Acosta

SECOND: District Secretary Mr. Perea

AYES: Director Acosta & Mr. Perea

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 12, 2024**

NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

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.

MOTION: Recommend the Board of Directors ratify the Directors' fees and expenses for August 2024 and tentative future meetings/attendance (Action Calendar) – Director Acosta
SECOND: Director Mandich
AYES: Directors Acosta & Mandich
NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

ITEM 3: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT'S CERBT AND CEPPT ACCOUNT SUMMARY UPDATES

Mr. Paludi presented this matter for Committee consideration, and he indicated that Ms. Byerrum would present a summary of both reports. Ms. Byerrum reviewed both the OPEB and Pension Trust reports with the Committee, and she mentioned the OPEB Trust was performing well but the Pension Trust reported a modest decrease. Discussion occurred concerning the current status of the OPEB Trust as the report was in arrears.

MOTION: Receive information at the time of the meeting and recommend the Board of Directors receive and file the reports (Consent Calendar) – Director Acosta
SECOND: Director Mandich
AYES: Directors Acosta & Mandich
NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

ITEM 4: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for July 2024, and she highlighted the following items:

WATER FUND

Total Operating Revenue

Ms. Warner reported that this line item was trending as budgeted for the year.

Total Source of Supply

Ms. Warner reported that this line item was trending slightly lower than budgeted due to lower-than-normal water sales.

Total Salaries & Benefits

Ms. Warner reported that this line item was trending as budgeted for the year.

Total Transmission & Distribution

Ms. Warner reported that this line item was trending lower than budgeted for the year.

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 12, 2024**

Total General & Administrative

Ms. Warner reported that this line item was trending as budgeted for the year.

Net Total Unrestricted Cash Inflow/(Outflow)

Ms. Warner reported that this line item trended a positive increase of water reserves for the year in accordance with the rate study.

District Capital – Water

Ms. Warner reviewed the capital improvement costs accrued in July 2024, including costs associated with the following: SCADA System Upgrades, and Manual Transfer Switch Installations – Water.

SEWER FUND

Total Operating Revenue

Ms. Warner reported that this line item was trending slightly lower than budgeted for the year.

Total Salaries & Benefits

Ms. Warner reported that this line item was trending slightly lower than budgeted for the year.

Total Transmission & Distribution

Ms. Warner reported that this line item was trending lower than budgeted for the year.

Net Total Unrestricted Cash Inflow/(Outflow)

Ms. Warner reported that this line item trended a lower than budgeted increase of water reserves for the year in accordance with the rate study.

District Capital – Sewer

Ms. Warner reviewed the capital improvement costs accrued in July 2024, including the following: Golf Club Sewer Lift Station (SLS) Rehabilitation, SCADA System Upgrades, WWTP Hoffman Blower Building Rehabilitation, Heritage Sewer Lift Station Rehabilitation, and Manual Transfer Switch Installations – Sewer.

RECYCLED WATER FUND

Total Operating Revenue

Ms. Warner reported that this line item was trending higher than budgeted for the year due to higher than-normal recycled water sales.

Total Source of Supply

Ms. Warner reported that this line item was trending higher than budgeted for the year due to increased treatment-related and chemical purchase costs.

Total Salaries & Benefits

Ms. Warner reported that this line item was trending slightly lower than budgeted for the year.

Total Transmission & Distribution

Ms. Warner reported that this line item was trending lower than budgeted for the year.

Total General & Administrative

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 12, 2024**

Ms. Warner reported that this line item was trending slightly lower than budgeted for the year.

Net Total Unrestricted Cash Inflow/(Outflow)

Ms. Warner reported that this line item trended a positive increase of water reserves for the year in accordance with the rate study.

District Capital – Recycled Water

Ms. Warner reviewed the capital improvement costs accrued in July 2024, including the following: SCADA System Upgrades.

MOTION: Recommend the Board ratify payment of the bills for consideration for September 12, 2024, as presented (Action Calendar) – Director Acosta

SECOND: Director Mandich

AYES: Directors Acosta & Mandich

NOES: None

ABSTAIN: None

MOTION PASSED/FAILED: Passed 2-0

ITEM 5: OTHER MATTERS

Mr. Paludi provided a brief update on the Airport Fire, and he reported that none of the District’s facilities have been impacted by the fire. Director Mandich stated that debris flow will be an issue in the winter months if there is significant rainfall, and he recommended that staff start looking into remediation measures now. Discussion occurred regarding debris flow issues at Trabuco Creek in previous years along with the actions taken to harden the areas around the wells.

MOTION: None – Informational item only.

ADJOURNMENT

Director Acosta adjourned the September 12, 2024 Finance/Audit Committee Meeting at 8:20 a.m.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 10, 2024**

FINANCIAL MATTERS

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

Directors' Fees and Expenses

Consistent with Board policy, Directors are reimbursed for expenses incurred while serving in their capacity as Directors. Additionally, Directors earn a per diem stipend for attendance at meetings or functions in a Director capacity. Per Ordinance No. 91-15 (adopted July 17, 1991), Directors per diem amount is limited to \$125 per meeting for a maximum of ten days per calendar month. The attached spreadsheet provides a recap of the meetings, seminars, conferences attended by Directors along with expenses recorded to date.

Future Meetings

Future meetings have been identified for reference purposes and the designated directors are anticipated to attend. In the event an unanticipated meeting occurs that requires attendance by a director, the meeting attendance will be subsequently presented to the Board of Directors for ratification.

FUNDING SOURCE:

General Fund

FISCAL IMPACT (PROJECT BUDGET)

FY 2024-25 Budgeted Board Expenses: \$45,200

RECOMMENDED ACTION:

Recommend that the Board ratify the Directors' fees and expenses for September 2024 and tentative future meetings/attendance. (Action Calendar)

EXHIBIT(S):

1. Directors' Fees and Expenses Report for September 2024
2. Directors' Tentative Future Meetings/Attendance – Calendar Year 2024.

CONTACTS (staff responsible): PALUDI/PEREA


**TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | SEPTEMBER 2024**

MEETING DESCRIPTION	ACOSTA	CHADD	DOPUDJA	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
Executive Committee Meeting			09/09/24	09/09/24	
Engineering/Operational Committee Meeting			09/04/24		09/04/24
Finance/Audit Committee Meeting	09/12/24			09/12/24	
Individual Meeting with General Manager	09/16/24		09/17/24	09/18/24	09/17/24
Regular Board Meeting	09/19/24		09/19/24	09/19/24	09/19/24
TCWD Chat Community Forum			09/05/24	09/05/24	
REPRESENTATIVE MEETINGS					
Community Associations of Rancho (CAR) Meeting					
City of Rancho Santa Margarita - City Council Meeting					
City of Rancho Santa Margarita - Planning Commission Meeting					
Independent Special Districts of Orange County (ISDOC) Monthly Meeting					
Metropolitan Water District State Water Project Inspection Tour - Day One	09/20/24				
Metropolitan Water District State Water Project Inspection Tour - Day Two	09/21/24				
MWDOC Administration/Finance Committee Meeting	09/11/24				
MWDOC Board Meeting	09/18/24				
South Orange County Integrated Regional Watershed Management Executive Committee Meeting					
O.C. Water Summit	09/27/24			09/27/24	
Orange County Local Agency Formation Commission (OC LAFCO)					
South Orange County Water Agencies Group Meeting				09/23/24	
Santiago Aqueduct Commission Meeting (SAC)					
Water Advisory Commission of Orange County (WACO)	09/06/24				
NUMBER OF MEETINGS ATTENDED	9	0	5	7	3
PER DIEMS (\$125 per each meeting*)	\$1,125.00	\$0.00	\$625.00	\$875.00	\$375.00
DIRECT REIMBURSABLE EXPENSES					
DIRECT REIMBURSABLE EXPENSES TOTALS	\$0.00				
INDIRECT REIMBURSABLE EXPENSES					
INDIRECT REIMBURSABLE EXPENSES TOTALS					
TOTAL (PER DIEMS + DIRECT REIMBURSABLE EXPENSES)	\$1,125.00	\$0.00	\$625.00	\$875.00	\$375.00
<i>* Maximum per diem per day is one; maximum per month is 10</i>					

DIRECTOR SIGNATURE

TRABUCO CANYON WATER DISTRICT | 2024 PUBLIC MEETING AND CONFERENCE CALENDAR

		2024											
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	01/08/24	02/05/24	03/04/24	04/01/24	05/06/24	06/03/24	07/01/24	08/05/24	09/02/24	10/07/24	11/04/24	12/02/24
2	Engineering/Operational Committee Meeting	01/03/24	02/07/24	03/06/24	04/03/24	05/01/24	06/05/24	07/03/24	08/07/24	09/04/24	10/02/24	11/06/24	12/04/24
3	Finance/Audit Committee Meeting	01/11/24	02/08/24	03/07/24	04/11/24	05/09/24	06/13/24	07/11/24	08/08/24	09/12/24	10/10/24	11/14/24	12/12/24
4	Regular Board Meeting	01/18/24	02/15/24	03/14/24	04/18/24	05/16/24	06/20/24	07/18/24	08/15/24	09/19/24	10/17/24	11/21/24	12/19/24
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/09/24	02/13/24	03/12/24	04/09/24	05/14/24	06/11/24	07/09/24	08/13/24	09/10/24	10/08/24	11/12/24	12/10/24
7	City of RSM City Council Meeting - Meeting No. 2	01/23/24	02/24/24	03/26/24	04/23/24	05/28/24	06/25/24	07/23/24	08/27/24	09/24/24	10/22/24	11/26/24	12/24/24
8	City of RSM Planning Commission Meeting	01/03/24	02/07/24	03/06/24	04/03/24	05/01/24	06/05/24	07/03/24	08/07/24	09/04/24	10/02/24	11/06/24	12/04/24
9	Independent Special Districts of Orange County Meeting - Executive	01/02/24	02/06/24	03/05/24	04/02/24	05/14/24	06/04/24	07/02/24	08/06/24	09/03/24	10/01/24	11/05/24	12/10/24
10	Independent Special Districts of Orange County Meeting - Quarterly	01/25/24	-	-	04/25/24	-	-	07/25/24	-	-	10/31/24	-	-
11	Orange County Local Agency Formation Commission (OC LAFCO)	01/10/24	02/14/24	03/13/24	04/10/24	05/08/24	06/12/24	07/10/24	08/14/24	09/11/24	10/09/24	11/13/24	12/11/24
12	Municipal Water District of Orange County (MWDOC) Board Meeting	01/17/24	02/21/24	03/20/24	04/17/24	05/15/24	06/19/24	07/17/24	08/21/24	09/18/24	10/16/24	11/20/24	12/18/24
13	Santiago Aqueduct Commission Meeting	-	-	03/21/24	-	-	06/20/24	-	-	09/19/24	-	-	12/12/24
14	Quarterly South Orange County Integrated Regional Watershed Management Executive Committee												
15	Monthly South Orange County Integrated Regional Watershed Management Executive Committee												
16	South Orange County Water Agencies Group Meeting*	01/23/24	-	03/26/24	-	05/28/24	-	07/23/24	-	09/23/24	-	11/25/24	-
18	Water Advisory Committee of Orange County	01/05/24	02/02/24	03/01/24	04/05/24	05/03/24	06/07/24	07/12/24	08/02/24	09/06/24	10/04/24	11/01/24	12/13/24
CONFERENCES													
19	ACWA Spring Conference - Sacramento, CA					05/07-05/09							
20	ACWA Fall Conference - Palm Desert, CA												12/03-12/05
21	CSDA Annual Conference -Indian Wells, CA									09/09-09/12			
22	CSDA GM Leadership Summit - Anaheim, CA						06/23-06/25						
24	CSDA SDLA Conference - San Diego, CA				04/14-04/17								
25	Colorado River Water User’s Association (CRWUA) Annual Conference – Las Vegas, NV												12/04-12/06
23	Urban Water Institute (UWI) Annual Conference - Palm Springs, CA		02/21-02/23										

LEGEND
 District Observed Holiday - Reschedule Meeting
 *4th Tuesday of the Odd Numbered Month

FINANCIAL MATTERS

ITEM 3: GRANT RESOLUTION FOR DOVE DAM OUTLET IMPROVEMENT PROJECT GRANT APPLICATION

Trabuco Canyon Water District staff regularly evaluates available external funding opportunities against the District’s planned capital project needs. Currently, the California Department of Water Resources’ (DWR) Dam Safety and Climate Resilience Local Assistance Program presents an opportunity for the District to apply for the design and construction of the Dove Lake dam outlet repairs project, referred to in the grant application as the Dove Canyon Dam Outlet Gate Project (Project). The project, currently at a feasibility design stage, is identified in the District’s current Capital Improvement Program.

Under this grant program, DWR may award 50% of the total allowable project costs. Given estimates for project construction in the feasibility study (approximately \$1.5 million to \$3 million), there is a potential that the grant award would offset as much as \$1.5 of the project cost depending on the level of award.

DWR requires the District to support the submission of the grant application through the adoption of a resolution by the Board of Directors. The draft resolution is included as Exhibit 1.

FUNDING SOURCE:

General Fund

FISCAL IMPACT (PROJECT BUDGET)

The cost of preparation of the grant application is covered under the District’s professional services agreement with Soto Resources. If successful, the grant award could offset District capital expenditures by up to \$1,500,000.

RECOMMENDED ACTION:

Recommend the Board of Directors adopt Resolution No. 2024-XXXX – Authorizing the Submittal of an Application for the DWR “Dam Safety and Climate Resilience Local Assistance Program” Grant Program.

EXHIBIT(S):

1. Draft Resolution

CONTACTS (staff responsible): PALUDI/LAUSTEN

TRABUCO CANYON WATER DISTRICT

RESOLUTION NO. 2024-XX

**A RESOLUTION BY THE BOARD OF DIRECTORS OF
THE TRABUCO CANYON WATER DISTRICT
AUTHORIZING A PROPOSAL FOR FUNDING FROM THE
DEPARTMENT OF WATER RESOURCES AND
DESIGNATING A REPRESENTATIVE TO EXECUTE THE
AGREEMENT AND ANY AMENDMENTS THERETO, FOR
THE DOVE CANYON DAM OUTLET GATE PROJECT**

WHEREAS, the California Department of Water Resources is currently offering grant opportunities through the Dam Safety and Climate Resilience Local Assistance Program;

WHEREAS, said Dam Safety and Climate Resilience Local Assistance Program is a cost-shared program emphasizing dam safety and climate resilience;

WHEREAS, the Board of Directors (“Board”) of the Trabuco Canyon Water District (“District” or “TCWD”) supports the submission by the TCWD of a grant application for the Dove Canyon Dam Outlet Gate Project prepared and approved by the TCWD, to the Dam Safety and Climate Resilience Local Assistance Program; and

WHEREAS, the Trabuco Canyon Water District is a County Water District with responsibility for and authority over primarily water and sewer, including related flood management, ecosystem management, and water quality management in the area proposed for the project and is willing to participate in, coordinate, and collaborate with other interested parties that are participating in the development of the Trabuco Canyon Water District project;

WHEREAS, Trabuco Canyon Water District is authorized to enter into an agreement with the Department of Water Resources and the State of California;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1: That pursuant and subject to all of the terms and conditions of the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund Act of 2018 (Proposition 68; Water Code, § 80000 et seq.), the Trabuco Canyon Water District shall submit a proposal to obtain funding for the Dove Canyon Dam Outlet Gate Repair Project from the California Department of Water Resources.

Section 2: That the Board of Directors of the Trabuco Canyon Water District authorizes the General Manager, or designee, to execute the funding agreement with the California Department of Water Resources and any amendments thereto.

Section 3: That the General Manager, or designee, shall prepare the necessary data, make investigations, and take other such actions as necessary and appropriate to execute the Dove Canyon Dam Outlet Gate Project.

Section 4: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 5: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The Board hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional. The District Secretary shall certify to the adoption of this resolution and henceforth and thereafter the same shall be in full force and effect.

Section 6: The Board finds the adoption of this resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 7: This resolution shall be effective as of October 17, 2024 ("Effective Date").

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2024-XXXX was duly and regularly adopted by the Board of Directors of the Trabuco Canyon Water District at the meeting held on October 17, 2024, motion by (member name) and seconded by (member name), motion passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ADOPTED, SIGNED, and APPROVED this 17th day of October 2024.

Attest:

TRABUCO CANYON WATER DISTRICT

President/Vice President

District Secretary

TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 10, 2024

ITEM 4: FINANCIAL REPORT

A) PRESENTATION OF PRELIMINARY UNAUDITED FINANCIAL STATEMENTS

RECOMMENDED ACTION:

Recommend that the Board receive and file the preliminary unaudited financial statements for August 2024 (Consent Calendar).

B) BILLS FOR CONSIDERATION

The total of the bills for consideration will be presented at the time of the October 10, 2024 Finance/Audit Committee Meeting.

RECOMMENDED ACTION:

Approve and ratify the bills for consideration and warrant register and recommend that the Board ratify payment of the Bills for Consideration for October 10, 2024 as presented (Consent Calendar).

CONTACTS (staff responsible): PALUDI/PEREA/WARNER



**Trabuco Canyon Water District
Budget to Actual - Summary
FY 24/25 (Unaudited)**

	FY 25 Adopted Budget	Aug-24	YTD Actual	YTD %
1 Total Operating Revenue	14,125,200	1,406,280	2,507,439	18%
2 Total Source of Supply	4,904,400	455,720	673,940	14%
3 Total Salaries and Benefits	5,344,100	447,105	858,603	16%
4 Total Transmission and Distribution	1,581,600	179,948	249,070	16%
5 Total General and Administrative	2,218,000	123,071	244,356	11%
6 Total Operating Expense	14,048,100	1,205,844	2,025,969	14%
7 Net Operating Revenue / (Expense)	77,100	200,436	481,470	
8 Net Non-Operating Revenue / (Expense)	2,882,900	68,928	141,383	5%
9 Net Total Revenue / (Expense)	2,960,000	269,363	622,853	
10 Other Unrestricted Cash Inflow / (Outflow)				
11 Transfer In - Debt Proceeds for Capital	5,441,589	98,227	163,821	3%
12 Grant Proceeds	-	-	-	
13 Development Impact Fee Receipts	-	-	-	
14 Capital Improvement Program	(5,441,589)	(172,283)	(237,877)	4%
15 Debt Service - Principal and Interest	(881,600)	(103,673)	(207,347)	24%
16 Net Other Unrestricted Cash Inflow / (Outflow)	(881,600)	(177,730)	(281,403)	32%
17 Net Total Unrestricted Cash Inflow / (Outflow)	2,078,400	91,634	341,450	



Trabuco Canyon Water District
Balance Sheet
August 31, 2024
(Unaudited)

		August 2024
1	Assets	
2	Cash & Investments	
3	Cash & Investments - Unrestricted	\$ 3,872,761
4	Cash & Investments - Restricted	12,658,101
5	Total Cash & Investments	16,530,861
6	Other Current Assets	
7	Accounts Receivable, Net	2,902,070
8	Prepaid & Other	486,403
9	Fair Market Value Adjustment ¹	(8,058)
10	Total Other Current Assets	3,380,415
11	Capital Assets	
12	Capital Assets, at Cost	129,008,350
13	Accumulated Depreciation	(85,459,925)
14	Construction in Progress	4,030,484
15	Total Capital Assets	47,578,909
16	Net OPEB Asset	201,692
17	Deferred Outflows of Resources (DOR)	2,508,005
18	Total Assets & DOR	\$ 70,199,882
19	Liabilities	
20	Current Liabilities	
21	Accounts Payable	\$ 1,467,029
22	Accrued Expenses	313,507
23	Current Portion-Long Term Debt	97,153
24	Deposits on Hand	50,150
25	Total Current Liabilities	1,927,839
26	Long-Term Liabilities	
27	Net Pension Liability	4,449,117
28	State Revolving Fund Loan	1,482,584
29	Bank of the West Loan	-
30	Debt Issuance 2024	20,508,000
31	Total Long Term Liabilities	26,439,701
32	Deferred Inflows of Resources (DIR)	647,305
33	Total Liabilities & DIR	29,014,846
34	Net Position	41,185,036
35	Total Liabilities, Net Position & DIR	\$ 70,199,882

¹ LAIF and CLASS Fair Market Value is adjusted annually at June 30th. This balance may be different from the cash and investments report during the year based on updated market conditions.



Trabuco Canyon Water District
Cash & Investments Report
August 31, 2024
(Unaudited)

	Type	Cost	Market	% Total
District Cash & Investments				
Unrestricted				
Local Agency Investment Fund (LAIF)	Investment	\$ (167,587)	\$ (166,970)	-1.0%
California Cooperative Liquid Assets Securities System (CLASS)	Investment	2,321,562	2,321,806	14.1%
Bank of the West	Checking	1,718,786	1,718,786	10.4%
Total Unrestricted		3,872,761	3,873,622	23.4%
Restricted				
LAIF - Water Storage Facilities	Investment	1,134,612	1,130,432	6.8%
LAIF - Interim Sewage	Investment	115,652	115,226	0.7%
LAIF - Debt Issuance 2022	Investment	768,730	765,898	4.6%
CLASS - Debt Issuance	Investment	10,400,000	10,400,000	62.9%
Cash in CB&T Reserved for SRF Loan	Checking	239,107	239,107	1.4%
Total Restricted		12,658,101	12,650,663	76.6%
Total District Cash & Investments		\$ 16,530,861	\$ 16,524,285	100.0%

Certification

I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California.

Cindy Byerrum

Cindy Byerrum, Treasurer



Trabuco Canyon Water District
Budget to Actual - Water
For the period July 1, 2024 through August 31, 2024
(Unaudited)

	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Operating Revenue				
2 Fixed / Capital Service Charges	\$ 308,749	\$ 579,482	\$ 3,532,800	16%
3 Variable Consumption Charges	518,383	901,449	4,135,900	22%
4 Baker Treatment Plant Water Sales	94,037	193,334	2,115,600	9%
5 Customer Fees	14,688	18,613	149,000	12%
6 Standby Charges	-	-	37,900	0%
7 Uncollectable Accounts	-	-	(25,300)	0%
8 Total Operating Revenue	935,858	1,692,878	9,945,900	17%
9 Operating Expense				
10 Source of Supply				
11 Fixed Water Purchases	28,864	57,729	406,300	14%
12 Variable Water Purchases	266,606	314,311	2,210,900	14%
13 Baker Treatment Plant Water Sold	77,477	159,289	1,578,700	10%
14 Water Treatment	22,786	42,629	213,000	20%
15 Pumping Electricity	44,550	69,903	340,800	21%
16 Total Source of Supply	440,283	643,860	4,749,700	14%
17 Salaries and Benefits				
18 Employee/Director Wages	181,585	361,601	2,191,700	16%
19 Employee/Director Benefits	44,603	83,229	547,700	15%
20 Retiree Health Insurance	11,675	23,349	179,300	13%
21 Transfer In - 115 OPEB Trust Reimbursement	(11,675)	(23,349)	(179,300)	13%
22 CalPERS Retirement (Normal)	28,604	57,452	349,500	16%
23 CalPERS Unfunded Accrued Liability (Minimum)	18,725	37,450	171,400	22%
24 Payroll Taxes	15,093	29,350	160,900	18%
25 Total Salaries and Benefits	288,610	569,082	3,421,200	17%
26 Transmission and Distribution				
27 System Repairs and Maintenance	34,090	47,136	201,800	23%
28 Vehicles and Equipment	9,108	16,996	90,300	19%
29 Safety, Supplies and Testing	9,537	12,694	78,600	16%
30 Total Transmission and Distribution	52,735	76,826	370,700	21%
31 General and Administrative				
32 Professional Services	36,740	50,228	635,500	8%
33 Office Maintenance, Supplies and Software	19,947	50,670	330,900	15%
34 District Insurance	11,007	22,015	137,600	16%
35 Dues and Memberships	3,844	12,524	101,200	12%
36 Public Outreach	1,323	7,406	138,300	5%
37 Customer Service and Billing	4,793	8,557	77,800	11%
38 Conference, Trainings and Travel	5,897	7,079	31,900	22%
39 Total General and Administrative	83,551	158,479	1,453,200	11%
40 Total Operating Expense	865,179	1,448,248	9,994,800	14%
41 Net Operating Revenue / (Expense)	70,678	244,630	(48,900)	
42 Non-Operating Revenue / (Expense)				
43 Property Tax Revenue	1,239	1,239	1,147,500	0%
44 Interest Revenue - Unrestricted	28,450	77,420	31,000	250%
45 Interest Revenue - Restricted	-	-	40,400	0%
46 Other Revenue and Reimbursements	2,775	5,104	59,200	9%
47 Miscellaneous Expense	(2)	(2)	(6,500)	0%
48 Net Non-Operating Revenue / (Expense)	32,462	83,762	1,271,600	7%
49 Net Total Revenue / (Expense)	103,140	328,392	1,222,700	27%
50 Other Unrestricted Cash Inflow / (Outflow)				
51 Transfer In - Debt Proceeds for Capital	262	12,042	903,700	1%
52 Capital Improvement Program (CIP)	(58,929)	(70,709)	(903,700)	8%
53 Debt Service - Principal and Interest	(52,326)	(104,652)	(526,500)	20%
54 Net Other Unrestricted Cash Inflow / (Outflow)	(110,993)	(163,319)	(526,500)	31%
55 Net Total Unrestricted Cash Inflow / (Outflow)	\$ (7,853)	\$ 165,073	\$ 696,200	24%

Acronym key:

OPEB - Other Post-Employment Benefits



Trabuco Canyon Water District
District Capital - Water
FY 24-25
(Unaudited)

Project	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Water CIP				
2 Capital Improvements / Replacements				
3 SCADA System Upgrades	\$ 262	\$ 6,105	\$ 184,729	3%
4 Water Transmission Pipeline Upsizing	-	-	432,250	0%
5 Manual Transfer Switch Installations - Water	-	5,938	40,000	15%
6 Total Capital Improvements / Replacements	262	12,042	656,979	2%
7 Equipment				
8 Pump Replacements - Water	-	-	99,750	0%
9 New Servers	-	-	80,500	0%
10 Total Equipment	-	-	180,250	0%
11 Programs				
12 Pressure Regulating Valve Improvements - Water	-	-	26,600	0%
13 Valve Replacements - Water	-	-	39,900	0%
14 Total Programs	-	-	66,500	0%
15 Unplanned Repairs/Expenses				
16 Motor Rebuild for Dimension Water Treatment Plant	58,667	58,667	-	N/A
17 Total Unplanned Repairs/Expenses	58,667	58,667	-	N/A
18 Total Water CIP	\$ 58,929	\$ 70,709	\$ 903,729	8%

Acronym key:

SCADA - Supervisory Control and Data Acquisition



Trabuco Canyon Water District
Budget to Actual - Sewer
For the period July 1, 2024 through August 31, 2024
(Unaudited)

	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Operating Revenue				
2 Sewer Residential Charges	\$ 195,236	\$ 363,413	\$ 2,301,500	16%
3 Sewer Commercial Charges	23,106	40,315	257,200	16%
4 Customer Fees	17,233	34,212	284,600	12%
5 Uncollectable Accounts	-	-	(8,400)	0%
6 Total Operating Revenue	235,574	437,940	2,834,900	15%
7 Operating Expense				
8 Salaries and Benefits				
9 Employee/Director Wages	92,539	164,159	1,038,200	16%
10 Employee/Director Benefits	12,924	25,865	227,700	11%
11 Retiree Health Insurance	4,170	8,339	64,100	13%
12 Transfer In - 115 OPEB Trust Reimbursement	(4,170)	(8,339)	(64,100)	13%
13 CalPERS Retirement (Normal)	10,210	19,522	122,600	16%
14 CalPERS Unfunded Accrued Liability (Minimum)	6,688	13,375	79,800	17%
15 Payroll Taxes	5,390	10,482	76,800	14%
16 Total Salaries and Benefits	127,750	233,404	1,545,100	15%
17 Transmission and Distribution				
18 System Repairs and Maintenance	41,783	43,651	378,700	12%
19 T&D Electricity	23,810	38,752	276,300	14%
20 Vehicles and Equipment	7,806	9,820	36,400	27%
21 Safety, Supplies and Testing	1,536	2,733	17,900	15%
22 Total Transmission and Distribution	74,935	94,956	709,300	13%
23 General and Administrative				
24 Professional Services	13,121	17,693	228,100	8%
25 Office Maintenance, Supplies and Software	8,985	26,460	179,300	15%
26 District Insurance	3,931	7,862	49,100	16%
27 Dues and Memberships	3,067	13,029	121,700	11%
28 Public Outreach	-	2,173	19,500	11%
29 Customer Service and Billing	1,185	2,253	20,600	11%
30 Conference, Trainings and Travel	2,106	2,528	11,500	22%
31 Total General and Administrative	32,396	71,999	629,800	11%
32 Total Operating Expense	235,082	400,359	2,884,200	14%
33 Net Operating Revenue / (Expense)	493	37,582	(49,300)	
34 Non-Operating Revenue / (Expense)				
35 Property Tax Revenue	892	892	1,050,900	0%
36 Interest Revenue - Unrestricted	29,986	47,430	192,600	25%
37 Other Revenue and Reimbursements	(223)	-	11,000	0%
38 Miscellaneous Expense	(1)	(1)	(7,600)	0%
39 Net Non-Operating Revenue / (Expense)	30,654	48,321	1,246,900	4%
40 Net Total Revenue / (Expense)	31,147	85,902	1,197,600	7%
41 Other Unrestricted Cash Inflow / (Outflow)				
42 Transfer In - Debt Proceeds for Capital	97,946	151,343	4,086,200	4%
43 Capital Improvement Program	(110,258)	(163,654)	(4,086,200)	4%
44 Debt Service - Principal and Interest	(43,480)	(86,959)	(304,100)	29%
45 Net Other Unrestricted Cash Inflow / (Outflow)	(55,791)	(99,271)	(304,100)	33%
46 Net Total Unrestricted Cash Inflow / (Outflow)	\$ (24,644)	\$ (13,369)	\$ 893,500	

Acronym key:

OPEB - Other Post-Employment Benefits



Trabuco Canyon Water District
District Capital - Sewer
FY 24-25
(Unaudited)

Project	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Wastewater CIP				
2 Capital Improvements / Replacements				
3 Golf Club Sewer Lift Station (SLS) Rehabilitation	\$ 5,765	\$ 49,339	\$ 1,350,000	4%
4 SCADA System Upgrades	93	2,180	65,975	3%
5 WWTP Hoffman Blower Building Rehabilitation	86,648	88,200	1,100,000	8%
6 Heritage Sewer Lift Station Rehabilitation	-	246	632,250	0%
7 Manual Transfer Switch Installations - Sewer	1,760	7,698	40,000	19%
8 WWTP Fiber Optic Upgrade	3,680	3,680	300,000	1%
9 Chiquita CIP FY25	-	-	236,740	0%
10 WWTP Reservoir Gate Improvements	-	-	159,600	0%
11 WWTP Headworks Replacement	-	-	172,900	0%
12 Total Capital Improvements / Replacements	97,946	151,343	4,057,465	4%
13 Equipment				
14 New Servers	-	-	28,750	0%
15 Total Equipment	-	-	28,750	0%
16 Unplanned Repairs/Expenses				
17 Chlorine Feed System Pump Replacement	12,311	12,311	-	N/A
18 Total Unplanned Repairs/Expenses	12,311	12,311	-	N/A
19 Total Wastewater CIP	\$ 110,258	\$ 163,654	\$ 4,086,215	4%

Acronym key:

SCADA - Supervisory Control and Data Acquisition

WWTP - Waste Water Treatment Plant



Trabuco Canyon Water District
Budget to Actual - Recycled
For the period July 1, 2024 through August 31, 2024
(Unaudited)

	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Operating Revenue				
2 Fixed / Capital Service Charges	\$ 13,992	\$ 25,849	\$ 161,600	16%
3 Variable Consumption Charges	220,856	350,772	1,173,600	30%
4 Customer Fees	-	-	13,600	0%
5 Uncollectable Accounts	-	-	(4,400)	0%
6 Total Operating Revenue	234,848	376,621	1,344,400	28%
7 Operating Expense				
8 Source of Supply				
9 Recycled Water Purchases	3,920	6,513	33,300	20%
10 Water Treatment	11,516	23,566	121,400	19%
11 Total Source of Supply	15,437	30,080	154,700	19%
12 Salaries and Benefits				
13 Employee/Director Wages	22,030	38,969	249,200	16%
14 Employee/Director Benefits	4,094	8,191	66,600	12%
15 Retiree Health Insurance	834	1,668	12,800	13%
16 Transfer In - 115 OPEB Trust Reimbursement	(834)	(1,668)	(12,800)	13%
17 CalPERS Retirement (Normal)	2,205	4,186	26,400	16%
18 CalPERS Unfunded Accrued Liability (Minimum)	1,338	2,675	18,000	15%
19 Payroll Taxes	1,078	2,096	17,600	12%
20 Total Salaries and Benefits	30,745	56,117	377,800	15%
21 Transmission and Distribution				
22 T&D Electricity	31,393	48,047	341,200	14%
23 System Repairs and Maintenance	10,036	10,923	41,400	26%
24 Vehicles and Equipment	1,846	2,284	8,200	28%
25 Safety, Supplies and Testing	9,004	16,033	110,800	14%
26 Total Transmission and Distribution	52,278	77,287	501,600	15%
27 General and Administrative				
28 Professional Services	2,624	3,588	45,600	8%
29 Office Maintenance, Supplies and Software	1,892	4,726	30,400	16%
30 District Insurance	786	1,572	10,000	16%
31 Dues and Memberships	1,163	2,602	38,600	7%
32 Public Outreach	-	435	3,800	11%
33 Customer Service and Billing	237	451	4,200	11%
34 Conference, Trainings and Travel	421	506	2,400	21%
35 Total General and Administrative	7,124	13,879	135,000	10%
36 Total Operating Expense	105,583	177,362	1,169,100	15%
37 Net Operating Revenue / (Expense)	129,264	199,259	175,300	114%
38 Non-Operating Revenue / (Expense)				
39 Property Tax Revenue	347	347	341,400	0%
40 Interest Revenue - Unrestricted	5,465	8,954	24,800	36%
41 Other Revenue and Reimbursements	-	-	2,200	0%
42 Miscellaneous Expense	(1)	(1)	(4,000)	0%
43 Net Non-Operating Revenue / (Expense)	5,812	9,300	364,400	3%
44 Net Total Revenue / (Expense)	135,076	208,559	539,700	39%
45 Other Unrestricted Cash Inflow / (Outflow)				
46 Transfer In - Debt Proceeds for Capital	19	436	451,600	0%
47 Capital Improvement Program	(3,097)	(3,514)	(451,600)	1%
48 Debt Service - Principal and Interest	(7,868)	(15,736)	(51,000)	31%
49 Net Other Unrestricted Cash Inflow / (Outflow)	(10,946)	(18,813)	(51,000)	37%
50 Net Total Unrestricted Cash Inflow / (Outflow)	\$ 124,130	\$ 189,746	\$ 488,700	39%

Acronym key:

OPEB - Other Post-Employment Benefits



Trabuco Canyon Water District
District Capital - Recycled
FY 24-25
(Unaudited)

Project	August 2024	YTD Actual	FY 25 Adopted Budget	YTD 17%
1 Recycled Water CIP				
2 Capital Improvements / Replacements				
3 SCADA System Upgrades	\$ 19	\$ 436	\$ 13,195	3%
4 Dove Recycled Booster Pump Station	-	-	133,000	0%
5 Dove Canyon Recycled PRV Improvement	-	-	180,000	0%
6 Tick & Dove Creek Pump Station Improvements	-	-	79,800	0%
7 WWTP Reservoir Gate Improvements	-	-	39,900	0%
8 Capital Improvements / Replacements Total	19	436	445,895	0%
9 Equipment				
10 New Servers	-	-	5,750	0%
11 Equipment Total	-	-	5,750	0%
12 Unplanned Repairs/Expenses				
13 Chlorine Feed System Pump Replacement	3,078	3,078	-	N/A
14 Total Unplanned Repairs/Expenses	3,078	3,078	-	N/A
15 Total Recycled Water CIP	\$ 3,097	\$ 3,514	\$ 451,645	1%

Acronym key:

- SCADA - Supervisory Control and Data Acquisition
- PRV - Pressure Regulating Valves
- WWTP - Waste Water Treatment Plant

TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 10, 2024

FINANCIAL MATTERS
ITEM 5: OTHER MATTERS

RECOMMENDED ACTION:

Hear Other Matters from the General Manager or District Staff.

CONTACTS (staff responsible): PALUDI/PEREA