



**TRABUCO CANYON WATER DISTRICT  
FINANCE/AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 11, 2025**

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**DIRECTORS PRESENT**

John Horst, Committee Chair  
Mike Safranski, Committee Member

**STAFF PRESENT**

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

**STAFF ABSENT**

None

**CONSULTANTS PRESENT**

Ian Berg, Starting Line Advisory

**PUBLIC PRESENT**

None

**CALL MEETING TO ORDER**

Director Horst called the September 11, 2025 Finance/Audit Committee Meeting to order at 8:03 a.m. and he observed a moment of silence in remembrance of the victims of September 11, 2001 attack.

**VISITOR PARTICIPATION**

No visitor participation was received.

**ORAL COMMUNICATION**

No oral communication was received.

**COMMITTEE MEMBER COMMENTS**

Director Safranski reported on his attendance at the City of Rancho Santa Margarita City Council meeting.

**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.

**RECOMMENDATION:** The Committee recommended forwarding this matter to the Board of Directors (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.

**RECOMMENDATION:** Recommend the Board of Directors ratify the Directors' fees and expenses for August 2025 and tentative future meetings/attendance (Action Calendar).

**ITEM 3: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT'S FIXED CHARGES METHODOLOGY**

Mr. Paludi presented this matter for Committee consideration, and he reported that the Committee requested additional analysis be brought back to the September meeting for further discussion. Mr. Paludi delivered a PowerPoint presentation which provided an analysis of potential 1" fixed meter charge reduction scenarios, including a forecasted change in revenue, and staff, legal, and finance recommendations. Discussion occurred regarding the possibility of reducing the 1" meter flat charge only, the completion of a new cost of service study, or adhering to the current cost of service study. The Committee requested that the 1" fixed meter charge reduction analysis and a new cost of service study schedule be brought to the Board for further discussion.

**RECOMMENDATION:** None – Informational item only.

**ITEM 4: DISTRICT WEBSITE REDESIGN DEVELOPMENT AND SUPPORT SERVICES**

Mr. Paludi presented this matter for Committee consideration. Mr. Perea reported that the Public Outreach Committee directed staff to issue a Request for Qualifications (RFQ) for website redesign development due to concerns with the current website's layout and configuration and feedback from customers. Mr. Perea reported that staff solicited proposals from three website developers and received three responses. Mr. Perea also reported that after meeting with all three developers, staff recommends contracting with Streamline for website redesign development and support services.

**RECOMMENDATION:** Recommend the Board of Directors authorize the General Manager to execute a general services agreement with Streamline for \$27,200 (Action Calendar).

**ITEM 5: FINANCIAL REPORT**

Mr. Berg and Ms. Warner presented the preliminary unaudited financials for July 2025.

***FINANCIAL ANALYSIS SUMMARY***

Discussion occurred concerning the top 10 vendor payments related to Capital Improvement Program (CIP) projects.

***CASH & INVESTMENTS REPORT (UNAUDITED)***

Discussion occurred concerning LAIF versus CLASS yield percentages, and the potential risk to the District's financial position by the consideration of reducing fixed meter revenues. Mr. Berg advised that the District has limited unrestricted funds available in the short-term and that the District should follow the long-term financial plan outlined in the adopted Fiscal Year 2026 budget that replenishes cash reserves.

***DISTRICT SUMMARY BUDGET v. ACTUAL***

Discussion occurred concerning Net Revenue/Expenses year to date.

**RECOMMENDATION:** Recommend the Board of Directors receive and file this information (Action Calendar).

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**ITEM 6: OTHER MATTERS**

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Mr. Paludi reported that staff will be extending a conditional employment offer letter to Mr. David Rodriguez for the position of full-time Principal Engineer for the District.

**RECOMMENDATION:** None – Informational item only.

**ADJOURNMENT**

Director Horst adjourned the September 11, 2025 Finance/Audit Committee Meeting at 9:23 a.m.