



**TRABUCO CANYON WATER DISTRICT  
FINANCE/AUDIT COMMITTEE MEETING RECAP | NOVEMBER 10, 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 November 10, 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:**

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.

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**RECOMMENDED ACTION:**

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

**ITEM 3: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING PROPOSED FISCAL YEAR 2021/2022 CAPITAL IMPROVEMENT PROGRAM BUDGET REALLOCATIONS**

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Mr. Paludi introduced this matter for Committee consideration, he reported this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi provided an overview of the proposed budgetary changes which could potentially result in lowering the overall Capital Improvement Project (CIP) budget for the current year.

**RECOMMENDED ACTION:**

The Committee recommended forwarding the DRAFT Proposed Reallocated Fiscal Year 2021/2022 Capital Improvement Program Budget to the Board of Directors for consideration (Action Calendar).

**ITEM 4: OTHER MATTERS**

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Mr. Paludi reported that District staff is currently discussing the issuance of debt consistent with the 2020 rate study with the District Treasurer and financial consultants.

**RECOMMENDED ACTION:**

No action was taken.

**ITEM 5: FINANCIAL REPORT**

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

***Operating Revenue, Residential Water***

Ms. Warner reported that water demand for the month was lower than the prior month, but the year to date was higher than budgeted.

***Operating Revenue, Irrigation Water***

Ms. Warner reported that this line item was higher than the prior month due to warmer temperatures and increased sales.

***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, Sanitation Expenses***

Ms. Warner reported that this line item was lower than the prior month, as well as lower than budgeted for the year due to fewer expenses.

**RECOMMENDED ACTION:**

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

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The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of the bills for consideration for November 10, 2021 as presented (Consent Calendar).

**ADJOURNMENT**

Director Chadd adjourned the November 10, 2021 Finance/Audit Committee Meeting at 1:14 p.m.