



FINANCE/AUDIT COMMITTEE MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CA
ADMINISTRATION FACILITY, BOARDROOM – JUNE 8, 2022 AT 1:00 PM

COMMITTEE MEMBERS

Edward Mandich, Committee Chair
Glenn Acosta, Committee Member
Don Chadd, 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 12:00 p.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 | JUNE 8, 2022**

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. May 11, 2022

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 May 2022 and tentative future meetings/attendance. (Action Calendar)

ITEM 3: DISCUSSION CONCERNING ESTABLISHING DISTRICT APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022/2023

RECOMMENDED ACTION:

1. Receive information at the time of the Committee Meeting.
2. Recommend the Board of Directors adopt Resolution No. 2022-1305 – Resolution of the Board of Directors of Trabuco Canyon Water District Establishing the Appropriations Limit Applicable to the District During Fiscal Year 2022/2023 (Action Calendar).

ITEM 4: DISCUSSION CONCERNING DISTRICT PROPOSED FISCAL YEAR 2022/2023 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET ASSUMPTIONS

RECOMMENDED ACTION:

Committee to receive information and make recommendation(s) as deemed appropriate.

ITEM 5: OTHER MATTERS

RECOMMENDED ACTION:

Hear Other Matters from the General Manager or District Staff.

ITEM 6: FINANCIAL REPORT

A) PRESENTATION OF UNAUDITED FINANCIAL STATEMENTS

RECOMMENDED ACTION:

Recommend that the Board receive and file the preliminary unaudited financial statements for April 2022 (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 June 8, 2022 as presented. (Consent Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING AGENDA | JUNE 8, 2022**

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 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 | JUNE 8, 2022**

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. *May 11, 2022*

CONTACTS (staff responsible): PALUDI/PEREA



TRABUCO CANYON WATER DISTRICT FINANCE/AUDIT COMMITTEE MEETING RECAP | MAY 11, 2022

DIRECTORS PRESENT

Director Ed Mandich, Committee Chair
Director Glenn Acosta, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lisa Marie Sangi, Executive Assistant

CONSULTANTS PRESENT

Kristi Even, Eide Bally LLP

PUBLIC PRESENT VIA CONFERENCE CALL

None

CALL MEETING TO ORDER

Director Mandich called the May 11, 2022 Finance/Audit Committee Meeting to order at 1:00p.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 on his attendance at the Local Agency Formation Commission of Orange County (OC LAFCO) meeting, and he mentioned the Commission approved the fiscal year budget and reappointed Mr. Derek McGregor to the position of Public Member. Mr. Paludi added that he extended an invitation to Supervisor Wagner to attend the District's Water Awareness Day event and future Regular Board meetings.

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)

Director Mandich and Mr. Perea approved the April 13, 2022 Finance/Audit Committee Meeting Recap(s) and recommend that the Board receive and file the same (Consent Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | MAY 11, 2022**

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 Acosta confirmed certain meeting attendance updates to his schedule.

RECOMMENDED ACTION:

The Committee recommended that the Board ratify the Directors' fees and expenses for April 2022 and tentative future meetings/attendance as amended. (Action Calendar)

ITEM 3: DISTRICT ETHICS POLICY UPDATE

Mr. Paludi introduced this matter for Committee consideration, and he reported that District staff has been working with General Counsel on this proposed policy in conjunction with the proposed Expense Reimbursement policy. Mr. Perea reported this matter was reviewed with the Executive Committee, and he provided an overview of the proposed policy. Discussion occurred concerning Fair Political Practices Commission (FPPC) rules on reporting gifts and the proposed ticket policy.

RECOMMENDED ACTION:

The Committee recommended the Board of Directors approve the proposed Ethics Policy Update and rescind the Code of Conduct Guidelines approved on January 17, 1996 (Action Calendar).

ITEM 4: DISCUSSION CONCERNING DISTRICT PROPOSED FISCAL YEAR 2022/2023 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET ASSUMPTIONS

Mr. Paludi introduced this matter for Committee review, and he provided an overview of the proposed budgetary assumptions for Fiscal Year 2022/2023. Mr. Paludi provided a brief review of the proposed capital improvement project (CIP) budgets, and he highlighted certain significant projects. Discussion occurred concerning the Golf Club Sewer Lift Station and the AMR/AMI project.

RECOMMENDED ACTION:

Committee received the information presented. No action was taken.

ITEM 5: APPROVAL OF PURCHASE OF REPLACEMENT PUMPS FOR GOLF CLUB SEWER LIFT STATION

Mr. Paludi introduced this matter for Committee consideration, and he reported this matter was reviewed with the Engineering/Operational Committee. Mr. Perea reported that District staff has requested proposals from two vendors with compatible pump systems, and he added that District staff have discussed internally about the best long-term solution for the facility. Discussion occurred concerning the proposed pump system solutions, procurement timelines, and system challenges. Mr. Perea recommended the Committee approve and recommend the Board of Directors ratify the purchase of the Tekdraulics proposal.

RECOMMENDED ACTION:

Approve and recommend the Board of Directors ratify the purchase of three (3) replacement pumps, two (2) guide rail systems, and two (2) discharge elbows from Tekdraulics for Golf Club Sewer Lift Station in the amount of \$193,286.39 (Action Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | MAY 11, 2022**

ITEM 6: OTHER MATTERS

Mr. Perea mentioned that District staff was conducting interviews for the open Customer Service Field Representative position.

RECOMMENDED ACTION:

There was no action taken.

ITEM 7: FINANCIAL REPORT

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

Operating Revenue, Residential Water

Ms. Even reported that water demand for the month was slightly lower than the prior month.

Operating Revenue, Irrigation Water

Ms. Even reported that this line item was higher than the prior month, and the year to date was significantly higher than budgeted due to increased demand.

Operating Revenue, Recycled & Reclaimed Water

Ms. Even reported that water demand for the month was higher than the prior month due to increased demand.

Operating Revenue, Baker Treatment Plant Sales

Ms. Even reported that this line item was lower than the prior month due to the District using its supply from the Baker Water Treatment Plant due to ongoing repairs to the V.P. Baker Pipeline.

Ms. Even reported that overall revenue is slightly lower than budgeted, but that overall expenses are tracking as budgeted.

RECOMMENDED ACTION:

The Committee recommended the Board of Directors receive and file the preliminary unaudited financial statements for March 2022 (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 May 11, 2022 as presented (Consent Calendar).

ADJOURNMENT

Director Mandich adjourned the May 11, 2022 Finance/Audit Committee Meeting at 1:34p.m.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | JUNE 8, 2022**

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 their Director capacity. The attached spreadsheet provides a recap of the meetings, seminars, and/or conferences attended by Directors including direct reimbursables paid to each Director.

Future Meetings

Future meetings are identified for reference and 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.

RECOMMENDED ACTION:

Recommend that the Board ratify the Directors' fees and expenses for May 2022 and tentative future meetings/attendance. (Action Calendar)

EXHIBIT(S):

1. Directors' Fees and Expenses Report for May 2022
2. Directors' Tentative Future Meetings/Attendance – Calendar Year 2022.

CONTACTS (staff responsible): PALUDI/PEREA

**TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | MAY 2022**

MEETING DESCRIPTION	ACOSTA	CHADD	DOPUDJA	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
Engineering/Operational Committee Meeting			05/10/22		05/10/22
Executive Committee Meeting		05/02/22	05/02/22		
Finance/Audit Committee Meeting	05/11/22			05/11/22	
Individual Meeting with General Manager	05/17/22	05/17/22	05/17/22	05/16/22	05/17/22
Water Awareness Day	05/21/22	05/21/22	05/21/22	05/21/22	05/21/22
Special Board Workshop Meeting	05/23/22	05/23/22	05/23/22	05/23/22	05/23/22
Regular Board Meeting	05/19/22	05/19/22	05/19/22	05/19/22	05/19/22
REPRESENTATIVE MEETINGS					
City of Rancho Santa Margarita Council Meeting					05/11/22
City of Rancho Santa Margarita Council Meeting				05/25/22	
City of Rancho Santa Margarita City Planning Commission Meeting					
Independent Special Districts of Orange County - Luncheon Meeting					
Independent Special Districts of Orange County - Quarterly/Meeting					
MWDOC Board Meeting	05/18/22				
Orange County Local Agency Formation Commission (OC LAFCO)					
OCWD Webinar - Water Drought	05/24/22				
Santiago Aqueduct Commission Meeting(SAC)					
South Orange County Agencies Group					05/26/22
South Orange County Wastewater Authority (SOCWA) Regular Board Meeting			05/05/22		
South Orange County Wastewater Authority (SOCWA) Special Board Meeting					
South Orange County Wastewater Authority (SOCWA) Finance Meeting					
MO. South Orange County Integrated Regional Watershed Management Executive Committee				05/26/22	
QRTL South Orange County Integrated Regional Watershed Management Executive Committee					
Water Advisory Committee of Orange County Meeting (WACO)	05/13/22				
NUMBER OF MEETINGS ATTENDED	8	5	7	7	7
FEES (\$125 per each meeting*)	\$1,000.00	\$625.00	\$875.00	\$875.00	\$875.00
DIRECT REIMBURSABLE EXPENSES					
DIRECT REIMBURSABLE EXPENSES TOTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDIRECT REIMBURSABLE EXPENSES					
INDIRECT REIMBURSABLE EXPENSES TOTALS					
TOTAL	\$1,000.00	\$625.00	\$875.00	\$875.00	\$875.00
<i>* Maximum per diem per day is one; maximum per diems per month is 10</i>					

DIRECTOR SIGNATURE

TRABUCO CANYON WATER DISTRICT | 2022 PUBLIC MEETING AND CONFERENCE CALENDAR

2022													
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	TBD			TBD			TBD			TBD		
2	Engineering/Operational Committee Meeting	01/05/22	02/02/22	03/02/22	04/06/22	05/04/22	06/01/22	07/06/22	08/03/22	09/07/22	10/05/22	11/02/22	12/07/22
3	Finance/Audit Committee Meeting	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
4	Regular Board Meeting	01/20/22	02/17/22	03/17/22	04/21/22	05/19/22	06/16/22	07/21/22	08/18/22	09/22/22	10/20/22	11/17/22	12/22/22
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
7	City of RSM City Council Meeting - Meeting No. 2	01/26/22	02/23/22	03/23/22	04/27/22	05/25/22	06/22/22	07/27/22	08/24/22	09/28/22	10/26/22	11/23/22	12/28/22
8	Independent Special Districts of Orange County Meeting	01/04/22	02/01/22	03/01/22	04/05/22	05/03/22	06/07/22	07/05/22	08/02/22	09/06/22	10/04/22	11/01/22	12/06/22
9	Independent Special Districts of Orange County Meeting	01/27/22	-	-	04/28/22	-	-	07/28/22	-	-	10/27/22	-	-
10	Orange County Local Agency Formation Commission (OC LAFCO)	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
11	Santiago Aqueduct Commission Meeting	-	-	03/17/22	-	-	06/16/22	-	-	09/15/22	-	-	12/15/22
12	Quarterly South Orange County Integrated Regional Watershed Management Executive Committee	-	-	03/03/22	-	05/05/22	-	-	08/04/22	-	-	11/03/22	-
13	Monthly South Orange County Integrated Regional Watershed Management Executive Committee	01/27/22	02/24/22	03/24/22	04/28/22	05/26/22	06/23/22	07/28/22	08/25/22	09/22/22	10/27/22	11/24/22	12/22/22
14	South Orange County Water Agencies Group Meeting*	01/27/22	-	03/24/22	-	05/26/22	-	07/28/22	-	09/22/22	-	11/24/22	-
15	South Orange County Wastewater Authority Regular Board Meeting	01/06/22	02/03/22	03/03/22	04/07/22	05/05/22	06/02/22	07/07/22	08/04/22	09/01/22	10/06/22	11/03/22	12/01/22
16	Water Advisory Committee of Orange County	01/07/22	02/04/22	03/04/22	04/01/22	05/06/22	06/03/22	07/01/22	08/05/22	09/02/22	10/07/22	11/04/22	12/02/22
CONFERENCES													
17	ACWA Spring Conference - Sacramento, CA					5/3 - 5/6							
18	ACWA Fall Conference - Indian Wells, CA											11/29 - 12/2	
19	CSDA Annual Conference -Palm Springs, CA								8/22 - 8/25				
20	CSDA GM Leadership Summit - Coronado, CA						6/19 - 6/21						
21	Urban Water Institute (UWI) Annual Conference - San Diego, CA								8/24 - 8/26				
22	CSDA SDLA Conference - Napa, CA									9/18 - 9/21			

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

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | JUNE 8, 2022**

FINANCIAL MATTERS

ITEM 3: DISCUSSION CONCERNING ESTABLISHING DISTRICT APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022-2023

In July 1988, the District’s Board of Directors adopted Resolution No. 88-516 (Resolution of the Board of Directors of the Santa Ana Mountains County Water District Regarding Appropriations Policy) which codified a policy and methodology for establishing a District Appropriations Limit consistent with California Constitution Article XIII B. The State Constitution specifies that appropriations by local governments may increase annually by a factor determined by information provided by the State of California.

The District previously set its appropriations limit for Fiscal Year (FY) 2021/2022 in the amount of **\$3,496,850.91**. The calculation for FY2022/2023 utilizes the County of Orange Overall Population Change Figures, and was calculated as follows:

Description	County Total
Income Change	7.55
Population Change	-0.23
21-22 Appropriations Limit	\$ 3,496,850.91
Per Capita Cost of Living Ratio	1.0755
Population Ratio	0.9977
Calculation of Factor for FY 22-23	1.0730
2022-23 Appropriations Limit	\$ 3,752,213.17

It is the opinion of General Counsel and District staff that the proposed calculated appropriations limit does not appear to impact the District’s overall ability to generate the necessary revenue required to meet its obligations.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

The FY 2022/2023 Appropriations Limit limits certain revenues collected by the District at \$3,752,213.17.

RECOMMENDED ACTION:

1. *Receive information at the time of the Committee Meeting.*
2. *Recommend the Board of Directors adopt Resolution No. 2022-1305 – Resolution of the Board of Directors of Trabuco Canyon Water District Establishing the Appropriations Limit Applicable to the District During Fiscal Year 2022/2023 (Action Calendar).*

EXHIBIT(S):

1. Resolution No. 88-516 – Resolution of the Board of Directors of the Santa Ana Mountains County Water District Regarding Appropriations Policy
2. State Department of Finance Price Factor & Population Information Memo dated May 2022
3. Hanson Bridget Appropriations Limit Memo to General Manager dated June 1, 2022
4. Notice of Determination of Appropriations Limit 2022/2023
5. DRAFT Resolution No. 2022-1305 - Resolution of the Board of Directors of Trabuco Canyon Water District Establishing the Appropriations Limit Applicable to the District During Fiscal Year 2022/2023

CONTACTS (staff responsible): PALUDI/PEREA

RESOLUTION NO. 88-516

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA ANA MOUNTAINS COUNTY WATER DISTRICT
REGARDING APPROPRIATIONS POLICY

WHEREAS, the Santa Ana Mountains County Water District ("SAMCWD") is a county water district formed and operating pursuant to Section 30000, et seq., of the Water Code of the State of California; and

WHEREAS, Article XIII B of the California Constitution concerns appropriations of local agencies from revenues derived from specified sources; and

WHEREAS, SAMCWD is subject to the provisions of Article XIII B of the California Constitution; and

WHEREAS, Article XIII B of the California Constitution provides that certain revenues collected by SAMCWD shall not be subject to appropriations limitations upon satisfaction of certain criteria; and

WHEREAS, under California Constitution Article XIII B, the appropriations limit of the local agency may be adjusted by increases in population within that local agency service area; and

WHEREAS, the Board of Directors of SAMCWD desires to adopt a Resolution expressing a policy on appropriations for SAMCWD.

NOW, THEREFORE, the Board of Directors of the Santa Ana Mountains County Water District DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. California Constitution Article XIII B provides that certain revenues to local agencies are not subject to the appropriations limitation set forward in that Article. Such revenues include the proceeds to an entity of government from regulatory licenses, user charges, and user fees to the extent that such proceeds do not exceed the costs to that agency of providing service for which the fees are imposed. The Board of Directors of SAMCWD hereby adopts the policies that revenues derived from the SAMCWD Capital Improvement Charge, supplemental water fee, water storage fees and sewage fees imposed upon development within SAMCWD shall be used to satisfy the financial obligations of providing water and/or sewer service by SAMCWD, including expenditures for Capital Facilities needed to provide such water and/or sewer service. The Board of Directors of SAMCWD hereby expresses its policy that such revenues are not subject to the appropriations limit established under California Constitution Article XIII B.

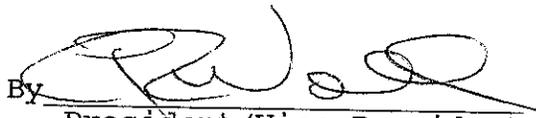
Section 2. Under California Constitution Article XIIIIB, the appropriations limit for local public agencies may be adjusted to reflect changes in populations within the area where such agency provides its service. The Board of Directors of SAMCWD notes that there has been a significant population increase within the service area of SAMCWD within the past two years for which population increased data was not available. It is the policy of the Board of Directors that when population data is made available that the appropriations limit will be adjusted to reflect the actual population within the service area of SAMCWD and will comply with the provisions and requirements of Article XIIIIB.

Section 3. The Board of Directors hereby directs the SAMCWD staff to obtain direct population data for the SAMCWD service area in order to make appropriate calculations to the SAMCWD appropriations limit for future fiscal years and to take all actions necessary to comply with the policy of the Board of Directors.

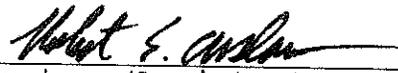
Section 4. The Board of Directors of SAMCWD hereby determines that tax revenues collected by SAMCWD for the 1962 General Obligation Bonded Indebtedness of SAMCWD are not subject to the provisions of California Constitution Article XIIIIB by way of its Section 9(a).

Section 5. The provisions and policies expressed in this Resolution shall become effective immediately.

ADOPTED, SIGNED AND APPROVED this 20th day of July, 1988.

By 
President/Vice President
SANTA ANA MOUNTAINS COUNTY WATER
DISTRICT and of the Board of
Directors thereof

ATTEST:

By 
Secretary/Assistant Secretary
SANTA ANA MOUNTAINS COUNTY
WATER DISTRICT and of the
Board of Directors thereof

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, ROBERT E. ANSLOW, Assistant Secretary of the Board of Directors of the Santa Ana Mountains County Water District do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 88-516 of said Board, and that the same has not been amended or repealed.

DATED: July 22, 1988



Assistant Secretary



May 2022

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2022, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2022-23. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2022-23 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2022.**

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY MARTIN BOSLER
Director
By:

ERIKA LI
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent
 Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio: $\frac{7.55 + 100}{100} = 1.0755$

Population converted to a ratio: $\frac{-0.30 + 100}{100} = 0.997$

Calculation of factor for FY 2022-23: $1.0755 \times 0.997 = 1.0723$

Fiscal Year 2022-23

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022 and Total Population, January 1, 2022

County City	Percent Change	--- Population Minus Exclusions ---		Total Population
	2021-2022	1-1-21	1-1-22	1-1-2022
Orange				
Aliso Viejo	-0.88	51,233	50,782	50,782
Anaheim	-0.97	344,587	341,228	341,245
Brea	-0.48	47,097	46,872	46,872
Buena Park	-0.64	83,968	83,430	83,430
Costa Mesa	-0.70	112,183	111,394	111,394
Cypress	-0.44	50,029	49,810	49,810
Dana Point	-0.33	33,053	32,943	32,943
Fountain Valley	-0.88	57,068	56,564	56,564
Fullerton	0.53	141,974	142,732	142,732
Garden Grove	-0.44	171,284	170,526	170,526
Huntington Beach	-0.77	197,616	196,100	196,100
Irvine	2.99	301,254	310,250	310,250
Laguna Beach	-0.68	22,862	22,706	22,706
Laguna Hills	-0.86	31,017	30,750	30,750
Laguna Niguel	-0.88	64,885	64,316	64,316
Laguna Woods	-0.88	17,670	17,514	17,514
La Habra	-0.84	62,317	61,792	61,792
Lake Forest	0.43	86,406	86,775	86,775
La Palma	-0.85	15,463	15,332	15,332
Los Alamitos	-0.18	11,895	11,873	11,873
Mission Viejo	-0.70	93,171	92,515	92,515
Newport Beach	-0.87	84,459	83,727	83,727
Orange	0.10	137,534	137,676	137,676
Placentia	-0.62	51,522	51,204	51,204
Rancho Santa Margarita	-0.89	47,703	47,279	47,279
San Clemente	-0.78	63,877	63,380	63,380
San Juan Capistrano	-0.31	34,907	34,798	34,798
Santa Ana	-0.93	311,340	308,459	308,459
Seal Beach	-0.80	24,418	24,222	24,846
Stanton	2.59	38,284	39,275	39,275
Tustin	-0.78	80,157	79,535	79,535
Villa Park	-0.89	5,834	5,782	5,782
Westminster	-0.46	90,812	90,393	90,393
Yorba Linda	-0.78	67,760	67,233	67,233
Unincorporated	-0.65	133,302	132,437	132,437
County Total	-0.23	3,168,941	3,161,604	3,162,245

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Memorandum

TO: Fernando Paludi, General Manager

FROM: Hanson Bridgett LLP
Julian Viksman

DATE: May 31, 2022

RE: **Appropriations Limit for Fiscal Year 2022-2023**

The appropriations limit and the calculations are based on the financial and population data posted on the California Department of Finance's website. The text of Revenue and Taxation Code Section 2228(a)(3) states: "If a special district is located within a single county or within more than one city or any combination of cities and unincorporated areas within a single county, the annual percentage change in population for the district shall be that established for the county or the weighted average of the percentage change of each city and the unincorporated area."

Pursuant to Revenue and Taxation Code Section 2228, Trabuco Canyon Water District has the option of using the total population number for Orange County or the weighted averages of the population numbers of the City of Rancho Santa Margarita, City of Lake Forrest, City of Mission Viejo, and the unincorporated areas of Orange County.

For Fiscal Year 2022-2023, the population increase for Rancho Santa Margarita is -0.89%, the population increase for Lake Forrest is 0.43%, the population increase for Mission Viejo is -.70%, and the population increase for unincorporated Orange County is -0.65%, while the total population increase for Orange County is -0.23%. Because the total population number for Orange County is greater than the weighted average population number of Rancho Santa Margarita, Lake Forrest, Mission Viejo, and the unincorporated areas of Orange County, the District's Fiscal Year 2022-2023 appropriations limit was calculated using the Orange County population growth ratio (-0.23%).

In order to satisfy legal requirements, the Notice of Determination of Appropriations Limit must be posted at least 15 days before the June 16 Board Meeting (by June 1). We have inserted the date at the bottom of the Notice. Also, please include both the Notice and the Resolution in the Agenda packet.

Please do not hesitate to call me if you have any questions.



TRABUCO CANYON WATER DISTRICT

NOTICE OF DETERMINATION OF APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022–2023

State law (Section 7910 of the Government Code) requires each local government agency to determine during each fiscal year the appropriations limit pursuant to Article XIIB of the California Constitution applicable during the following fiscal year. The limit must be adopted at a regularly scheduled meeting or a noticed special meeting and the documentation used in determining the limit must be made available for public review fifteen days prior to such meeting.

Set out below is the methodology proposed to be used to calculate the Fiscal Year 2022–2023 appropriations limit for the District. The limit as set forth below will be considered and adopted at the meeting of the Board of Directors on June 16, 2022.

1. Appropriations Limit for Fiscal Year 2021–2022	\$3,496,850.91
2. Population Change (January 1, 2021–January 1, 2022)	-0.23%
3. Change in California per Capita Personal Income Fiscal Year 2022–2023	7.55%
4. Fiscal Year 2022–2023 Adjustment Factor (0.9977 x 1.0755)	1.07302635
5. Fiscal Year 2022–2023 Appropriations Limit (\$3,496,850.91 x 1.07302635)	\$3,752,213.17

Dated: June 1, 2022

RESOLUTION NO. 2022-1305

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRABUCO CANYON
WATER DISTRICT ESTABLISHING THE APPROPRIATIONS LIMIT APPLICABLE
TO THE DISTRICT DURING FISCAL YEAR 2022-2023**

WHEREAS, Article XIII B of the California Constitution requires that each local agency subject thereto establish an appropriations limit primarily applicable to expenditure of proceeds of property taxes, and to adjust that appropriations limit annually based on changes in the cost of living and population; and

WHEREAS, pursuant to the directives of Resolution No. 88-516 of the Trabuco Canyon Water District, the District staff has obtained from the California Department of Finance an estimate of the percentage change in population factor for the area within the Trabuco Canyon Water District service area; and

WHEREAS, the Board of Directors of the Trabuco Canyon Water District established the appropriations limit applicable to the District during the Fiscal Year 2021-2022 as \$3,496,850.91; and

WHEREAS, the District is now required to establish by resolution the applicable appropriations limit during Fiscal Year 2022-2023 by applying to the limit for Fiscal Year 2021-2022 the factors, as issued by the California Department of Finance, reflecting changes in the California per capita personal income and in population; and

WHEREAS, the calculations showing the applications of those factors have been forwarded to the Board of Directors for review and have been made available for public inspection at least fifteen days prior to the date hereof; and

WHEREAS, the applicable factors are as follows: (1) the change in the California per capita personal income was 7.55%; and (2) the applicable change in population from January 2021 to January 2022 was -0.23%.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Trabuco Canyon Water District that the appropriations limit for Fiscal Year 2022-2023 is established as \$3,723,213.17.

ADOPTED, SIGNED AND APPROVED this 16th day of June, 2022.

TRABUCO CANYON WATER DISTRICT

By: _____
President/Vice President

By: _____
District Secretary

DRAFT

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, Michael Perea, District Secretary of the Trabuco Canyon Water District, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 2022-1305 of such Board and that the same has not been amended or repealed.

Dated this 16th day of June 2022.

District Secretary,
Trabuco Canyon Water District

DRAFT

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | JUNE 8, 2022**

FINANCIAL MATTERS

ITEM 4: DISCUSSION CONCERNING DISTRICT PROPOSED FISCAL YEAR 2022/2023 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET ASSUMPTIONS

The District fiscal year runs from each July 1 through each June 30. During the last quarter of each fiscal year, District staff reviews financial information and performs analyses relating to projected costs for the upcoming fiscal year in order to recommend a budget to the Board of Directors.

PROPOSED GENERAL FUND BUDGET ASSUMPTIONS

For FY 2022/2023, District staff has prepared the General Fund Budget with the following budgetary assumptions based on ten months of financial data in FY 2021/2022. The following assumptions were initially reviewed with the Board of Directors at the May 23, 2022 Special Board Meeting – Budget Workshop, and have incorporated Board input and direction:

Description	Proposed Adjustment %
MWDOC Capacity Charges	5.5%
MET Tier 1 Untreated Water Charges	11.0%
Chemicals	3.0%
Contract Services	5.0%
Electricity	4.0%
Fuel	10.0%
Inflation	5.0%
Professional Services	<i>Scheduled Out</i>
Salary/Compensation	7.0%
Health Benefits	7.0%
Ancillary Benefits (Dental/Vision)	2.0%

PROPOSED CAPITAL IMPROVEMENT PROJECTS, EQUIPMENT, & PROGRAM BUDGETS

Capital Improvement Projects (CIP) completed to date and status for completion by the end of the fiscal year. In addition, District staff prepares a list of proposed projects for the upcoming fiscal year to recommend a CIP budget to the Board of Directors. CIP projects are categorized as administrative, water, wastewater, recycled water, or engineering and general projects. A DRAFT Fiscal Year 2022/23 CIP is included for Committee review and consideration.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

In Development

RECOMMENDED ACTION:

Committee to receive information and make recommendation(s) as deemed appropriate.

EXHIBIT(S):

1. Proposed Fiscal Year 2022/2023 General Fund Budget Schedules A – C
2. Proposed Fiscal Year 2022/2023 Capital Improvement Projects, Equipment, and Program Budgets

CONTACTS (staff responsible): PALUDI/PEREA/LAUSTEN/WARNER



TCWD
FY 2022/23 Proposed Budget
District Operations

Schedule A

	A	B	C	D = C-B	E = D/B
	FY 2021/22 Adopted Budget	FY 2021/22 Projected Year-End	FY 2022/23 Proposed Budget	\$ Variance	% Variance
1 Operating Revenue					
2 Water Commodity Sales	\$ 4,214,400	\$ 3,961,200	\$ 4,237,600	\$ 276,400	7.0%
3 Service Charges - Water	1,126,300	1,117,600	1,207,000	89,400	8.0%
4 Service Charges - Sewer	1,782,100	1,740,500	1,844,900	104,400	6.0%
5 Service Charges - Recycled/Reclaimed	71,900	73,000	84,000	11,000	15.1%
6 Baker TP Water Sales	1,383,500	1,080,200	1,183,700	103,500	9.6%
7 Reclaimed Water Sales	682,600	676,600	771,300	94,700	14.0%
8 Recycled Water Sales	244,500	200,500	227,500	27,000	13.5%
9 Customer Charges	312,000	304,200	318,300	14,100	4.6%
10 Other Operating Revenue	66,000	66,000	91,800	25,800	39.1%
11 Standby Charges	41,800	46,200	46,200	-	0.0%
12 Uncollectable Accounts	(16,700)	(26,400)	(26,400)	-	0.0%
13 Total Operating Revenue	9,908,400	9,239,600	9,985,900	746,300	8.1%
14 Non-Operating Revenue					
15 Property Taxes	2,006,200	1,965,600	2,004,800	39,200	2.0%
16 WRES Fees (BTP)	377,900	382,000	382,000	-	0.0%
17 WRES Fees (SRF)	230,300	230,200	230,200	-	0.0%
18 Interest Revenue	35,600	18,700	18,800	100	0.5%
19 Other Non-Operating Revenue	72,400	151,900	76,200	(75,700)	-49.8%
20 Total Non-Operating Revenue	2,722,400	2,748,400	2,712,000	(36,400)	-1.3%
21 Total Revenues	12,630,800	11,988,000	12,697,900	709,900	5.9%
22 Operating Expense					
23 Source of Supply	2,305,800	2,686,300	2,569,500	(116,800)	-4.3%
24 Baker TP Water for Resale	1,287,700	1,112,000	1,255,800	143,800	12.9%
25 Water Related Expenses	1,042,500	996,000	964,600	(31,400)	-3.2%
26 Sanitation Related Expenses	723,700	353,800	313,600	(40,200)	-11.4%
27 Recycled & Reclaimed Expenses	148,700	207,200	207,500	300	0.1%
28 Salaries and Benefits	4,135,800	3,833,500	4,177,800	344,300	9.0%
29 CalPERS UAL Minimum	263,900	239,600	256,300	16,700	7.0%
30 General and Administrative	1,896,800	2,031,300	2,328,900	297,600	14.7%
31 Total Operating Expense	11,804,900	11,459,700	12,074,000	614,300	5.4%
32 Non-Operating Expense					
33 Debt Service - SRF	230,300	230,200	230,200	-	0.0%
34 Debt Service - Credit Line	215,000	60,400	145,000	84,600	140.1%
35 Debt Issuance Costs	156,000	104,500	-	(104,500)	-100.0%
36 Total Non-Operating Expense	601,300	395,100	375,200	(19,900)	-5.0%
37 Total Expenses	12,406,200	11,854,800	12,449,200	594,400	5.0%
38 Net Income / (Loss) Before Capital & Pension	224,600	133,200	248,700	115,500	86.7%
39 Use of District Reserves for Capital Projects	(4,270,500)	(708,450)	-	708,450	0.0%
40 CalPERS UAL Additional Payments	(226,700)	-	-	-	0.0%
41 115 Trust Contributions	(208,600)	-	-	-	0.0%
42 Increase / (Decrease) to Reserves	\$ (4,481,200)	\$ (575,250)	\$ 248,700	\$ 823,950	



TCWD
FY 2022/23 Proposed Budget
District Capital

	A	B	C
	FY 2021/22 Adopted Budget	FY 2021/22 Projected Year-End	FY 2022/23 Proposed Budget
1 Funding Sources			
2 Grant Revenue	\$ 500,000	\$ -	\$ 500,000
3 Bank of the West Credit Line Proceeds	-	2,284,500	4,662,000
4 Use of District Reserves for Capital Projects	4,270,500	708,450	-
5 Funding Sources Total	4,770,500	2,992,950	5,162,000
6 District Capital			
7 Capital Improvements / Replacements			
8 Field Office Remediation	15,000	-	-
9 DWTP Chlorine Building Improvement	35,000	-	-
10 DWTP Tanks	90,000	66,000	-
11 ETRSLs Electrical Improvements	193,000	193,000	-
12 Administration Building Flood Damage	-	47,000	-
13 SCADA System Upgrades FY 2122	1,000,000	750,000	900,000
14 AMI/AMR System Implementation (USBR) *	850,000	200,000	1,500,000
15 Golf Club SLS Bypass Construction	420,000	600,000	870,000
16 DWTP Office & Storage	400,000	50,000	300,000
17 Master Plan and Condition Assessment Study	600,000	400,000	250,000
18 Live Oak Pipeline Scoping	200,000	-	100,000
19 ETRSLs Surge Tank Improvements	280,000	30,000	250,000
20 Trabuco Creek Water Main Potholing	-	-	20,000
21 DWTP Vault Lids	-	-	50,000
22 ETRSLs Discharge Valve Replacement	-	-	35,000
23 Capital Improvements / Replacements Total	4,083,000	2,336,000	4,275,000
24 Equipment			
25 Generators (Grant - spend by Nov21)	190,000	-	-
26 75HP Motor - WWTP Blower Room	-	8,500	-
27 Forklift	-	30,000	-
28 Flow Meter - WWTP	-	5,300	-
29 Ford F250 Supercab	-	44,000	-
30 Chiquita Capital Replacement	-	178,000	178,000
31 CMMS Implementation	-	25,350	-
32 WWTP Hoffman Blower Building Rehab	-	-	250,000
33 Equipment Trailer	-	-	39,000
34 WWTP New Mixers	-	-	150,000
35 Dove Lake Barge/Pump	-	-	30,000
36 Domestic Water Turbidimeter Replacement	-	-	15,000
37 Equipment Total	190,000	291,150	662,000
38 Programs			
39 Meter Replacement Program	35,000	48,200	-
40 District Facility Security Improvements	100,000	7,000	-
41 PRV Improvements	55,000	3,100	15,000
42 Valve Replacement Program	37,500	37,500	45,000
43 Manhole Recoating Program - Sewer	20,000	20,000	20,000
44 PRV Vault Improvements Program - Reclaimed	-	-	45,000
45 Pump Replacement Program	250,000	250,000	100,000
46 Programs Total	497,500	365,800	225,000
47 District Capital Total	4,770,500	2,992,950	5,162,000
48 Net Budget	\$ -	\$ -	\$ -

*Funded by Grant / Loan Proceeds



TCWD
FY 2022/23 Proposed Budget
Cash Reserves

Schedule C

Water	Beginning Balance July 1, 2022	Budgeted Net Change	Transfer to Capital	ADP / Pension Trust Contributions	Projected Ending June 30, 2023
Unrestricted	(1,436,743)	(722,600)	-	-	(2,159,343)
Restricted					
Water Storage DIF	1,051,427	-	-	-	1,051,427
WRES - Wells	1,450,014	213,000	-	-	1,663,014
WRES - Reservoir/Distribution	2,649,646	26,900	-	-	2,676,546
CB&T SRF Loan Repayment	236,996	-	-	-	236,996
Bank of The West Debt Proceeds	5,136,800	-	(2,447,300)	-	2,689,500
Restricted Total	10,524,883	239,900	(2,447,300)	-	8,317,483
Water Reserves Total	9,088,140	(482,700)	(2,447,300)	-	6,158,140

Sewer	Beginning Balance July 1, 2022	Budgeted Net Change	Transfer to Capital	ADP / Pension Trust Contributions	Projected Ending June 30, 2023
Unrestricted	1,433,812	826,550	-	-	2,260,362
Restricted					
RD#5	76,463	-	-	-	76,463
Goren Deposit	113,143	-	-	-	113,143
Bank of The West Debt Proceeds	2,045,250	-	(2,045,250)	-	-
Restricted Total	2,234,856	-	(2,045,250)	-	189,606
Sewer Reserves Total	3,668,668	826,550	(2,045,250)	-	2,449,968

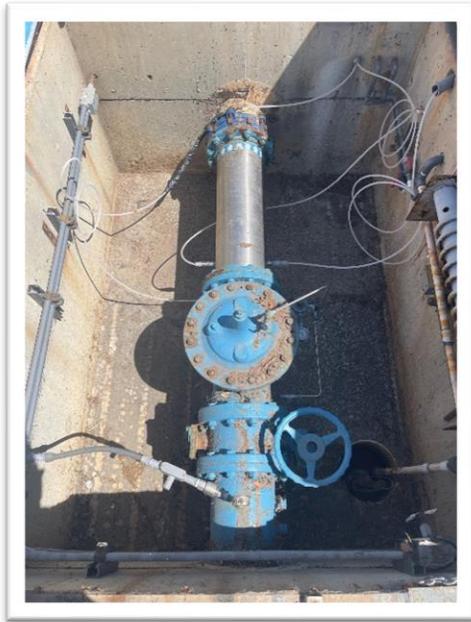
Recycled / Reclaimed	Beginning Balance July 1, 2022	Budgeted Net Change	Transfer to Capital	ADP / Pension Trust Contributions	Projected Ending June 30, 2023
Unrestricted	(921,205)	144,750	-	-	(776,455)
Restricted					
Bank of The West Debt Proceeds	495,650	-	(169,450)	-	326,200
Restricted Total	495,650	-	(169,450)	-	326,200
Recycled / Reclaimed Reserves Total	(425,555)	144,750	(169,450)	-	(450,255)

District	Beginning Balance July 1, 2022	Budgeted Net Change	Transfer to Capital	ADP / Pension Trust Contributions	Projected Ending June 30, 2023
Unrestricted	(924,136)	248,700	-	-	(675,436)
Restricted					
Water Storage DIF	1,051,427	-	-	-	1,051,427
WRES - Wells	1,450,014	213,000	-	-	1,663,014
WRES - Res/Dist	2,649,646	26,900	-	-	2,676,546
RD#5	76,463	-	-	-	76,463
Goren Deposit	113,143	-	-	-	113,143
CB&T SRF Loan Repayment	236,996	-	-	-	236,996
Bank of The West Debt Proceeds	7,677,700	-	(4,662,000)	-	3,015,700
Restricted Total	13,255,389	239,900	(4,662,000)	-	8,833,289
District Reserves Total	12,331,253	488,600	(4,662,000)	-	8,157,853

**TRABUCO CANYON WATER DISTRICT CAPITAL
IMPROVEMENT PLAN BUDGET
FY 2022/2023**

ITEM	WATER	PROJECT BASIS	PROPOSED FY 2022/23
1	Dimension WTP Vault Improvements	Safety	\$ 50,000
2	PRV Improvements-Water	Reliability	\$ 15,000
3	Domestic Water Turbidimeter Replacement	Reliability	\$ 15,000
4	Valve Replacement Program	End of Service Life	\$ 45,000
5	DWTP Office & Storage	End of Service Life	\$ 300,000
6	Live Oak Transmission Main (Harris Grade to Canyon Creek) CCTV	Reliability	\$ 100,000
7	Trabuco Creek Water Main Potholing	Bridge Re-Location/County	\$ 20,000
8	AMR/AMI System Implementation - Grant Funding	Water Use Efficiency	\$ 1,500,000
WATER SUBTOTAL			\$ 2,045,000
DISTRICT-WIDE			FY 2022/23
9	SCADA System Upgrades	Reliability; End of Service Life	\$ 900,000
10	Equipment Trailer	General Maintenance	\$ 39,000
11	Pump Replacement Program	End of Service Life	\$ 100,000
12	Master Plan and Condition Assessment	Reliability; Safety	\$ 250,000
DISTRICT-WIDE SUBTOTAL			\$ 1,289,000
WASTEWATER / RECLAIMED / RECYCLED			FY 2022/23
13	Manhole Recoating Program - Sewer	General Maintenance	\$ 20,000
14	PRV Vault Improvements Program - Reclaimed	General Maintenance	\$ 45,000
15	Golf Club SLS Improvements-Wet Well, Surge Tank, Bypass, Dry Pit, Security	End of Service Life	\$ 675,000
16	Golf Club SLS Submersible Pump Procurement (3)	End of Service Life	\$ 195,000
17	WWTP Blower Motors (2)	Reliability	\$ 250,000
18	WWTP Mixers (4)	Reliability	\$ 150,000
19	Chiquita WWTP CIP	Contract Agreement	\$ 178,000
20	El Toro SLS Surge Tank Improvements	End of Service Life	\$ 250,000
21	El Toro SLS Improvements - Force Main Discharge Valve Replacement	End of Service Life	\$ 35,000
22	Dove New Lake Barge/Pump	General Maintenance	\$ 30,000
WASTEWATER / RECLAIMED / RECYCLED SUBTOTAL			\$ 1,828,000
TOTAL PROPOSED CIP			\$ 5,162,000

PROJECT TITLE: DIMENSION WATER TREATMENT PLANT VAULT IMPROVEMENTS



CAPITAL PLAN

CLASSIFICATION: Project #1

PROJECT LOCATION: Dimension Water Treatment Plant

PROJECT BASIS: Safety

TOTAL PROJECT COST: \$50,000

DESCRIPTION: Water Operations operates 5 primary vaults at the Dimension Water Treatment Plant. Improvements will address faulty or broken vault lids to improve on-site operational safety and efficiency.

PROJECT TITLE: PRESSURE REDUCING VAULT IMPROVEMENTS – WATER



CAPITAL PLAN

CLASSIFICATION: Project #2

PROJECT LOCATION: District-wide

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$15,000

DESCRIPTION: Pressure-regulating valves (PRV's) or pressure regulators are used to lower the water supply pressure in the District's main water lines to a specific, consistent pressure. This program includes general maintenance on all PRVs and Cla-Val valves district-wide, including changing out diaphragms, CRDs/CRLs, stainless steel tubing, and calibration. This budget is an annual programmatic budget.

PROJECT TITLE: DOMESTIC WATER TURBIDITY METER REPLACEMENT



CAPITAL PLAN

CLASSIFICATION: Project #3

PROJECT LOCATION: Dimension Water Treatment Plant

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$15,000

DESCRIPTION: Turbidity meters are used to measure the turbidity, or cloudiness, of the effluent water at the Dimension Water Treatment Plant. This measurement is recognized as a basic indicator of water quality. These meter are required to be replaced every 5 years by the manufacturer.

PROJECT TITLE: VALVE REPLACEMENT PROGRAM



CAPITAL PLAN

CLASSIFICATION: Project #4

PROJECT LOCATION: District-wide (Water)

PROJECT BASIS: End of Service Life

TOTAL PROJECT COST: \$45,000

DESCRIPTION: Valves throughout the District are generally between 30-50 years old. Funding is needed to repair or replace any valves that leak or break while being exercised during the Valve Maintenance Program. This budget is an annual programmatic budget.

PROJECT TITLE: DIMENSION WATER TREATMENT PLANT OFFICE & STORAGE



CAPITAL PLAN

CLASSIFICATION: Project #5

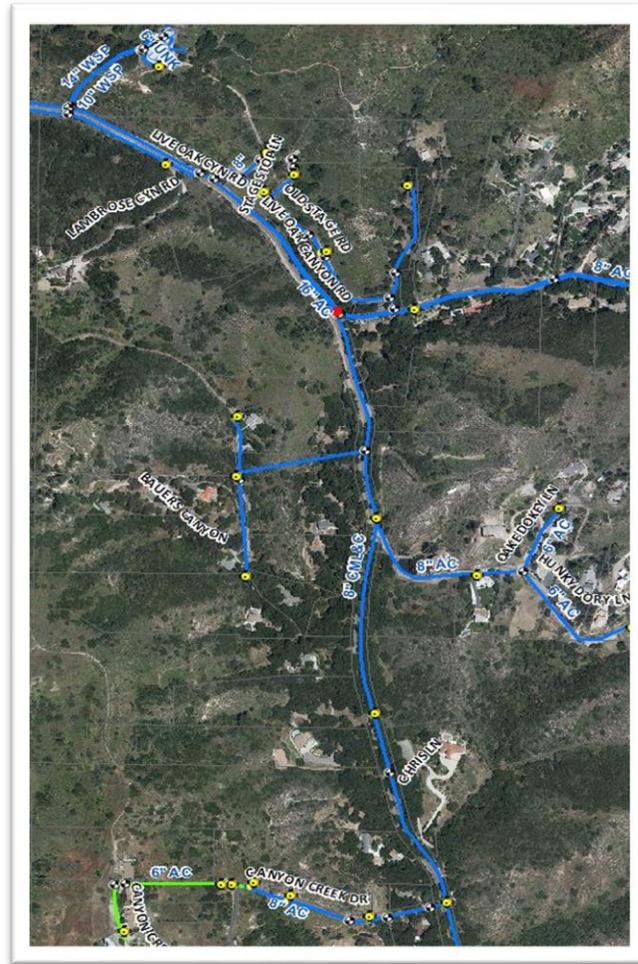
PROJECT LOCATION: Dimension Water Treatment Plant

PROJECT BASIS: End of Service Life; Safety

TOTAL PROJECT COST: \$300,000

DESCRIPTION: Dimension Water Treatment Plant is home to the District’s Water Operations Department. The office trailer is showing significant structural deterioration, including the floor which is fracturing and uneven. The new office space will be sized adequately for the department’s full time staff of five (5) operators and be ADA compliant.

PROJECT TITLE: LIVE OAK TRANSMISSION MAIN (HARRIS GRADE TO CANYON CREEK CCTV)



CAPITAL PLAN

CLASSIFICATION: Project #6

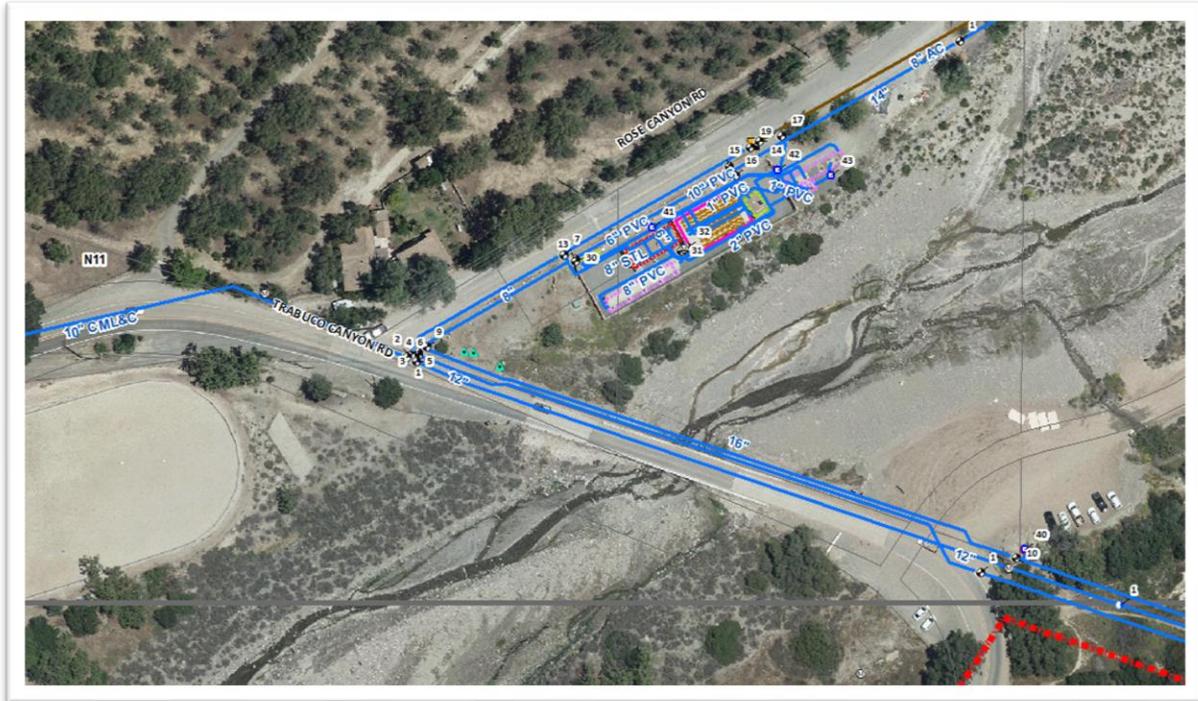
PROJECT LOCATION: Harris Grade to Canyon Creek Drive

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$100,000

DESCRIPTION: Water operations staff has identified a restriction in the 8" CML&C Main on Live Oak Canyon Rd. this restriction is suspected to be a buried valve. The project scope is to CCTV a section of the pipe to identify the restriction.

PROJECT TITLE: TRABUCO CREEK WATER MAIN POTHOLING



CAPITAL PLAN

CLASSIFICATION: Project #7

PROJECT LOCATION: Trabuco Creek Road

PROJECT BASIS: Bridge relocation/County Project

TOTAL PROJECT COST: \$20,000

DESCRIPTION: The County of Orange will be replacing the bridge crossing Trabuco Creek which is scheduled for construction in 2023. There are three (3) pipelines crossing the creek which need to be located to avoid conflicts.

PROJECT TITLE: AMR/AMI SYSTEM IMPLEMENTATION – GRANT FUNDING



CAPITAL PLAN

CLASSIFICATION: PROJECT #8

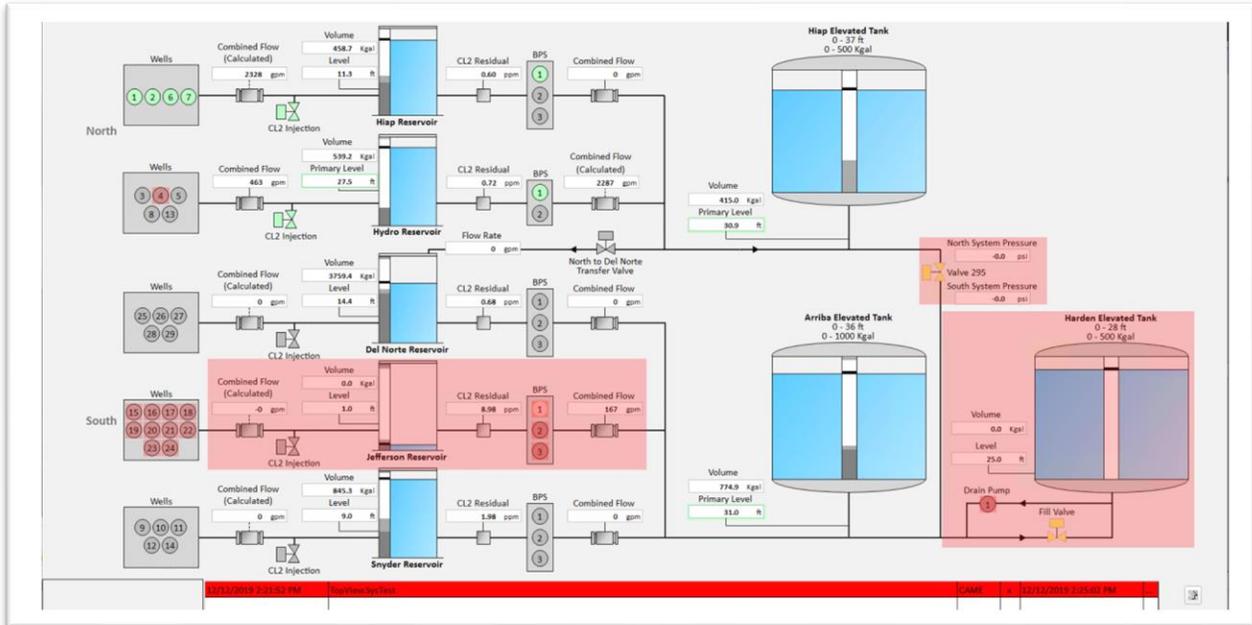
PROJECT LOCATION: District-wide

PROJECT BASIS: Water Use Efficiency

TOTAL PROJECT COST: \$1,500,000

DESCRIPTION: In September 2020, District staff applied for the U.S. Bureau of Reclamation WaterSmart Grant Program for an Automatic Meter Reading/Automatic Metering Infrastructure (AMR/AMI) Implementation Project. The project includes the upgrade of approximately 3,424 existing touch meters (currently read via walking) with an AMI network system that will automatically collect and store hourly consumption data, aiding in water conservation, improved water management, and energy savings. The new system can provide hourly water usage information, customers will be able to know their consumption in near real time on their computer or mobile devices to receive high usage and leak alerts. This allows for improved customer service and an enhanced customer experience with the District. This is a multi-year project

PROJECT TITLE: SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) UPGRADES



CAPITAL PLAN

CLASSIFICATION: Project #9

PROJECT LOCATION: District-wide

PROJECT BASIS: End of Service life; Reliability

TOTAL PROJECT COST: \$900,000

DESCRIPTION: The District’s Supervisory Control and Data Acquisition (SCADA) System is a critical system used for the daily operation and monitoring of facilities in the water, wastewater, and recycled water systems. The District is in the process of a multi-year phased approach to upgrade the system to improve communication, update security and replace equipment that has reached the end of its service life. This is a multi-year project

PROJECT TITLE: MAINTENANCE EQUIPMENT TRAILER



CAPITAL PLAN

CLASSIFICATION: Project #10

PROJECT LOCATION: Waste Water Treatment Plant (WWTP)

PROJECT BASIS: General Maintenance

TOTAL PROJECT COST: \$39,000

DESCRIPTION: The District’s Maintenance staff does not currently have access to the equipment trailer capable of loading and carrying the District’s Backhoe and Skiploader. The proposed trailer would have a gross vehicle weight rating (GVWR) of 25,000-36,000 lbs.

PROJECT TITLE: PUMP REPLACEMENT PROGRAM



CAPITAL PLAN

CLASSIFICATION: Project #11

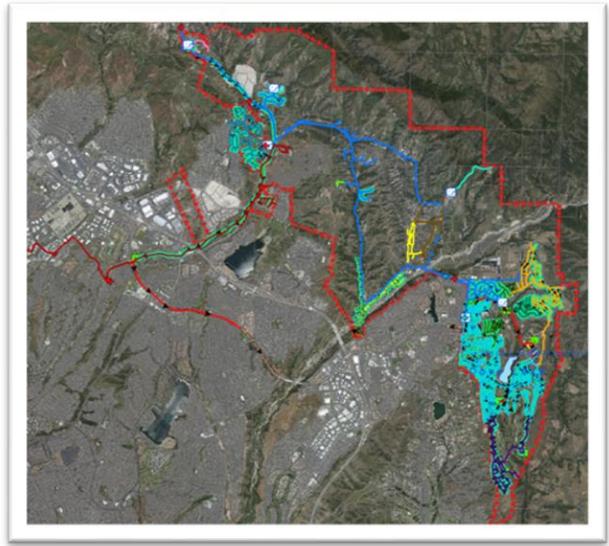
PROJECT LOCATION: District-wide

PROJECT BASIS: End of Service Life

TOTAL PROJECT COST: \$100,000

DESCRIPTION: The District operates its drinking water, recycled water, and sewer pumping plants at some of the highest elevations in Orange County. The preventative maintenance of the pumps and related facilities is of paramount concern for the District. This budget is an annual programmatic budget.

PROJECT TITLE: MASTER PLAN AND CONDITION ASSESSMENT



CAPITAL PLAN

CLASSIFICATION: Project #12

PROJECT LOCATION: District-wide

PROJECT BASIS: Reliability; Safety

TOTAL PROJECT COST: \$250,000

DESCRIPTION: The District owns and operates eight (8) domestic water pump stations, eight (8) sewer lift stations, seven (7) domestic reservoirs, two (2) non-domestic water pump stations, one non-domestic reservoir, Dove Lake, Dimension Water Treatment Plant, Robinson Ranch Wastewater Treatment Plant, three (3) dry-weather runoff recovery pump stations, and two (2) wells with a treatment facility. The Districts’ most recent Master Plan was completed in 1999. Since that time, there have been new facilities, developments, and various facility upgrades. This project will update the current hydraulic models, develop a sewer model, update the GIS database, recommend future Capital Improvement Projects and provide a condition assessments of the District facilities. This is a multi-year project.

PROJECT TITLE: MANHOLE RECOATING PROGRAM - SEWER



CAPITAL PLAN

CLASSIFICATION: PROJECT #13

PROJECT LOCATION: District-wide

PROJECT BASIS: General Maintenance

TOTAL PROJECT COST: \$20,000

DESCRIPTION: The District owns and operates a sanitary sewer system that is comprised of approximately forty-seven (47) miles of pipelines (gravity and force mains) and 800 sewer manholes. During weekly line cleaning, operations has identified manholes in need of coating or recoating. This budget is an annual programmatic budget.

PROJECT TITLE: PRESSURE REGULATING VALVE (PRV) VAULT IMPROVEMENTS PROGRAM, NON-DOMESTIC



CAPITAL PLAN CLASSIFICATION:

PROJECT #14

PROJECT LOCATION:

District-wide

PROJECT BASIS:

General Maintenance

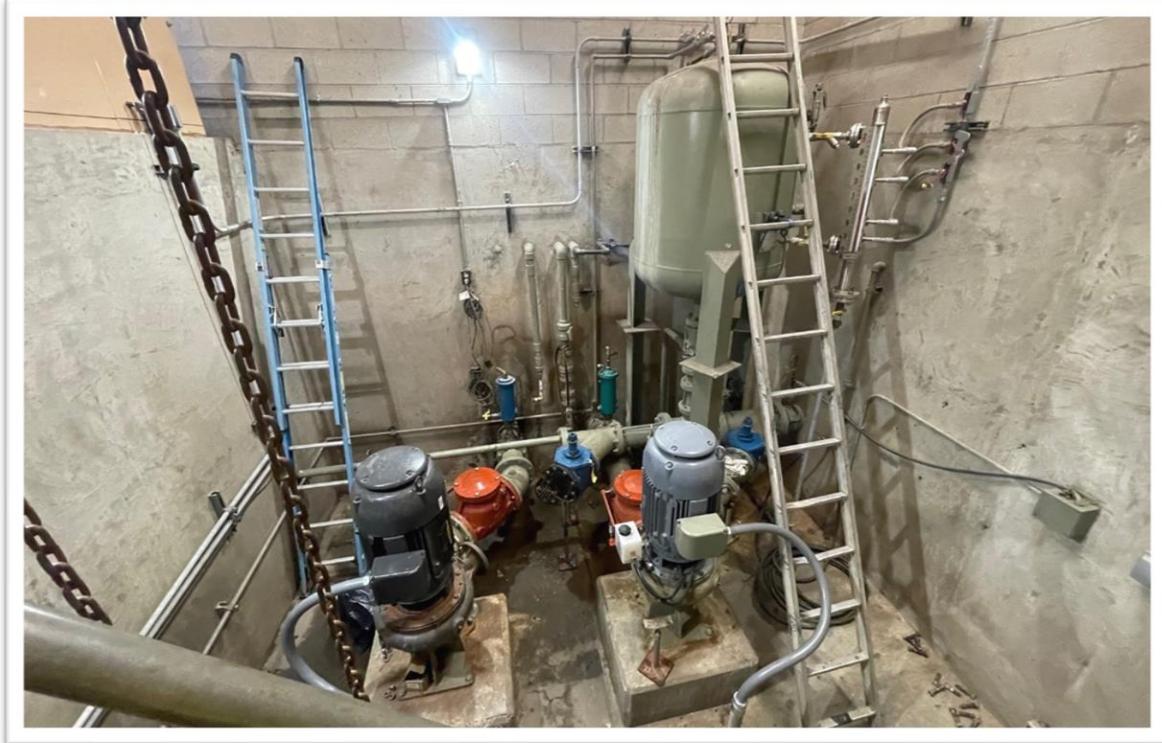
TOTAL PROJECT COST:

\$45,000

DESCRIPTION:

The District owns and operates a non-domestic water system that includes pressure regulating valves (PRVs)/vaults in its service area. The purpose of these PRVs are to reduce and regulate high system pressures to prevent the downstream system from damage. This budget is an annual programmatic budget.

PROJECT TITLE: GOLF CLUB SEWER LIFT STATION – WETWELL, SURGE TANK, BYPASS, DRY PIT AND SECURITY



CAPITAL PLAN

CLASSIFICATION: Project #15

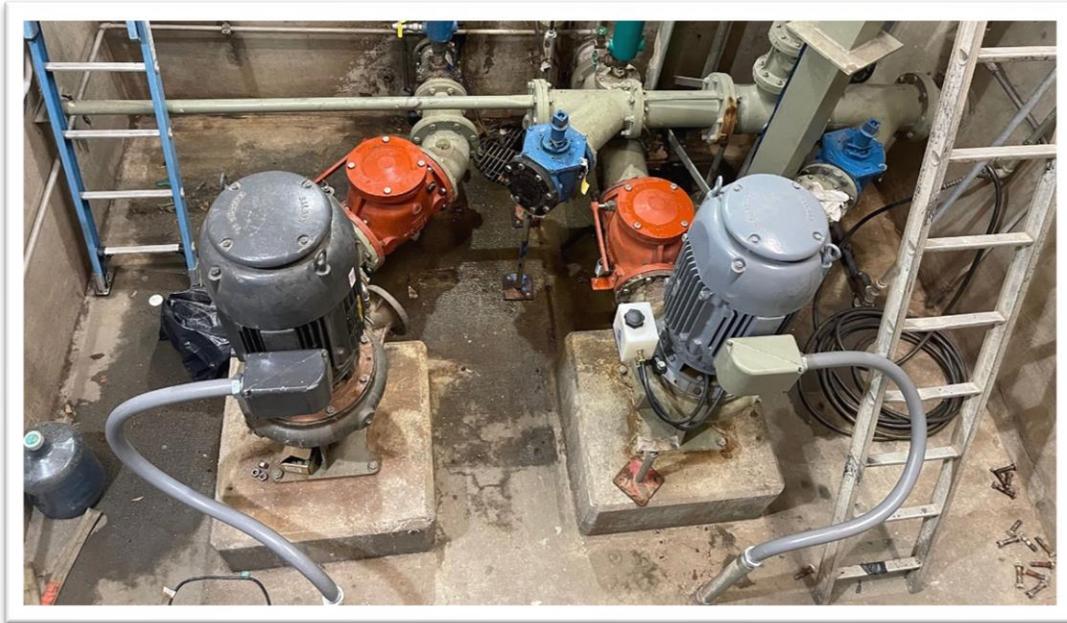
PROJECT LOCATION: Golf Club Sewer Lift Station

PROJECT BASIS: End of Service Life

TOTAL PROJECT COST: \$675,000

DESCRIPTION: Golf Club Sewer Lift Station (GCSLS) in the Dove Canyon Community is in the process of some critical repairs and improvements. This project proposes to replace and relocate the surge tank, install two (2) first stage submersible pumps, recoat the wet well and replace piping in the wet well and dry pit.

PROJECT TITLE: GOLF CLUB SEWER LIFT STATION – PUMP PROCUREMENT (3)



CAPITAL PLAN

CLASSIFICATION: Project #16

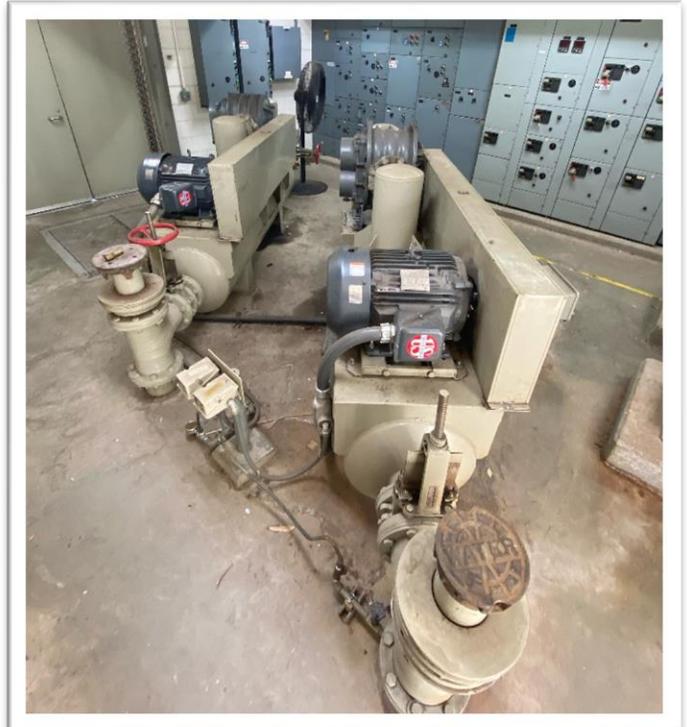
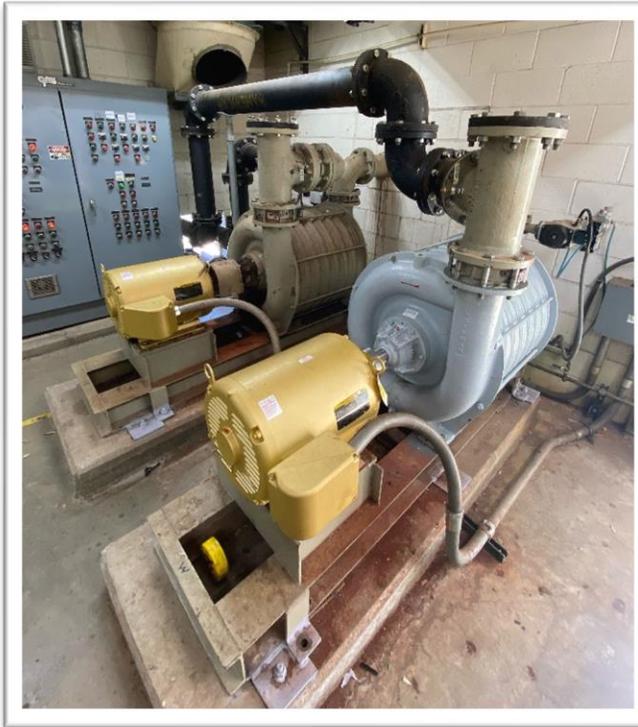
PROJECT LOCATION: Golf Club Sewer Lift Station

PROJECT BASIS: End of Service Life

TOTAL PROJECT COST: \$195,000

DESCRIPTION: Purchase three (3) first stage submersible pumps (one spare) which include heavy duty discharge elbows and an engineered guild rail systems

PROJECT TITLE: WASTE WATER TREATMENT PLANT – BLOWERS (2)



CAPITAL PLAN

CLASSIFICATION: Project #17

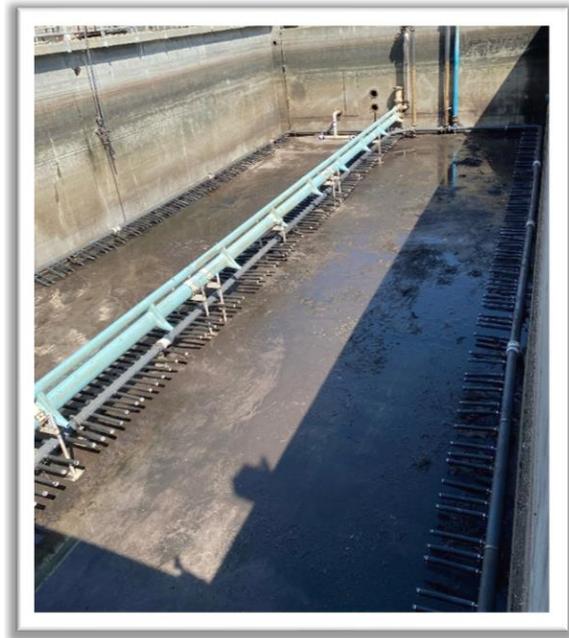
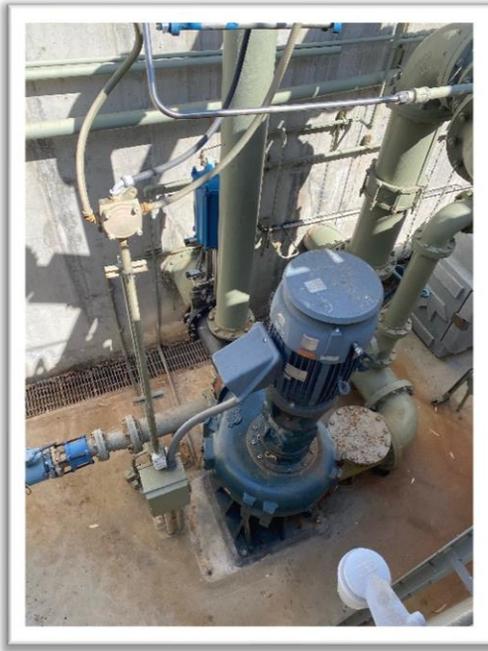
PROJECT LOCATION: Waste Water Treatment Plant

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$250,000

DESCRIPTION: The District’s Waste Water Treatment Plant operates a blower- aeration system consisting of four (4) blower-motors configurations. Two (2) of the following blower-motor configurations (Sutorbilt positive displacement blowers; pictured right) lack the needed capacity to effectively overcome pressure changes as a result of varying elevation within the sequencing batch reactors (SBR). Replacement of the positive displacement blowers is proposed, transitioning to multistage centrifugal air blowers matching the existing operational configurations (pictured left), resulting in increased efficiency and redundancy.

PROJECT TITLE: WASTE WATER TREATMENT PLANT – MIXERS (4)



CAPITAL PLAN

CLASSIFICATION: Project #18

PROJECT LOCATION: Waste Water Treatment Plant

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$150,000

DESCRIPTION: The District’s Waste Water Treatment Plant operates a jet pump-mixer system configuration to airate and mix the sequencing batch reactors (SBRs). The existing jet pump configuration exceeds the necessary mixing requirements based on the size of the reactors, creating destructive rolling within the SBR resulting in damage to the diffusers. The current jet pump configuration will be repurposed for transfer between SBR basins. Four (4; two per basin) floating 7.5hp AquaDDM (Direct Drive Mixers) will replace the existing mixing system, resulting in maximized mixing efficiency within the basins.

PROJECT TITLE: CHIQUITA WASTE WATER TREATMENT PLANT CIP



CAPITAL PLAN

CLASSIFICATION: Project #19

PROJECT LOCATION: SMWD Chiquita Waste Water Treatment Plant

PROJECT BASIS: Reliability

TOTAL PROJECT COST: \$178,000

DESCRIPTION: Contractual requirement for the Districts' capacity/treatment at the Chiquita Waste Water Treatment Plant. This is an average yearly cost.

PROJECT TITLE: EL TORO SEWER LIFT STATION IMPROVEMENTS – SURGE TANK IMPROVEMENTS



CAPITAL PLAN

CLASSIFICATION: Project #20

PROJECT LOCATION: El Toro Sewer Lift Station

PROJECT BASIS: End of Service Life; Reliability

TOTAL PROJECT COST: \$250,000

DESCRIPTION: El Toro Sewer Lift Station (ETSLS) surge tank failed in 2021 and the replacement system has been designed and is in the process of procurement. Construction will occur in the 2022-2023 fiscal year.

PROJECT TITLE: EL TORO SEWER LIFT STATION IMPROVEMENTS – FORCE MAIN DISCHARGE VALVE REPAIR/ REPLACEMENT



CAPITAL PLAN

CLASSIFICATION: Project #21

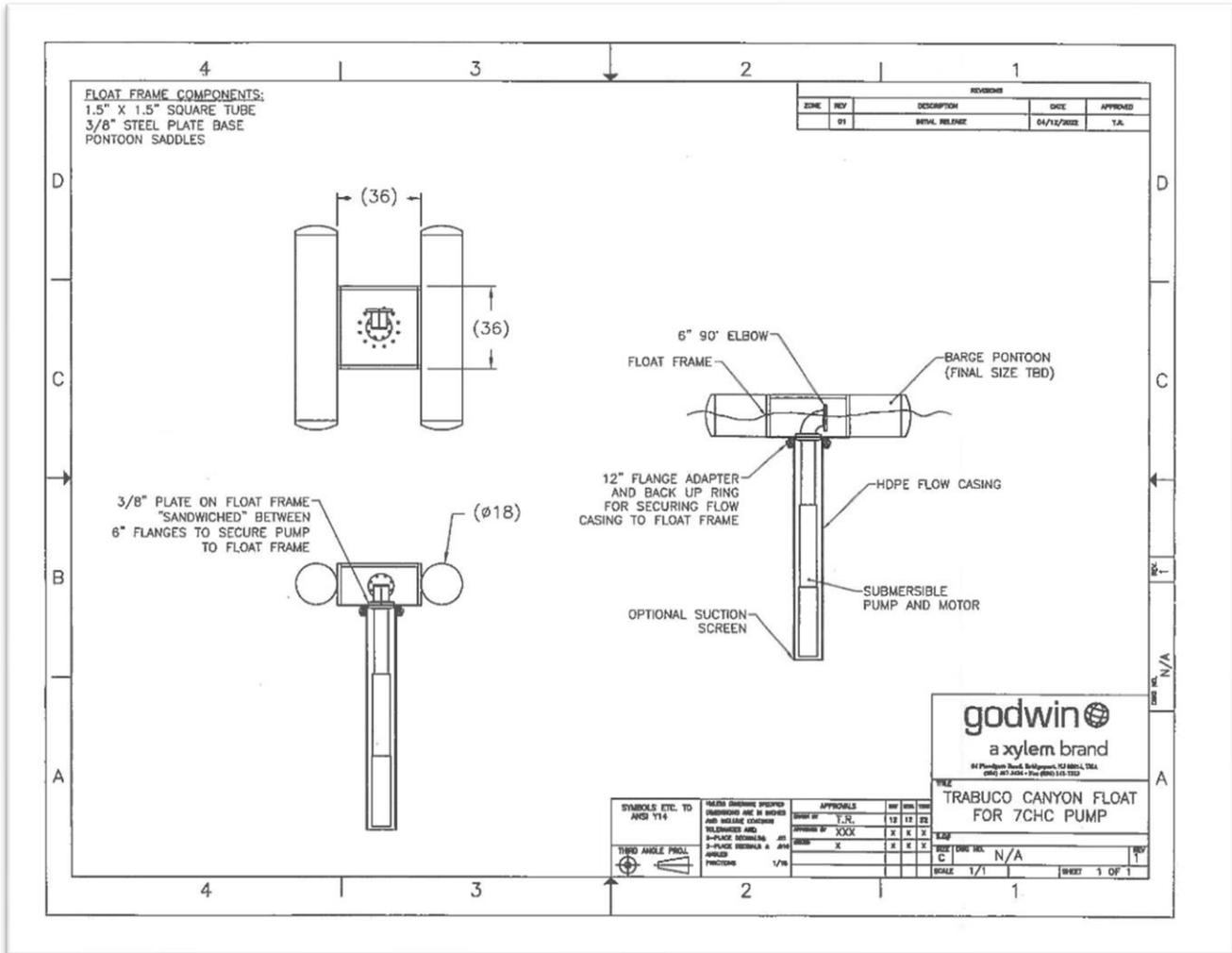
PROJECT LOCATION: El Toro Sewer Lift Station

PROJECT BASIS: End of Service Life

TOTAL PROJECT COST: \$35,000

DESCRIPTION: El Toro Sewer Lift Station (ETSLS) discharges via an 8” or 12” PVC pipeline, which are in parallel. Immediately outside the station on El Toro Road, the 12” plug valve has become unoperable and needs to be repaired or replaced. The 8” valve was replaced 5 years ago.

PROJECT TITLE: DOVE LAKE BARGE PUMP REPLACEMENT



CAPITAL PLAN

CLASSIFICATION: Project #22

PROJECT LOCATION: Dove Lake

PROJECT BASIS: General Maintenance

TOTAL PROJECT COST: \$30,000

DESCRIPTION: The District currently operates a fixed submersible pump configuration at Dove Lake. A floating submersible barge pump is proposed to replace the existing fixed submersible pump configuration and will provide operations with better accessibility to the equipment. The proposed barge pump CAD drawings are pictured above.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | JUNE 8, 2022**

**FINANCIAL MATTERS
ITEM 5: OTHER MATTERS**

RECOMMENDED ACTION:

Hear Other Matters from the General Manager or District Staff.

CONTACTS (staff responsible): PALUDI/PEREA

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | JUNE 8, 2022**

**FINANCIAL MATTERS
ITEM 6: FINANCIAL REPORT**

A) PRESENTATION OF PRELIMINARY UNAUDITED FINANCIAL STATEMENTS

RECOMMENDED ACTION:

Recommend that the Board receive and file the preliminary unaudited financial statements for April 2022 (Consent Calendar).

B) BILLS FOR CONSIDERATION

The total of the bills for consideration will be presented at the time of the June 8, 2022 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 June 8, 2022 as presented (Consent Calendar).

CONTACTS (staff responsible): PALUDI/PEREA/WARNER



Trabuco Canyon Water District

Statement of Revenues & Expenses

FY 2021-22 (Unaudited)

	April 2022	March 2022	Current YTD	Annual Budget	83% YTD	Prior YTD
1 Operating Revenue						
2 Residential Water	\$ 287,221	\$ 246,033	\$ 3,022,128	\$ 4,116,200	73%	\$ 3,063,884
3 Business & Industrial Water	8,595	9,256	100,818	165,600	61%	127,428
4 Irrigation Water	73,051	111,584	1,100,000	1,075,200	102%	784,165
5 Stand-by	3,831	9,148	30,639	41,800	73%	25,066
6 Sanitation Revenue	158,585	157,480	1,529,656	1,964,200	78%	1,457,729
7 Recycled & Reclaimed Revenue	86,453	29,847	754,078	999,000	75%	671,492
8 Baker Treatment Plant Water Sales *	-	87,081	838,226	1,383,500	61%	1,068,490
9 Other Operating Revenue	23,721	13,739	147,856	179,600	82%	4,264
10 Total Operating Revenue	641,458	664,169	7,523,401	9,925,100	76%	7,202,519
11 Non-Operating Revenue						
12 Property Tax Unrestricted	556,735	120,837	1,867,778	2,006,200	93%	1,834,311
13 Interest Revenue	320	6,464	14,289	35,600	40%	35,860
14 Other Non-Operating Revenue	55,559	5,527	142,013	72,400	196%	79,708
15 Total Non-Operating Revenue	612,614	132,828	2,024,081	2,114,200	96%	1,996,137
16 Total Revenues	1,254,072	796,997	9,547,482	12,039,300	79%	9,198,656
17 Operating Expenses						
18 Source of Supply	157,331	85,511	1,813,497	2,262,400	80%	1,944,682
19 Baker Treatment SOS Costs	-	109,777	1,106,505	1,287,700	86%	888,566
20 Water Related Expense	109,678	195,458	1,598,485	2,032,100	79%	1,544,863
21 Sanitation Expense	(57,979)	45,515	923,727	1,359,200	68%	1,074,134
22 Recycled Expense	20,187	21,247	242,104	234,200	103%	187,663
23 Reclaimed Expense	20,187	21,247	242,008	234,100	103%	187,655
24 Salaries & Benefits	292,773	297,787	2,992,644	3,923,000	76%	2,836,446
25 Board Expense	9,940	10,902	98,401	122,600	80%	88,172
26 Miscellaneous Expense	7,613	296	11,313	5,000	226%	12,170
27 Total Operating Expenses	559,730	787,740	9,028,684	11,460,300	79%	8,764,351
Net Income / (Loss) before Contributed Capital, Trust Contributions & Debt Service	694,343	9,257	518,798	579,000	90%	434,306
28 Trust Contributions & Debt Service						
29 WRES Fees for Capital	68,770	68,771	687,616	822,200	84%	685,241
30 Other Capital Contributions	-	11,921	-	344,000	0%	94,763
31 Debt Principal, Interest & Issuance Costs	(115,782)	(31,282)	(312,734)	(445,300)	70%	(191,984)
32 CalPERS UAL & Pension Trust Contributions	(19,967)	(19,967)	(199,672)	(590,500)	34%	(180,110)
33 OPEB Trust Contributions & Paygo	(14,274)	(11,449)	(109,976)	(206,100)	53%	(259,253)
Net Contributed Capital, Trust Contributions & Debt Service	(81,253)	17,993	65,234	(75,700)		148,656
34 Net Income	\$ 613,090	\$ 27,250	\$ 584,032	\$ 503,300		\$ 582,962

No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.

**Baker Treatment Plant O&M revenues and expenses are billed quarterly. As a result the % of budget may appear skewed until billing occurs.*



Trabuco Canyon Water District
Balance Sheet
 April 30, 2022
 (Unaudited)

		April 2022
1	Assets	
2	Cash & Investments	
3	Cash & Investments - Unrestricted	\$ (1,027,088)
4	Cash & Investments - Restricted	14,535,504
5	Total Cash & Investments	13,508,416
6	Other Current Assets	
7	Accounts Receivable, Net	1,780,843
8	Due from Baker Treatment Plant Reserves	768,987
9	Prepaid & Other	200,275
10	Total Other Current Assets	2,750,105
11	Capital Assets	
12	Capital Assets, at Cost	123,633,981
13	Accumulated Depreciation	(76,836,320)
14	Construction in Progress	1,600,007
15	Total Capital Assets	48,397,669
16	Deferred Outflows of Resources (DOR)	1,486,261
17	Total Assets & DOR	\$ 66,142,450
18	Liabilities	
19	Current Liabilities	
20	Accounts Payable	\$ 1,248,312
21	Due to Internal Financing Fund	768,987
22	Accrued Expenses	431,742
23	Current Portion-Long Term Debt ¹	182,547
24	Deposits on Hand ¹	98,773
25	Total Current Liabilities	2,730,361
26	Long-Term Liabilities	
27	Net Pension/OPEB Liability	3,756,404
28	State Revolving Fund Loan	1,957,505
29	Bank of the West Loan	10,000,000
30	Total Long Term Liabilities	15,713,909
31	Deferred Inflows of Resources (DIR)	252,438
32	Total Liabilities & DIR	18,696,708
33	Fund Balance	47,445,742
34	Total Liabilities, Fund Balance & DIR	\$ 66,142,450

¹ Liability to be paid with restricted assets

**No assurance is provided on these financial statements. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.*



Trabuco Canyon Water District Cash & Investments Report

April 2022
(Unaudited)

	Type	Cost	Market	% Total
District Cash & Investments				
Unrestricted				
Local Agency Investment Fund (LAIF)	Investment	\$ (2,008,683)	\$ (1,986,092)	-14.9%
Bank of the West	Checking	981,595	981,595	7.3%
Total Unrestricted		(1,027,088)	(1,004,498)	-7.5%
Restricted				
LAIF - Water Storage Facilities	Investment	1,052,580	1,040,743	7.8%
LAIF - WRES - Rose Canyon/Lang Wells	Investment	1,472,200	1,455,643	10.9%
LAIF - WRES - Reservoir/Distribution Impr.	Investment	2,652,173	2,622,345	19.6%
LAIF - RD#5	Investment	76,669	75,806	0.6%
LAIF - Interim Sewage	Investment	120,270	118,917	0.9%
LAIF - Debt Issuance 2022	Investment	8,924,726	8,824,354	66.0%
Cash in CB&T Reserved for SRF Loan	Checking	236,887	236,887	1.8%
Total Restricted		14,535,504	14,374,695	107.5%
Total District Cash & Investments		\$ 13,508,416	\$ 13,370,197	100.0%

**No assurance is provided on these financial statements. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.*