

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
FEBRUARY 1, 2012**

DIRECTORS PRESENT

Jim Haselton, Committee Chair
Glenn Acosta, Committee Member

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Teresa Teichman, District Secretary
Michael Perea, Special Project Manager
Karen Warner, Accounting Supervisor

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Haselton called the February 1, 2012 Finance/Audit Committee Meeting to order at 7:55 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

There were no committee member comments.

REPORT FROM THE GENERAL MANAGER

There was no report from the General Manager

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FINANCIAL MATTERS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The January 4, 2012 Finance/Audit Committee Meeting Recap was presented to the Committee.

Recommendation: The Committee recommended that the January 4, 2012 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar).

ITEM NO. 2) RATIFICATION OF DIRECTORS' FEES AND EXPENSES AND FUTURE MEETINGS

The Committee reviewed this matter.

Recommendation: The Committee recommended that the Directors' expenses for December 2011/ January 2012 and fees for December 2011/January 2012 be forwarded to the Board for ratification. (Consent Calendar.)

ITEM NO. 3) DISCUSSION RELATING TO FISCAL YEAR 2010/2011 DRAFT AUDIT

Mr. Don Chadd, General Manager, advised TCWD's audit firm has completed the fiscal year 2010/2011 audit which will be presented to the Board at the time of the February 15, 2012 Regular Board Meeting. Mr. Chadd stated there were no findings and it was a clean audit.

Recommendation: The committee received and filed the information. No action necessary.

ITEM NO. 4) DISCUSSION RELATING TO BAKER REGIONAL WATER TREATMENT FACILITY FINANCING

Mr. Chadd advised there is no new information to report.

Recommendation: The committee received and filed the information.

ITEM NO. 5) DISCUSSION RELATING TO ADJUSTMENT TO SEWER SERVICE FEES

Mr. Chadd advised there is no new information to report.

Recommendation: The committee received and filed the information.

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**ITEM NO. 6) DISCUSSION RELATING TO ANNUAL FILING OF FORM 700
STATEMENT OF ECONOMIC INTERESTS**

Mrs. Teresa Teichman, Secretary to the Board of Directors, discussed this item. Mrs. Teichman advised the Committee and Staff that each person should have received an e-mail from the Clerk of the Orange County Board of Supervisors during mid-January 2012, notifying them that Form 700 is available to be completed on-line at this time.

Mrs. Teichman reiterated all Form 700 Statements are required to be filed prior to April 2, 2012 and reminded Staff and Committee Members they may be obligated through other agencies or associations positions to complete additional Form 700's for those entities. Mrs. Teichman provided an instruction sheet to each person and advised to contact her for any assistance needed.

Recommendation: The committee received and filed the information.

ITEM NO. 7) OTHER MATTERS

Mr. Chadd advised there are no other matters.

**ITEM NO. 8A) PRESENTATION OF OCTOBER 2011 UNAUDITED FINANCIAL
STATEMENT**

Mr. Chadd advised the Committee they have before them the new format of the unaudited financial information. Mr. Chadd advised to contact him if there were any questions relating to the information presented.

Mr. Chadd advised that Ms. Cindy Navaroli, TCWD's Treasurer, has benchmarked certain numbers and Mr. Chadd is very confident in these numbers. Mr. Chadd stated he is very pleased with the work Ms. Navaroli and Mrs. Karen Warner, TCWD Accounting Supervisor, have been performing.

Recommendation: The Committee recommended that the Board receive and file the December 31, 2011 preliminary unaudited financial statement, as presented. (Consent Calendar).

ITEM NO. 8B) BILLS FOR CONSIDERATION

The bills for consideration were presented.

Recommendation: The Committee recommended that the Board ratify payment of January 17, 2012 bills for consideration in the amount of \$139,047.40, and the February 1, 2012 bills for consideration in the amount of \$298,935.44 and the January 2012 payroll in the amount of \$167,933.76 as presented. (Consent Calendar).

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ADJOURNMENT

Committee Chair Haselton adjourned the February 1, 2012 Finance/Audit Committee Meeting at 8:00 a.m.