

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
JULY 3, 2013**

DIRECTORS PRESENT

Jim Haselton, Committee Chair
Stephen Dopudja, Committee Member

STAFF PRESENT

Hector Ruiz, General Manager
Michael Perea, District Secretary
Lorrie Lausten, Engineer
Karen Warner, Accounting Supervisor

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Haselton called the July 3, 2013 Finance/Audit Committee Meeting to order at 7:01 A.M.

VISITOR PARTICIPATION

No comments were received.

ORAL COMMUNICATION

No comments were received.

COMMITTEE MEMBER COMMENTS

Director Dopudja commented that he hoped District staff will have a happy Fourth of July Holiday with their families and friends.

Director Haselton had no comments.

REPORT FROM THE GENERAL MANAGER

The General Manager, Mr. Hector Ruiz had no comments.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

The June 5, 2013, Finance/Audit Committee Meeting Recap was presented to the Committee.

RECOMMENDED ACTION

The Committee approved and recommended that the June 5, 2013, Finance/Audit Committee Meeting Recap be received and filed by the Board (Consent Calendar).

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

The Committee reviewed the information presented. Committee Member Dopudja commented that he will contact the District Secretary, Mr. Michael Perea to advise of his schedule adjustments.

RECOMMENDED ACTION

The Committee recommended that the Directors' expenses and fees for June, 2013, and tentative future meetings be forwarded to the Board for ratification, as amended (Consent Calendar).

ITEM 3: FINANCIAL SOFTWARE SYSTEM UPGRADE

The General Manager, Mr. Hector Ruiz provided a status update on the project, and commented that the project has been completed on schedule. Mr. Ruiz commented that ten years of the District's financial data migration was successfully completed with a few glitches, but that is to be expected with the installation of any new software or new project. Mr. Ruiz added that staff will continue to work with the District Treasurer on analyzing the quality of the data migration, as well as will undergo additional training during the following weeks on the use of the new software and new system setup. Discussion occurred concerning the data migration-related issues and the financial system learning curve. Mr. Ruiz commented that this will be the last staff report on this matter as the project is complete, and that any future information will be presented in his General Manager Report for future Committee Meetings. Discussion occurred concerning opportunities for staff to attend future Microsoft Dynamics/Great Plains training workshops.

RECOMMENDED ACTION

Received status update, no action taken.

ITEM 4: OTHER MATTERS

The General Manager, Mr. Hector Ruiz commented on the following matters:

- Mr. Ruiz commented that the District has received the Baker Regional Water Treatment Plant Project (Project) Design invoice from Irvine Ranch Water District, and that it reflected the current and approved changes in cost. Discussion occurred concerning previous invoices for the District's involvement in the Project.
- Mr. Ruiz commented that staff has been notified by the County of Orange Auditor-Controller concerning the Department of Finance's repayment of Proposition 1A borrowed property tax revenue. Mr. Ruiz presented a copy of the Department of Finance's correspondence to the Committee.
- Mr. Ruiz commented that staff has been notified by CalPERS concerning health benefit rates for calendar year 2014, and that the District benchmark plan rate is scheduled for an increase of 0.16%. Discussion occurred concerning the overall adjustments to the CalPERS health plan rates.

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The District Secretary, Mr. Michael Perea commented that the information provided by CalPERS demonstrated that despite fluctuations to each of the provided health plans, the District benchmark plan experienced a nominal adjustment.

RECOMMENDED ACTION

No action taken.

ITEM 5: FINANCIAL REPORT

ITEM 5A: PRESENTATION OF MAY, 2013, UNAUDITED FINANCIAL STATEMENT

The General Manager, Mr. Hector Ruiz presented the unaudited financial statement for May, 2013.

RECOMMENDED ACTION

The Committee recommended that the Board receive and file the May, 2013, preliminary unaudited financial statement, as presented (Consent Calendar).

ITEM 5B: BILLS FOR CONSIDERATION

The General Manager, Mr. Hector Ruiz presented the bills for consideration.

RECOMMENDED ACTION

The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of bills for consideration for July 3, 2013, as presented (Consent Calendar).

ADJOURNMENT

Committee Chair Haselton adjourned the July 3, 2013 Finance/Audit Committee Meeting at 7:19 A.M.