

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
SEPTEMBER 4, 2013**

DIRECTORS PRESENT

Jim Haselton, Committee Chair
Stephen Dopudja, Committee Member

STAFF PRESENT

Hector Ruiz, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Karen Warner, Accounting Supervisor

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Haselton called the September 4, 2013, Finance/Audit Committee Meeting to order at 7:04 A.M.

VISITOR PARTICIPATION

No comments were received.

ORAL COMMUNICATION

No comments were received.

COMMITTEE MEMBER COMMENTS

There were no Committee Member comments received.

REPORT FROM THE GENERAL MANAGER

There were no General Manager comments received.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

The July 3, 2013, Finance/Audit Committee Meeting Recap was presented to the Committee.

RECOMMENDED ACTION

The Committee approved and recommended that the July 3, 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 Chair Haselton requested that staff include the meetings for the current month on the Tentative Meeting Schedule; District Secretary Mr. Michael Perea commented that the Schedule will be modified to reflect the current month meetings.

RECOMMENDED ACTION

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

ITEM 3: OTHER MATTERS

The General Manager, Mr. Hector Ruiz commented there were no other matters to discuss.

RECOMMENDED ACTION

No action taken.

ITEM 4: FINANCIAL REPORT

ITEM 4A: PRESENTATION OF JUNE, 2013, UNAUDITED FINANCIAL STATEMENT

The General Manager, Mr. Hector Ruiz commented that the District Treasurer, Ms. Cindy Byerrum was in attendance to present the unaudited financial statement for June, 2013. Mr. Ruiz added that staff has been working with the new Great Plains Financial Software System for the financials beginning July 1, 2013, and that there have been some processing/developmental/migration issues which are typical for new software use. Mr. Ruiz commented that staff will present the unaudited financial statements for July and August, 2013, at the next Committee Meeting.

Ms. Byerrum reviewed the unaudited financial statement for June, 2013. Discussion occurred concerning Irrigation Water Revenues to date and overall recycled water demand. Ms. Byerrum commented that the total Operating Revenue to date has been positive. Discussion occurred concerning financing options available to the District's for its participation in Irvine Ranch Water District's (IRWD) Baker Regional Water Treatment Facility (BRWTF). Mr. Ruiz commented that the District may fund its participation in the BRWTF Project by temporarily borrowing from reserves, and then replenishing the reserves with collecting from the Water Reliability and Emergency Storage fees. Discussion occurred concerning recycled water demand and the impacts of the warm weather. Mr. Ruiz commented that due to the warmer weather, Wastewater Operations have supplemented the recycled water reservoir at the Robinson Ranch Wastewater Treatment Plant (WWTP) with potable water in order to meet demand. Discussion occurred concerning the Dove Canyon Golf Course and the District's Dry Season Recovery Stations located in the Dove Canyon community. Mr. Ruiz commented that staff is preparing a new unaudited financial statement format for the next Committee Meeting, based on the implementation of the new Great Plains Financial Software System. Mr. Ruiz added that the new document format will consolidate information in an effort to streamline the number of pages.

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RECOMMENDED ACTION

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

ITEM 4B: 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 September 4, 2013, as presented (Consent Calendar).

ADJOURNMENT

Committee Chair Haselton adjourned the September 4, 2013 Finance/Audit Committee Meeting at 7:25 A.M.