



**FINANCE/AUDIT COMMITTEE MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CA
VIDEO/AUDIO BROADCAST MEETING – OCTOBER 14, 2020 AT 1:00 PM**

COMMITTEE MEMBERS

Don Chadd, Committee Chair
Michael Safranski, Committee Member

DISTRICT STAFF

Fernando Paludi, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Karen Warner, Senior Accountant

AGENDA NOTE:

Meeting attendees should be aware that the meetings of the Board of Directors are, as required by law, open to the public and the District has very limited powers to regulate who attends Board meetings.

CONFERENCE CALL INFORMATION

Due to the spread of COVID-19 and as authorized by the Governor's Executive Order, Trabuco Canyon Water District will be holding all upcoming public meetings by Go To Meeting, and will be available by either computer or telephone audio as follows:

Computer Audio: *You can join the meeting from your computer, tablet, or smartphone by clicking on the following link: <https://global.gotomeeting.com/join/349651253>*

Telephone Audio: *1 866 899 4679 (Toll Free)*

Access Code: *349-651-253*

Persons desiring to monitor the Board meeting agenda items may download the Board meeting agenda and documents on the internet at www.tcwd.ca.gov.

You may submit public comments by email to the Board 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 10:00 a.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.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING AGENDA | OCTOBER 14, 2020**

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

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. September 9, 2020

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

RECOMMENDED ACTION:

Recommend the Board of Directors ratify the Directors' fees and expenses for September 2020 and tentative future meetings/attendance. (Consent Calendar)

ITEM 3: OTHER MATTERS

RECOMMENDED ACTION:

Hear Other Matters from the General Manager or District Staff.

ITEM 4: FINANCIAL REPORT

A) PRESENTATION OF UNAUDITED FINANCIAL STATEMENTS

RECOMMENDED ACTION:

Recommend that the Board receive and file the preliminary unaudited financial statements for August 2020 (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 October 14, 2020 as presented. (Consent Calendar).

ADJOURNMENT

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING AGENDA | OCTOBER 14, 2020**

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.

The District may conduct future meetings electronically (via teleconferencing) during the current ongoing emergency situation.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 14, 2020**

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. *September 9, 2020*

CONTACTS (staff responsible): PALUDI/PEREA



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 9, 2020**

DIRECTORS PRESENT

Director Don Chadd, Committee Chair
Director Mike Safranski, Committee Member

STAFF PRESENT

Michael Perea, Assistant General Manager / Board Secretary
Lorrie Lausten, District Engineer
Karen Warner, Senior Accountant
Lisa Marie Sangi, Administrative Assistant
Jason Stroud, Maintenance Superintendent

DISTRICT STAFF ABSENT

Fernando Paludi, General Manager

DISTRICT STAFF VIA CONFERENCE CALL

None

DISTRICT CONSULTANT(S) VIA CONFERENCE CALL

Cindy Byerrum, District Treasurer (Eide Bailly)

PUBLIC PRESENT

There were no members of the public present.

CALL MEETING TO ORDER

Director Chadd called the September 9, 2020 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

None

REPORT FROM THE ASSISTANT GENERAL MANAGER

Mr. Perea reported the following matters:

- Mr. Perea reported that the General Manager was out of the office on vacation.
- Mr. Perea reported that he attended the Orange County Local Agency Formation Commission (OC LAFCO) virtual meeting, and he mentioned that the Municipal Service Reviews (MSRs) for the Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD) were approved unanimously by the Commission. Mr. Perea briefly highlighted a comment letter the Commission received from Yorba Linda Water

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 9, 2020**

District (YLWD) related to the MSR reports.

- Mr. Perea reported that the District received a Public Safety Power Shutoff (PSPS) notification from Southern California Edison (SCE) the prior weekend, but that SCE did not deactivate any electrical circuits.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Perea 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. Perea presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review.

RECOMMENDED ACTION:

The Committee recommended that the Directors' Fees and Expenses Report for August 2020, and the Tentative Future Meetings/Attendance Report be forwarded to the Board of Directors for ratification (Consent Calendar).

ITEM 3: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT HEALTH BENEFIT COSTS FOR 2020 OPEN ENROLLMENT

Mr. Perea presented this matter for Committee review, and he mentioned that CalPERS had released their health plan rates later than normally this year due to the impacts of COVID-19. Mr. Perea briefly highlighted the overall financial impacts of the health plan cost adjustments, and he provided a six-year trend analysis of the monthly costs. Discussion occurred concerning the potential impacts to the annual budget for employee health costs; Mr. Perea reported that the benchmark plan is scheduled to increase by six (6) percent in 2021.

RECOMMENDED ACTION:

The Committee recommended that the Board of Directors adopt the CalPERS 2021 Health Benefit Rates effective January 1, 2020 by Resolution (Action Calendar).

ITEM 4: DISCUSSION CONCERNING THE PURCHASE OF A VEHICLE FOR TRABUCO CANYON WATER DISTRICT'S HEAVY EQUIPMENT VEHICLE FLEET

Mr. Perea presented this item for Committee consideration, and he commented that District staff budgeted for the replacement of the current dump truck in the Fiscal Year 2020/2021 budget due to the regulatory impacts of the California Air Resource Board (CARB) on heavy-duty equipment. Mr. Perea reported that District staff procured three quotes for a replacement vehicle, and that District staff recommends the purchase of the Ford F650 Dump Truck for approximately \$90,000. Director Chadd requested that District staff bring additional information and photos for Board consideration at the Regular Board Meeting.

RECOMMENDED ACTION:

The Committee approved and recommended the Board of Directors ratify the purchase of one new 2021 Ford F650 truck from Tuttle Click Automotive Group for a not to exceed amount of \$89,705 (Action Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 9, 2020**

ITEM 5: DISCUSSION CONCERNING DISPOSAL OF SURPLUS EQUIPMENT

Mr. Perea presented this matter for Committee review, and he provided a brief review of the District Policy Regarding the Disposal of Surplus Property Other Than Real Property (Policy) for the Committee. Mr. Perea reviewed the property and equipment survey report consistent with Policy requirements. Discussion occurred concerning the use of a national auction company to provide a wider exposure to potential buyers in other states, and California Air Resource Board (CARB) regulatory requirements and restrictions on the use of heavy-duty diesel trucks and equipment within the State.

RECOMMENDED ACTION:

The Committee recommended the Board of Directors approve the disposal of surplus equipment – District vehicles in accordance with District Policy Regarding the Disposal of Surplus Property Other Than Real Property (Action Calendar).

ITEM 6: APPLICATION FOR THE U.S. BUREAU OF RECLAMATION'S WATERSMART GRANTS PROGRAM FOR AN AUTOMATIC METER READING/ADVANCED METERING INFRASTRUCTURE (AMR/AMI) IMPLEMENTATION PROJECT

Mr. Perea presented this matter for Committee review, and he mentioned that this matter was previously reviewed with the Engineering/Operational Committee. Mr. Perea reported that District staff has worked with Soto Resources to assist with the preparation of the proposed application for the U.S. Bureau of Reclamation (USBR) WaterSmart Grant Program. Mr. Perea provided a brief review of the grant application process and funding groups, and he identified areas of cost savings through the implementation of an AMR/AMI metering system. Mr. Perea added that USBR requires the governing board of the applicant agency to adopt a resolution in support of the project. Mr. Perea reported that approximately twenty percent of the residential water meters District's service area have been replaced with AMR meters.

RECOMMENDED ACTION:

The Committee recommended that the information be forwarded to the Board of Directors (Action Calendar).

ITEM 7: DISCUSSION CONCERNING THE PROPOSED BARNEBURG SEWER LIFT STATION DRY PIT PIPING REPAIRS AND INSTALLATION

Mr. Perea presented this matter for Committee review. Mr. Perea mentioned that normally this type of matter would be reviewed with the Engineering/Operational Committee, however the proposals for the proposed repairs were received after the Engineering/Operational Committee Meeting. Mr. Perea reported that Wastewater Operations have performed minor repairs to the facility equipment and infrastructure over the years, but he mentioned that staff have identified significant necessary repairs. Mr. Perea briefly reviewed proposals with the Committee. Discussion occurred concerning certain proposal cost differences related to the project scope of work. Director Safranski asked District staff to confirm with the proposed costs with Ferreira Construction before proceeding. Director Chadd recommended forwarding the matter to the Board of Directors with staff findings.

RECOMMENDED ACTION:

The Committee recommended forwarding this matter to the Board of Directors for their review (Action Calendar).

ITEM 8: OTHER MATTERS

There were no other matters presented for discussion.

RECOMMENDED ACTION:

No action was taken.

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | SEPTEMBER 9, 2020**

ITEM 9: FINANCIAL REPORT

Mr. Perea presented the unaudited financials for July 2020.

STATEMENT OF REVENUES AND EXPENSES

Operating Revenue, Residential Water Revenue

Mr. Perea reported that this line item was higher than anticipated for the time of the year due to increased water demands.

Operating Revenue, Baker Treatment Plant Water Sales

Mr. Perea reported that this line item was lower than the prior month due to decreased water sales to the City of San Clemente.

Operating Expenses, Total Operating Expenses

Mr. Perea reported that this line item was lower than anticipated for the time of the year due to less operating expenses and he briefly reviewed certain associated costs and expenses for the month.

RESTRICTED ASSETS REPORT

Mr. Perea reviewed the District's reserve account levels for the month of July.

INVESTMENT SCHEDULE

Mr. Perea reviewed the District's investments fund levels for the month of July.

RECOMMENDED ACTION:

The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of the bills for consideration for September 9, 2020 as presented (Consent Calendar).

ADJOURNMENT

Director Chadd adjourned the September 9, 2020 Finance/Audit Committee Meeting at 1:41 PM.

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 14, 2020**

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 a 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 September 2020 and tentative future meetings/attendance. (Consent Calendar)

EXHIBIT(S):

1. Directors' Fees and Expenses Report for September 2020
2. Directors' Tentative Future Meetings/Attendance – Calendar Year 2020.

CONTACTS (staff responsible): PALUDI/PEREA

**TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | SEPTEMBER 2020**

MEETING DESCRIPTION	ACOSTA	CHADD	DOPUDJA	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
Engineering/Operational Committee Meeting			09/02/20	09/02/20	
Finance/Audit Committee Meeting		09/09/20			09/09/20
Individual Meeting with General Manager	09/14/20	09/15/20	09/15/20	09/14/20	09/11/20
Regular Board Meeting	09/16/20	09/16/20	09/16/20	09/16/20	09/16/20
REPRESENTATIVE MEETINGS					
City of Rancho Santa Margarita City Council Meeting	09/09/20				
City of Rancho Santa Margarita City Council Meeting	09/23/20				
City of Rancho Santa Margarita Planning Commission	09/02/20				
Orange County Water District Webinar: Seawater Intrusion Barrier	09/29/20				
South Orange County Agencies Group	09/22/20	09/22/20	09/22/20	09/22/20	09/22/20
South Orange County Watershed Management Agency (SOCWMA)					
South Orange County Wastewater Authority (SOCWA) Regular Board Meeting			09/03/20		
Water Advisory Committee of Orange County Meeting (WACO)	09/11/20				
NUMBER OF MEETINGS ATTENDED	8	4	5	4	4
FEES (\$125 per each meeting*)	\$1,000.00	\$500.00	\$625.00	\$500.00	\$500.00
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	\$500.00	\$625.00	\$500.00	\$500.00
<i>* Maximum per diem per day is one; maximum per diems per month is 10</i>					

DIRECTOR SIGNATURE

TRABUCO CANYON WATER DISTRICT | 2020 PUBLIC MEETING AND CONFERENCE CALENDAR

2020													
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	01/08/20			TBD			TBD			TBD		
2	Engineering/Operational Committee Meeting	01/08/20	02/05/20	03/04/20	04/01/20	05/06/20	06/03/20	07/01/20	08/05/20	09/02/20	10/07/20	11/04/20	12/02/20
3	Finance/Audit Committee Meeting	01/08/20	02/12/20	03/11/20	04/08/20	05/13/20	06/10/20	07/08/20	08/12/20	09/09/20	10/14/20	11/11/20	12/09/20
4	Regular Board Meeting	01/15/20	02/19/20	03/18/20	04/15/20	05/20/20	06/17/20	07/15/20	08/19/20	09/16/20	10/21/20	11/18/20	12/16/20
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/08/20	02/12/20	03/11/20	04/08/20	05/13/20	06/10/20	07/08/20	08/12/20	09/09/20	10/14/20	11/11/20	12/09/20
7	City of RSM City Council Meeting - Meeting No. 2	01/22/20	02/26/20	03/25/20	04/22/20	05/27/20	06/24/20	07/22/20	08/26/20	09/23/20	10/28/20	11/25/20	12/23/20
8	Independent Special Districts of Orange County Meeting	01/07/20	02/04/20	03/03/20	04/07/20	05/05/20	06/02/20	07/07/20	08/04/20	09/01/20	10/06/20	11/03/20	12/01/20
9	Independent Special Districts of Orange County Meeting	01/30/20	-	-	04/30/20	-	-	07/30/20	-	-	10/29/20	-	-
10	Orange County Local Agency Formation Commission (OC LAFCO)	01/08/20	02/12/20	03/11/20	04/08/20	05/13/20	06/10/20	07/08/20	08/12/20	09/09/20	10/14/20	11/11/20	12/09/20
11	Santiago Aqueduct Commission Meeting	-	-	-	-	-	06/18/20	-	-	09/17/20	-	-	12/17/20
12	South Orange County Water Agencies Group Meeting*	01/28/20	-	03/24/20	-	05/26/20	-	07/28/20	08/25/20	09/22/20	-	11/24/20	-
13	South Orange County Wastewater Authority Regular Board Meeting	01/09/20	02/06/20	03/05/20	04/02/20	05/14/20	06/04/20	07/02/20	08/06/20	09/03/20	10/01/20	11/05/20	12/03/20
14	Water Advisory Committee of Orange County	01/03/20	02/07/20	03/06/20	04/03/20	05/01/20	06/05/20	07/03/20	08/07/20	09/04/20	10/02/20	11/06/20	12/04/20
CONFERENCES													
15	ACWA Spring Conference - Monterey, CA					5/5 - 5/8		07/28 - 7/31					
16	ACWA Fall Conference - Indian Wells, CA												12/1 - 12/4
17	CSDA Annual Conference - Palm Desert, CA								8/24 - 8/27				
18	CSDA GM Leadership Summit - Newport Beach, CA						6/28 - 6/30						
19	CSDA SDLA Conference - San Diego, CA				4/19 - 4/22							11/15 - 11/18	

LEGEND

- District Observed Holiday - Reschedule Meeting
- *4th Tuesday of the Odd Numbered Month
- Meetings with a strikethrough are cancelled

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING | OCTOBER 14, 2020**

FINANCIAL MATTERS

ITEM 3: OTHER MATTERS

Other financial matters may have arisen after the posting of the agenda and will be brought forward for discussion and/or information at the time of the Finance/Audit Committee Meeting.

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 | OCTOBER 14, 2020**

FINANCIAL MATTERS

ITEM 4: FINANCIAL REPORT

A) PRESENTATION OF PRELIMINARY UNAUDITED FINANCIAL STATEMENTS

The following preliminary unaudited financial statements are included for Committee review:

- Statement of Revenues and Expenses
- Comparative Balance Sheet
- Restricted Assets Report
- Investment Schedule
- Summary of Checking Account Activity

RECOMMENDED ACTION:

Committee to recommend that the Board receive and file the preliminary unaudited financial statements for August 2020 (Consent Calendar).

B) BILLS FOR CONSIDERATION

The total of the bills for consideration will be presented at the time of the October 14, 2020 Finance/Audit Committee Meeting.

RECOMMENDED ACTION:

Committee to approve and ratify the bills for consideration and warrant register and recommend that the Board ratify payment of the Bills for Consideration for October 14, 2020 as presented (Consent Calendar).

CONTACTS (staff responsible): PALUDI/PEREA/WARNER



Trabuco Canyon Water District

Statement of Revenues & Expenses

FY 2020-21 (Unaudited)

	August 2020	July 2020	Current YTD	Annual Budget	17% YTD	Prior YTD
1 Operating Revenue						
2 Residential Water	\$ 392,580	\$ 347,444	\$ 740,024	\$ 3,497,400	21%	\$ 599,809
3 Business & Industrial Water	13,414	11,438	24,852	150,300	17%	24,831
4 Irrigation Water	99,358	96,431	195,788	823,400	24%	119,206
5 Stand-by	3,417	3,417	6,833	41,000	17%	4,683
6 Sanitation Revenue	141,926	142,044	283,970	1,859,400	15%	278,589
7 Recycled & Reclaimed Revenue	121,697	91,460	213,157	725,000	29%	190,278
8 Baker Treatment Plant Water Sales	76,219	43,324	119,543	1,469,100	8%	94,802
9 Other Operating Revenue	450	1,114	1,564	164,600	1%	30,211
10 Total Operating Revenue	849,061	736,671	1,585,732	8,730,200	18%	1,342,410
11 Non-Operating Revenue						
12 Property Tax Unrestricted	142,283	142,283	284,567	1,707,400	17%	279,000
13 Interest Revenue	438	604	1,041	100,600	1%	2,321
14 Development Services	-	-	-	-	0%	100
15 Sale of Fixed Asset	-	-	-	50,000	0%	-
16 Other Non-Operating Revenue	3,728	2,100	5,828	70,600	8%	12,341
17 Total Non-Operating Revenue	146,449	144,987	291,436	1,928,600	15%	293,762
18 Total Revenues	995,510	881,658	1,877,168	10,658,800	18%	1,636,172
19 Operating Expenses						
20 Source of Supply	199,325	120,989	320,314	2,198,100	15%	383,560
21 Baker Treatment SOS Costs	81,888	35,916	117,804	1,155,300	10%	77,971
22 Water Related Expense	138,596	149,294	287,889	1,946,900	15%	219,781
23 Sanitation Expense	108,338	77,571	185,909	1,168,400	16%	238,853
24 Recycled Expense	25,950	16,283	42,233	225,300	19%	61,773
25 Reclaimed Expense	24,045	14,378	38,423	221,400	17%	47,195
26 Salaries & Benefits	303,009	289,375	592,384	3,684,700	16%	516,714
27 OPEB Trust Contributions & Paygo	7,063	7,388	14,451	91,000	16%	15,281
28 Board Expense	9,708	9,083	18,792	114,400	16%	20,015
29 Total Operating Expenses	897,923	720,278	1,618,200	10,805,500	15%	1,581,143
30 Non-Operating Expenses						
31 Principal and Interest Expense	19,198	19,198	38,397	230,300	17%	38,397
32 Non-Operating Expense	6	-	6	3,600	0%	853
33 Total Non-Operating Expenses	19,205	19,198	38,403	233,900	16%	39,250
Net Income Before OPEB, Depreciation &						
34 Capital Contributions	78,383	142,182	220,565	(380,600)		15,779
35 WRES Fees for Capital	68,335	68,427	136,762	834,300	16%	140,984
36 Developer Impact Fees	-	-	-	-	0%	-
37 Other Capital Contributions	-	-	-	-	0%	-
38 Total Capital Contributions	68,335	68,427	136,762	834,300	16%	140,984
39 Net Income	\$ 146,718	\$ 210,609	\$ 357,327	\$ 453,700	79%	\$ 156,762

*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 - Comparative
As of August 31, 2020
(Unaudited)

	August 2020	July 2020	August 2019
1 Assets			
2 Current Assets			
3 Cash	\$ 833,270	\$ 417,394	\$ 744,330
4 Accounts Receivable, Net	4,833,329	4,832,862	2,516,900
5 Property Tax Receivable	1,745,370	1,748,400	1,700,085
6 Prepaid Expenses	306,452	348,663	325,645
7 Total Current Assets	7,718,421	7,347,320	5,286,959
8 Total Restricted Assets (see Schedule A)	6,127,728	6,627,721	6,285,157
9 Utility Plant			
10 Utility Plant, at Cost	116,004,288	115,732,708	114,200,971
11 Accumulated Depreciation	(72,030,075)	(71,731,138)	(68,802,129)
12 Construction in Progress	3,074,443	3,158,346	528,284
13 Total Utility Plant	47,048,655	47,159,916	45,927,126
14 Other Assets			
15 Due from BTP	1,404,222	1,435,171	1,781,513
16 Deferred Outflow (Pension Related)	1,179,514	1,179,514	1,126,151
17 Total Other Assets	2,583,736	2,614,685	2,907,664
18 Total Assets	\$ 63,478,540	\$ 63,749,641	\$ 60,406,906
19 Liabilities & Retained Earnings			
20 Current Liabilities			
21 Accounts Payable	\$ 1,645,177	\$ 1,607,394	\$ 827,895
22 Due to Internal Financing Fund	1,404,222	1,435,171	1,781,513
23 Accrued Expenses	290,076	257,312	250,356
24 Deferred Property Tax Revenue	1,457,000	1,602,700	1,418,417
25 Total Current Liabilities	4,796,475	4,902,577	4,278,181
26 Liabilities to be Paid from Restricted Assets			
27 Accrued Bond Interest	8,824	4,412	9,488
28 Current Portion-Long Term Debt	178,449	178,449	172,473
29 Refundable Deposits	13,500	11,500	10,500
30 Developer Deposits	139,899	140,916	571,619
31 Total Liabilities to be Paid from Restricted Assets	340,672	335,277	764,080



Trabuco Canyon Water District
Balance Sheet - Comparative
As of August 31, 2020
(Unaudited)

32	Long Term Debt			
33	Accrued Post Employment Benefits	533,587	533,587	570,267
34	Accrued Pension Liability	3,301,860	3,301,860	3,089,532
35	State Revolving Fund Loan	2,140,052	2,140,052	2,320,470
37	Total Long Term Debt	5,975,499	5,975,499	5,980,269
38	Total Liabilities	11,112,647	11,213,354	11,022,531
39	Fund Balance			
40	Invested in Capital Net of Related Debt	44,721,330	44,837,003	43,424,695
41	Restricted for Debt Service	219,180	219,173	288,343
42	Legally Restricted	2,498,831	2,995,846	2,908,914
43	Designated by Board	3,296,396	3,296,542	3,025,981
44	Unrestricted	1,630,156	1,187,725	(263,557)
45	Total Fund Balance	52,365,893	52,536,288	49,384,376
46	Total Liabilities and Fund Balance	\$ 63,478,540	\$ 63,749,641	\$ 60,406,906



Trabuco Canyon Water District
Restricted Assets Report
As of August 31, 2020
(Unaudited)

	August 2020	July 2020	August 2019
1 LAIF Accounts (at Cost)			
2 Internal Financing	\$ (2,737,691)	\$ (2,218,821)	\$ (3,123,730)
3 Capital Improvement Charges	-	-	824,578
4 Water Storage Facilities	1,051,427	1,051,427	1,044,772
5 Sanitation Capital Improvement	405,646	421,184	686,990
7 WRES - Rose Canyon/Lang Wells	1,116,231	1,082,059	906,992
8 WRES - Reservoir/Distribution Improvements	2,587,116	2,583,895	2,494,901
9 RD#5	76,102	76,102	74,412
10 Developer Deposits	(106,213)	(106,068)	406,840
11 LAIF Interim Sewage	113,321	116,161	109,977
13 Water Rate Stabilization Funds	684,080	684,080	607,500
14 Sewer Rate Stabilization Funds	726,160	726,160	265,000
15 Working Capital Funds	1,975,776	1,975,776	1,733,144
16 Market Value Over/(Under) Cost	16,593	16,593	11,960
17 BNY Accounts			
18 Bond Reserve Series C	-	-	46,521
19 State Revolving Fund			
20 Cash in CB&T Reserved for SRF Loan	219,180	219,173	195,301
21 Total Restricted Assets	\$ 6,127,728	\$ 6,627,721	\$ 6,285,157



Trabuco Canyon Water District
Investment Schedule
As of August 31, 2020
(Unaudited)

DESCRIPTION	RATE	COST	MARKET	% OF TOTAL
District Investments in the California Local Agency Investment Fund (LAIF)				
1 Water Storage Fees	0.784%	\$ 1,051,427	\$ 1,056,592	18%
2 Sanitation Capital Improvement	0.784%	405,646	407,639	7%
3 Trabuco Creek Wells	0.784%	1,116,231	1,121,715	19%
5 Reservoir/Distribution	0.784%	2,587,116	2,599,826	44%
6 RD#5	0.784%	76,102	76,475	1%
7 Construction Deposits	0.784%	(106,213)	(106,735)	-2%
8 LAIF Interim Sewage	0.784%	113,321	113,878	2%
9 Water Rate Stabilization Funds	0.784%	684,080	687,441	12%
10 Sewer Rate Stabilization Funds	0.784%	726,160	729,727	12%
11 Working Capital Funds	0.784%	1,975,776	1,985,483	34%
12 Internal Financing	0.784%	(2,737,691)	(2,751,141)	-46%
Total District Investments		\$ 5,891,955	\$ 5,920,901	100%

** A negative number indicates the use of reserves to fund operations.*

*** Market values are adjusted on a quarterly basis and recorded in the District's financials statements at the end of the fiscal year.*

CERTIFICATION

I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California Government Code Sections 53646(b)(2) and (3), respectively.

Cindy Byerrum, CPA

Contract CPA and Treasurer



Trabuco Canyon Water District
Checking Account Activity
August 2020
(Unaudited)

Inflows	Current Month	Year to Date
Utility Billing Collections	\$ 725,517	\$ 1,430,264
Tax Receipts	3,024	25,082
Transfer From LAIF	500,000	500,000
Transfer From State Revolving Loan	-	-
Developer Fees	-	-
Miscellaneous	104,592	4,650,222
Total Inflows	1,333,132	6,605,568
Outflows		
Vouchers	730,220	2,535,852
Payroll	245,182	481,342
Transfer to LAIF	-	3,000,000
Miscellaneous & Online Payments	138,137	781,611
Total Outflows	1,113,539	6,798,805
Net Change in Checking Account	219,593	219,593
Beginning Checking Account	642,588	642,588
Ending Checking Account	\$ 862,181	\$ 862,181