

**REGULAR MEETING MINUTES
TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO. 1
BOARD OF DIRECTORS
January 19, 2022, at 6:00 p.m.**

Trophy Club Municipal Utility District No. 1 Board of Directors, of Denton and Tarrant Counties, met in a regular session meeting on January 19, 2022, at 6:00 p.m., in the Boardroom of the Administration Building, 100 Municipal Drive, Trophy Club, Texas 76262. The meeting was held within the boundaries of the District and was open to the public.

STATE OF TEXAS §
COUNTIES OF DENTON AND TARRANT §

BOARD MEMBERS PRESENT:

Steve Flynn President
Mark Chapman Vice President
Kelly Castonguay Secretary/Treasurer
William C. Rose Director
Kevin R. Carr Director

STAFF PRESENT:

Alan Fourmentin General Manager
Laurie Slaght District Secretary
Mike McMahon Operations Manager
Steven Krolczyk Finance Manager
Tony Corbett Legal Counsel
Chief Taylor Trophy Club Fire Department

GUESTS PRESENT:

Bhakti Patel Cliffton Larson Allen LLP (via zoom)
Roy Cobb Cliffton Larson Allen LLP (via zoom)

CALL TO ORDER AND ANNOUNCE A QUORUM

President Flynn announced the date of January 19, 2022, called the meeting to order and announced a quorum present at 6:00 p.m.

CITIZEN COMMENTS

There were no citizen comments

REPORTS & UPDATES

1. Staff Reports
 - a. Capital Improvement Projects
 - b. Water Operations Report
 - c. Wastewater System Reports
 - d. Finance Reports

General Manager Alan Fourmentin presented the monthly staff reports and answered questions related thereto.

Attorney Corbett provided an update to the Board regarding American Rescue Plan Act (ARPA) funds, stating that water districts are special districts and are specifically excluded from receiving direct funding. The District would have to make a request to the town or county.

CONSENT AGENDA

2. Consider and act to approve the Consent Agenda.
 - a. December 2021 Combined Financials
 - b. December 14, 2021, Regular Meeting Minutes
 - c. Quarterly Investment Report – 1st Quarter FY2022
 - d. Tax Collections Report – 1st Quarter FY2022

Motion made by Director Carr and seconded by Director Castonguay to approve the Consent Agenda as presented.

Motion carried unanimously

REGULAR SESSION

3. Receive update from the Audit Committee.

Director Rose and Director Castonguay served on the Audit Committee. Director Rose provided the update and stated they were not impressed by the auditing firm. As an example, he said that the Board did not receive information from the auditors until 15 minutes prior to a previously scheduled meeting, when the standard was two weeks. Director Rose would like to have staff determine if the issues can be resolved prior to the next audit and if not, seek a new auditing firm.

General Manager Fourmentin stated that staff had requested the auditing documents several times prior to the meeting.

Director Carr stated that he has no confidence in the auditing firm and feels that the audit process should have been stopped and a new firm brought in.

4. Consider and act to accept the Fiscal Year 2021 Annual Audit Report prepared by Clifton Larson Allen LLP.

Bhakti Patel and Roy Cobb from Clifton Larson Allen LLP provided a presentation of the FY 2021 audit and answered questions related thereto. Ms. Patel stated that the District is in a very healthy position. Ms. Patel stated that they did have a lot of turn over, she takes responsibility for the issues and apologized for the mistakes that happened during the auditing process.

The Board would like staff to review the auditor contract and determine if the District is able to seek alternate bids for auditing services.

Motion made by Director Rose and seconded by Director Castonguay to accept the Fiscal Year 2021 Annual Audit Report prepared by Clifton Larson Allen LLP.

For: Castonguay, Rose, Chapman

Oppose: Carr, Flynn

Motion passed 3-2

5. Consider and act to approve proposal by DAC, Inc. for replacement of security system at all fire station entry points for an amount not to exceed \$21,061.31 and authorize the General Manager to execute the necessary contract documents.

Motion made by Director Rose and seconded by Director Chapman to approve proposal by DAC, Inc. for replacement of security system at all fire station entry points for an amount not to exceed \$21,061.31, coming out of reserves, and authorize the General Manager to execute the necessary contract documents.

Amendment to the main motion by Director Carr and seconded by Director Rose to coordinate with the Town of Trophy Club to see if alternate funding may be available.

Amendment to main motion

Motion to amend carries unanimously

Main motion as amended

Motion as amended passes unanimously

6. Consider and take appropriate action to approve matters related to May 7, 2022, General Election:
 - a. Adopt Order No. 2022-0119A calling the May 7, 2022, General Election
 - b. Approve Notice of Appointment of Agent
 - c. Authorize General Manager to sign and execute all necessary documents relating to the election
 - d. Approve Joint Election Agreement and Election Services Agreements
 - e. Authorize Other necessary actions as may be necessary or convenient for conducting the May 7, 2022, General Election

Motion made by Director Rose and seconded by Director Carr to approve the matters related to the May 7, 2022, General Election; and, adopting Order 2202-0119A Calling the May 7, 2022, General Election.

Motion carried unanimously

7. Items for future agendas:
8. Set future Meeting dates – February 21, 2022, at 6:30 p.m.

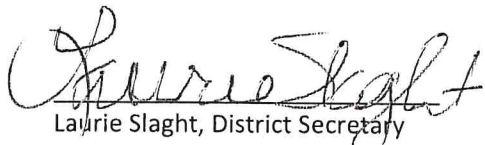
The February 21, 2022, regular board meeting is canceled.

ADJOURN

President Flynn called the meeting adjourned at 7:05 p.m.


Steve Flynn, President


Kelly Castonguay, Secretary/Treasurer


Laurie Slaght, District Secretary

