

MINUTES OF THE REGULAR MEETING
OF THE
FINANCE & INSURANCE COMMITTEE

June 21, 2021

At approximately 7:30 a.m. President Gaskins called the regular meeting to order via zoom.

Director Havens led in the Pledge of Allegiance to the flag.

Committee Members MIKE GASKINS, KATHRYN FRESHLEY, JOSE VERGARA, MARK MONIN, and KAY HAVENS participated.

Also participating were DENNIS P. CAFFERTY, General Manager, JUDY CIMORELL, Human Resources Manager, JASON HAYDEN, CFO, GILBERT J. GRANITO, General Counsel, SCOTT HOPKINS, Operations Superintendent, CODE BRUDER, So Cal Ren Representative, JAMES FERRO, AESC Representative, CAROL MOORE, Laguna Woods Council Member, JACKIE RECH, JPIA Representative, and POLLY WELSCH, Recording Secretary.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

President Gaskins asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Finance & Insurance Committee Meeting

At approximately 7:35 a.m. Director Havens called the Finance meeting to order.

Consent Calendar

Director Havens asked for a Motion.

Motion: Vice President Freshley made a motion, seconded by Director Vergara and unanimously carried across the Board to approve the Consent Calendar.

Roll Call Vote:

Director Havens	aye
Vice President Freshley	aye
Director Vergara	aye
President Gaskins	aye
Director Monin	aye

Financial Information Items

Consumer Driven Health Plan

Mr. Cafferty introduced Jackie Rech from the Joint Powers Insurance Authority. Ms. Rech provided a presentation on the potential implementation of a Consumer Driven Health Plan as an additional medical benefit plan option to be offered by the District to ETWD employees.

Vice President Freshley asked if the money in the Health Savings Account is for the year or a monthly amount. Ms. Rech replied that it's an annual amount that defrays the cost of the deductible and other medical expenses.

Vice President Freshley asked when the money is put into the account. Ms. Rech replied that it is up to the District, but they recommend it be at the beginning of the calendar year. Vice President Freshley asked if the employee contributes anything to the account. Ms. Rech replied that they could if they chose to.

Ms. Rech stated that these accounts are individual accounts and not through the District. She further stated that it is a tax-free account.

Director Vergara asked if Health Savings accounts are not used, are they lost funds. Ms. Rech replied that Flexible Spending Accounts are set up to use it or lose it, but Health Savings Accounts associated with a Consumer Driven Health Plan is not.

Ms. Rech stated that you can get a debit card or use an on-line account to manage the plan. She further stated that Contribution Rules state that the qualified employee must not have another insurance coverage plan, Medicare A/B, or a spouse having access to an FSA, or be a dependent on a tax return.

Ms. Rech explained that the Withdrawal Rules could cost the employee a 20% penalty plus taxes.

President Gaskins stated that this is another option for employee health care and is supportive of the plan.

Director Vergara asked for more detail regarding the potential savings from the proposed plan. Mr. Cafferty replied that today's meeting was informational and staff will bring back the cost analysis to support an action item at a future meeting.

At approximately 8:30 a.m. Ms. Rech left the meeting.

Tiered Water Usage and Revenue Tracking

Mr. Cafferty stated that the tables have been modified to be a uniform color in each Tier on each chart.

2021/22 Fiscal Year Budget Preparation and Tentative Schedule Status Report

Mr. Cafferty stated that the Public Hearing is on Thursday at the regular Board meeting.

Financial Action Items

Financial Package – Authorization to Approve Bills for Consideration dated June 21, 2021 and Receive and File Financial Statements as of May 31, 2021

Director Havens asked for a Motion.

Motion: President Gaskins made a Motion, seconded by Vice President Freshley and unanimously carried across the Board to approve, ratify, and confirm payment of those bills as set forth in the schedule of bills for consideration dated June 21, 2021,

and receive and file the financial statements for the period ending May 31, 2021.

Roll Call Vote:

Director Havens	aye
Vice President Freshley	aye
Director Vergara	aye
President Gaskins	aye
Director Monin	aye

Olin Chlor Alkali Products

Mr. Cafferty stated that this contract is outside the authority of the General Manager, so it requires Board approval.

Director Havens asked for a Motion.

Motion: Director Vergara made a Motion, seconded by President Gaskins and unanimously carried across the Board to approve the purchase order contract for Olin Chlor Alkali Products in the amount not to exceed \$85,000 for the purchase of 12 ½% concentration Sodium Hypochlorite for the Tertiary Treatment Plant.

Roll Call Vote:

Director Havens	aye
Vice President Freshley	aye
Director Vergara	aye
President Gaskins	aye
Director Monin	aye

Nieves Landscape

Mr. Cafferty stated that this is also an annual contract that is beyond the General Managers authority and requires Board approval.

Director Vergara asked how much this contract increased this year. Mr. Cafferty replied approximately 3%.

Director Havens asked for a Motion.

Motion: Director Vergara made a Motion, seconded by Vice President Freshley

and unanimously carried across the Board to approve the purchase order contract with Nieves Landscape in the amount not to exceed \$141,610.

Roll Call Vote:

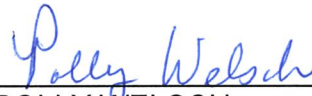
Director Havens	aye
Vice President Freshley	aye
Director Vergara	aye
President Gaskins	aye
Director Monin	aye

Comments Regarding Non-Agenda FIC Items


Close Finance and Insurance Committee Meeting


There being no further business the Finance Committee meeting was closed at approximately 8:40 a.m.

Respectfully submitted,


POLLY WELSCH
Recording Secretary

APPROVED:


MIKE GASKINS, President
of the El Toro Water District and the
Board of Directors thereof


DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof