

MINUTES OF THE REGULAR MEETING
OF THE
FINANCE & INSURANCE COMMITTEE

September 20, 2021

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

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

Committee Members MIKE GASKINS (via Zoom), KATHRYN FRESHLEY, JOSE VERGARA, MARK MONIN (via zoom), and KAY HAVENS participated.

Also participating were DENNIS P. CAFFERTY, General Manager, JUDY CIMORELL, Human Resources Manager, JASON HAYDEN, CFO, SHERRI SEITZ, Public Relations/Emergency Preparedness Administrator, GILBERT J. GRANITO, General Counsel, SCOTT HOPKINS, Operations Superintendent, HANNAH FORD, Engineering Manager, CAROL MOORE, Laguna Woods Council Member (via zoom), 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 7:32 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

Update on Financing Plan for Near-term Future Capital Projects

Mr. Hayden provided a short update on the status of the financing process for upcoming large capital projects. Mr. Hayden noted that Staff had been meeting with NHA Advisors regarding the financial analysis and was recommending engaging the services of Stradling, Yocca, Carlson, & Rauth as bond counsel for the District.

Tiered Water Usage and Revenue Tracking

Mr. Cafferty stated that August water usage was down relative to last year, but the District has not achieved a 15% reduction in water usage as requested by the Governor. Mr. Cafferty further stated that it is extremely challenging to ask our customers to conserve another 15% when the previous 24% mandate was achieved and has been sustained.

Vice President Freshley stated that United is way out of line with their irrigation use as they have less area to water than Third Mutual. Mr. Cafferty reminded the Board that Third Mutual is using recycled water which does not show on this chart.

Update of the Implementation of the Springbrook Software System

Mr. Hayden provided a short update on the implementation of the Springbrook software system. He further stated that staff is discussing whether or not to use Civic

Pay which is Springbrook's online payment portal.

Vice President Freshley asked what the fee will be to use Civic Pay. Mr. Hayden replied that it will cost the District approximately \$6,000, depending on the transaction fee amount that would be charged to customers paying by credit card.

Financial Action Items

Financial Package – Authorization to Approve Bills for Consideration dated September 20, 2021 and Receive and File Financial Statements as of August 31, 2021

Vice President Freshley stated that on page 40, Balance Sheet, total current liabilities payable from current assets, and asked for an explanation. Mr. Hayden replied that our current liabilities are much less than current assets and this was a positive financial indicator.

Director Havens asked about our electrical power use. Mr. Cafferty replied that it was much higher than anticipated due to seasonal variation.

Director Vergara asked if the State plans to compensate the District for lost Revenue due to the non-payment of water bills from some customers. Mr. Cafferty replied that the Survey in the Arrearages Program got \$995 million dollars of funding, and was designed to do just that. He further stated that staff has completed and submitted the Survey a few weeks ago.

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, ratify, and confirm payment of those bills as set forth in the schedule of bills for consideration dated September 20, 2021, and receive and file the financial statements for the period ending August 31, 2021.

Roll Call Vote:

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

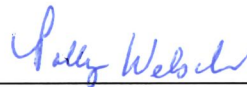
Comments Regarding Non-Agenda FIC Items

There were no comments.

Close Finance and Insurance Committee Meeting

There being no further business the Finance Committee meeting was closed at approximately 7:50 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