

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
AND THE  
FINANCE & INSURANCE COMMITTEE MEETINGS.

January 19, 2026

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

Director Monin led the Pledge of Allegiance to the flag.

Directors MARK MONIN, MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, JUDY CIMORELL, Director of Human Resources, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, SHERRI SEITZ, Public Affairs Manager (Zoom), VU CHU, Water Resources Supervisor (Zoom), VICKI TANIOUS, Senior Accountant (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Roll Call:

Director McClean	Present
Director Monin	Present
Director Gaskins	Present
Vice President Havens	Present
President Freshley	Present

Five Board members were present at the meeting and therefore a quorum has been determined.

Oral Communications/Public Comment

There were no comments.

Items Too Late to be Agendized

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

Resolution No. 26-1-1 MWDOC 75<sup>th</sup> Anniversary Commemoration

Mr. Cafferty reported that MWDOC is celebrating its 75<sup>th</sup> anniversary and that a commemorative resolution will be presented at MWDOC's Board meeting on Wednesday. He also noted that staff created a congratulatory video.

Director Monin asked for a Motion.

Motion: Director Gaskins made a motion, seconded by Director Monin to adopt Resolution No. 26-1-1 which commends the Municipal Water District of Orange County for 75 years of service.

Roll Call Vote:

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

Finance and Insurance Committee Meeting

At approximately 7:38 a.m. Director Monin called the Finance and Insurance Committee meeting to order.

Consent Calendar

Director Monin asked for a Motion.

Motion: President Freshley made a motion, seconded by Director Gaskins to approve the Consent Calendar.

Roll Call Vote:

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

Financial Information Items

Financial Statements and Report

Mr. Sharma reported that total District cash and investments at the end of December 2025 totaled \$23,365,219. The Current ratio was 9.9, with 243 days of cash on hand. Accounts receivable turnover was 38 days for the month and 28 days year-to-date, while the accounts payable turnover was 36 days for the month and 33 days year-to-date. Mr. Sharma stated that most key revenue categories are performing as budgeted. The commodity supply charge is exceeding expectations due to increased recycled water sales and is projected to be above budget by year-end.

Mr. Sharma also reported a new miscellaneous expense related to uncollectible accounts totaling \$161,746, which was transferred to a collection agency. He explained that the amount accumulated over a three-year period due to state-mandated restrictions on collections activities and a complete turnover in the Customer Service Department, which delayed the collections process. President Freshley inquired about the number of multi-tenant services with individual water meters. Mr. Cafferty responded that most of these services are single-family residential.

President Freshley commented on the water purchase expenses of \$16,063. Mr. Sharma explained that the water bill was paid on January 1<sup>st</sup> and therefore did not appear in the December expenses.

Financial Action Items

Resolution No. 26-1-2 El Toro Water District Administrative Code

Mr. Cafferty stated that the Investment Policy requires an annual review. He reported that PFM recommended adding language to Section 6 to reflect the SB 827 requirements for fiscal and financial training. He also noted that CSDA will offer both live and virtual fiscal and financial training opportunities. Additionally, a proposed revision would extend the allowable maturity for commercial paper from 270 to 397 days to align with California Government Code.

Director Monin asked for a Motion.

Motion: Director Gaskins made a motion, seconded by Vice President Havens to adopt Resolution 26-1-2 which adopts the amended El Toro Water District Administrative Code.

Roll Call Vote:

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

Quarterly Insurance Report

Ms. Cimorell reported that the District received notice that its Long-Term Care policy will be eliminated and terminated effective February 1, 2026. She stated that staff is reviewing replacement options but available alternatives are limited and not cost effective. Staff will be offered the option to self-insure through the long-term care provider.

Director Monin asked for a Motion.

Motion: Vice President Havens made a motion, seconded by Director McClean to receive and file the quarterly insurance report for the period October 1, 2025 through December 31, 2025.

Roll Call Vote:

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

Financial Package – Authorization to Approve Payment of Bills for the Month Ending December 31, 2025

Director Monin asked for a Motion.

Motion: Director Gaskins made a motion, seconded by Director McClean to ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending December 31, 2025.

Roll Call Vote:

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

Comments Regarding Non-Agenda FIC Items

Director Monin inquired about Martin Luther King Jr. being a federal holiday that is not observed by the District. Mr. Cafferty stated that the holiday did not exist when the District originally established its holiday schedule.

Adjournment

There being no further business the Finance and Insurance Committee meeting was closed at approximately 8:10 a.m.

Respectfully submitted




MARISOL MELENDEZ  
Recording Secretary

APPROVED:



KATHRYN FRESHLEY, 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