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

September 21, 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, HANNAH FORD, Director of Engineering, SCOTT HOPKINS, Operations Superintendent, MIKE MIAZGA, Information Technology Manager (Zoom), CAROL MOORE, City of Laguna Woods (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

Ms. Moore commented on the new District website.

Items Too Late to be Agendized

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

Finance and Insurance Committee Meeting

At approximately 7:34 a.m. Director Monin called the Finance and Insurance Committee meeting to order.

Consent Calendar

Director Monin asked for a Motion.

Motion: Director Gaskins made a motion, seconded by Director McClean 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. Cafferty reported that the District has 254 days of cash on hand and approximately $25 million in cash and investments, which will decrease as the Capital Improvement Projects progress over time. The current ratio is 6.3 indicating a strong level of short-term liquidity. The accounts receivable increased by slightly over $1 million primarily due to timing of customer collections. The accounts receivable turnover ratio is 31 days, which is within the District's target range of 30 to 35 days. The accounts payable and accrued expenses decreased by approximately $257,000 due to the timing of vendor invoicing processing and payments. The year-to-date accounts payable turnover ratio was 32 days and is within the target range of 30 to 35 days.

Overall, the District is in a strong liquidity position. Mr. Cafferty further stated the District is meeting the recently revised Cash Reserves Policy in which the minimum amounts in the rate stabilization, operations, and working capital reserves were changed to $2.5 million. He added that the Reverse Cyclic Program is expected to be paid off by the end of the year and will reflect as a positive amount on the report.

Financial Action Items

Financial Package – Authorization to Approve Payment of Bills for the Month Ending August 31, 2026

Mr. Cafferty noted that there were three payments over $75,000, which exceed the General Manager's authority.

Director Monin asked for a Motion.

Motion: Director Gaskins made a motion, seconded by Vice President Havens to ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending August 31, 2026.

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

There were no comments.

Adjournment

There being no further business the Finance and Insurance Committee meeting was closed at approximately 7:40 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