



Providing Outstanding Service Since 1963

**Board of Directors**

- James Wall, Chair
- Raymond Tjulander, Vice Chair
- Jane Nye, Director
- Janna Orkney, Director
- Leon Shapiro, Director

August 24, 2020

Board of Directors  
 Triunfo Water & Sanitation District  
 Ventura County, California

**DISCUSSION OF HR FIRM AND BENEFITS COORDINATION**

**Summary**

The Triunfo Water & Sanitation District (District) Board approved the Koff and Associates Classification and Compensation Study in July 2020. Subsequently, your Board approved moving forward with the transition process based on the updated business plan.

In order to establish and implement the necessary HR resources to support the new TWSD organization, the transition plan includes securing the services of an HR consultant. The Consultant will provide a range of services in human resources, payroll, and benefits. Staff solicited proposals from several service providers, including ADP, Insperity, and Paychex. In addition, staff contacted ACWA, CSDA, and SDRMA to determine what related services, if any, they could provide. A summary of those findings are as follows:

Agency	Pros	Cons
ADP	<ul style="list-style-type: none"> <li>➤ Provides services for: HR, payroll, retirement, and employee benefits.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Higher premiums for medical insurance for companies with less than 10 employees.</li> <li>➤ Age is a factor in the application process</li> </ul>
Association of California Water Agencies (ACWA)	<ul style="list-style-type: none"> <li>➤ Provides employee benefits services through ACWA JPIA (Joint Powers Insurance Authority).</li> </ul>	<ul style="list-style-type: none"> <li>➤ Does <i>not</i> provide HR, payroll, or retirement services.</li> <li>➤ Must have 75% employee participation into the medical benefits.</li> </ul>

	<ul style="list-style-type: none"> <li>➤ ACWA members must apply and be approved for membership into the JPIA.</li> <li>➤ No administration fees. Fees are built into the premium rates.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Medical benefits are not guaranteed (review process ensures the applicant has same or better risk profile as the pool).</li> </ul>
California Special Districts Association (CSDA)	<ul style="list-style-type: none"> <li>➤ N/A</li> </ul>	<ul style="list-style-type: none"> <li>➤ Does <i>not</i> provide HR, payroll, retirement or benefits services.</li> </ul>
Insperty	<ul style="list-style-type: none"> <li>➤ Provides services for: HR, payroll, retirement, and employee benefits.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Requires a minimum of 5 employees for all services.</li> </ul>
Paychex	<ul style="list-style-type: none"> <li>➤ Provides services for: HR, payroll, retirement, and employee benefits.</li> <li>➤ Accepts one employee.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Higher premiums for medical insurance for companies with less than 5 employees.</li> <li>➤ Age and medical history are factors in the application process.</li> </ul>
Special District Risk Management Authority (SDRMA)	<ul style="list-style-type: none"> <li>➤ Provides employee benefits services. TWSD must approve a resolution authorizing participation in SDRMA's health benefit program and execute an MOU.</li> <li>➤ Accepts one employee.</li> <li>➤ Medical premiums are competitively priced.</li> <li>➤ Age and medical history are not factors in the application process.</li> <li>➤ No administration fees. Fees are built into the premium rates.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Does <i>not</i> provide HR, payroll, or retirement services.</li> <li>➤ Implementation not available until after January 1.</li> </ul>

Based on the cost of services and implementation schedule, and taking into account any restrictive conditions for participation, staff recommends contracting with Paychex, Inc. (Paychex) for HR, payroll, benefits coordination (health, vision, dental, life, short-term disability, long-term disability, Deferred Compensation - 457(b) account), as well as an Employee Assistance Program. Based on the need to move forward expeditiously and the limited options resulting from the District's initial staff size, Paychex is currently the

best selection. However, as staff size increases with the hiring of new employees, other options will be explored. Paychex has indicated that a start date of October 1 is feasible.

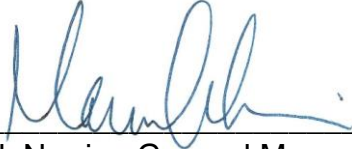
Please contact me at 805-658-4621 or email [marknorris@trunfowsd.com](mailto:marknorris@trunfowsd.com) if you have any questions or need additional information.

**Fiscal Impact**

The estimated annual cost for Paychex to provide HR support, payroll, retirement, and other benefits is \$27,360.

**Recommendation**

It is recommended the Board review the range of services and firms presented and direct staff to return with a contract with Paychex, Inc. for approval, or provide direction to staff accordingly.

REVIEWED AND APPROVED:   
Mark Norris - General Manager

This page is intentionally blank