

AB&F Committee

W. Bannister, Chair
J. Rez, Vice Chair
M. Ashley
G. Battey, Jr.
J. Blake
J. Castro
T. Grandsen
H. Hansen
C. Lewis
E. Little
H. Mejia
G. Morse
P. Swan
W. Troxel
G. Wein
P. Pace (Ex Officio)
G. Peterson (Ex Officio)
W. Luddy (Ex Officio)

**Revised Audit, Budget and
Finance Committee**

Meeting with Board of Directors*

February 12, 2001

11:45 a.m. -- Room 2-456

Monday, February 12, 2001 Meeting Schedule		
8:30 a.m.	Rm. 2-456	R&E
10:00 a.m.	Rm. 2-145	EO&RP
11:45 a.m.	Rm. 2-456	AB&F
1:30 p.m.	Rm. 2-145	LC&P
3:15 p.m.	Board Room	WPQ&R

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

* The Metropolitan Water District's Audit, Budget and Finance Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Audit, Budget and Finance Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Audit, Budget and Finance Committee will not vote on matters before the Audit, Budget and Finance Committee.

PUBLIC HEARING

1. Comments on proposed water rates for fiscal year 2001-2002, to become effective January 1, 2002, and proposed charges, as recommended in the General Manager's letter signed December 19, 2000

COMMITTEE AGENDA ITEMS

2. **Additions to the Agenda** (As required by Gov. Code, § 54954.2(b).)
3. **Opportunity for members of the public to address the committee on matters within the committee's jurisdiction** (As required by Gov. Code, § 54954.3(a).)

4. Committee Chairman's Monthly Activity Report

5. Approval of the Minutes of the meeting of (a) the Budget and Finance Committee held January 8, 2001, and (b) the Special Audit Committee held December 11, 2000

6. AUDIT COMMITTEE ITEMS

- Added** a. Description of the Auditor's position.
- Added** b. Discussion of assignments for the Audit Department.
- Added** c. Function of the Audit Committee and relationship to the Board.
- Added** d. Procedures to be adopted by committee for future assignments and reports.
- e. Interim General Auditor's Audit Work Plan (Revised).
- f. Request to solicit proposals for External Audit Services for fiscal years 2001-02, 2002-03, and 2003-04.
- g. Annual Letter of Recommendations from Independent Auditors and Management's response.
- h. Status report on fiscal year 2000-01 Audit Work Plan as of December 31, 2000.
- i. Capital Projects reporting presentation.
- j. Presentation on the La Verne Machine Shop Efficiency.
- k. Audit Department Reports for December 2000 and January 2001. **(Written reports to be sent separately)**
- l. Replacement process for General Auditor.

7. REVIEW OF FINANCIAL STATEMENTS

- a. Report of investment activity.
- b. Financial highlights.

8. CONSENT CALENDAR ITEMS - ACTION

None

9. OTHER BOARD ITEMS - ACTION

9-2 Approve restructuring of underwriting team for Metropolitan. (AB&F)

10. BOARD INFORMATION ITEMS

None

11. COMMITTEE ITEMS

a. Future agenda items.

12. FOLLOW-UP ITEMS

None

13. ADJOURNMENT

NOTE: At the discretion of the committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the committee.

This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.