

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

September 10, 2012

Chair Grunfeld called the meeting to order at 9:00 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Grunfeld, Directors Barbre, De Jesus, Grandsen, Hawkins, Lewinger, Little, Millard, Wilson, and Wunderlich.

Member absent: Director Evans.

Other Board Members present: Directors Ackerman, Babcock, Brick, Brown, Edwards, Griset, Morris, J. Murray, Peterson, Record, Steiner, and Wright.

Staff present: Bennion, Breaux, Brooks, Burton, DeBacker, Dunn, Goldstein, J. Gonzales, J. Green, Kightlinger, Man, Mares, Marumoto, Norris, Riss, B. Robertson, Scully, Skillman, Soper, Sotoodeh, Upadhyay, Wolfe, and E. Young.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

No members responded.

2. APPROVAL OF THE MINUTES OF THE MEETING OF THE FINANCE AND INSURANCE COMMITTEE HELD AUGUST 20, 2012

Motion Carried Moved: Director Little Seconded: Director Hawkins

Votes: Unanimous

3. MANAGEMENT REPORTS

- a. Subject: Report of investment activity
- Presented by: Treasurer Roger Marumoto

Mr. Marumoto discussed the investment portfolio for the month of August detailing the portfolio durations, and investment performance of the short-term portfolios and long-term portfolios.

- b. Subject: Financial Highlights
- Presented by: Chief Financial Officer Gary Breaux

Mr. Breaux discussed the cumulative water sales and sales for the month of August.

4. CONSENT CALENDAR ITEMS — ACTION

None

5. OTHER BOARD ITEMS — ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

- a. Subject: Update on 2011 OPEB Study
- Presented by: John Bartel of Bartel Associates, LLC

Mr. Bartel defined GASB 45 and discussed the benefit summary, participant statistics, actuarial assumptions, and the valuation results.

Several questions and comments were raised by directors and Mr. Bartel and staff responded.

- b. Subject: Update on rate refinement discussions
- Presented by: Unit Manager June Skillman

Ms. Skillman discussed the schedule/and process to date, outcome of the August 24 Member Agency Managers' meeting, purchase order extension, process to move forward, and timeline.

Several questions and comments were raised by directors and staff responded.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

Chair Grunfeld advised that staff will give a presentation on take-or-pay contracts in November 2012.

The next meeting will be held on October 8, 2012.

Meeting adjourned at 9:38 a.m.

Aaron Grunfeld
Chair