

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

October 7, 2013

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, Vice Chair Barbre, Directors Apodaca, Babcock, De Jesus, Kurtz, Lewinger, Pringle, Touhey, and Wunderlich.

Members absent: Directors Evans and Vasquez.

Other Board Members present: Directors Ackerman, Brown, Dick, Edwards, Mudd, J. Murray, Peterson, Record, and Steiner.

Staff present: Bennion, Breaux, Brooks, Clairday, Coffey, DeBacker, Dunn, Goldstein, J. Gonzales, J. Green, G. Johnson, Kightlinger, Man, Mares, Marumoto, Norris, Odwak, Pellegrini, D. Phan, Riss, Scully, Skillman, Soper, Stites, Upadhyay, Wolfe, E. Young, and Zinke.

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 SEPTEMBER 9, 2013

Motion Carried Moved: Director De Jesus Seconded: Director Pringle

Votes: Unanimous

3. MANAGEMENT REPORTS

a. Subject: Report on investment activity

Presented by: Treasurer Roger Marumoto

Mr. Marumoto presented the investment portfolio for the month of September detailing the portfolio durations and investment performance of both short-term and long-term portfolios.

b. Subject: Financial highlights

Presented by: Controller Tom DeBacker and
Assistant Controller Hal Soper

Mr. DeBacker presented the fiscal year 2012/13 year-end results. FY 2012/13 marked the first year of budgeting and reporting on a modified accrual basis vs. a cash basis. In his report, Mr. DeBacker discussed revenues, expenses, water and exchange sales, and fund and reserve fund balances. In addition, the prefunding of OPEB and its impact on the OPEB unfunded liability and annual required contributions was discussed.

Mr. Soper presented the first quarter update for fiscal year 2013/14. He discussed the revenues, water and exchange sales, and expenses.

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

4. CONSENT CALENDAR ITEMS — ACTION

None

5. OTHER BOARD ITEMS — ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

None

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

- Review of budget and rates calendar

The next meeting will be held on November 18, 2013.

Meeting adjourned at 10:15 a.m.

Aaron Grunfeld
Chair