

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

May 11, 2015

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

Members present: Chair Barbre, Vice Chair Wunderlich, Directors Apodaca, Blois, Dake, Dear, De Jesus, Kurtz (entered at 9:27 a.m.), Lewinger (entered at 9:02 a.m.), Martinez (entered at 9:01 a.m.), McKenney, and Ramos.

Members absent: Directors Lowenthal and Touhey.

Other Board members present: Board Chairman Record, Directors Atwater, Beard, Calkins, Hogan, Lefevre, Morris, Steiner, and Tu.

Staff present: Beatty, Breaux, Boronkay, Brooks, Clairday, Goldstein, J. Gonzales, Kightlinger, Man, Mares, Marumoto, Norris, Odwak, Rohen, Scully, Sims, Skillman, Soper, Upadhyay, Vanderhorst, 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 FINANCE AND INSURANCE COMMITTEE MEETING HELD APRIL 13, 2015.

Motion: Carried

Moved: Director Dear Seconded: Director Dake

Ayes: Directors Apodaca, Barbre, Blois, Dake, Dear, DeJesus, Ramos, and Wunderlich

Noes: None

Abstentions: None

Absent: Directors Kurtz, Lewinger, Lowenthal, Martinez, and Touhey

Not Voting: Director McKenney

The motion passed by a vote of 8 ayes, 0 no, 0 abstain, 5 absent, and 1 not voting.

Director Martinez entered the meeting at 9:01 a.m.

3. CONSENT CALENDAR ITEMS – ACTION

None

Director Lewinger entered the meeting at 9:02 a.m.

4. OTHER BOARD ITEMS – ACTION

- 8-1 Subject: Adopt resolution to continue Metropolitan’s Water Standby Charge for fiscal year 2015/16
- Presented by: None
- Motion: Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and adopt the resolution to continue collecting the Standby Charge for fiscal year 2015/16.
- Moved: Director Dear Seconded: Director Blois
- Ayes: Directors Apodaca, Barbre, Blois, Dake, DeJesus, Dear, Martinez, Ramos, and Wunderlich
- Noes: Director Lewinger
- Abstentions: None
- Absent: Directors Kurtz, Lowenthal, and Touhey
- Not Voting: Director McKenney

The motion passed by a vote of 9 ayes, 1 no, 0 abstain, and 3 absent, and 1 not voting.

Chair Barbre advised that a letter from the San Diego County Water Authority dated May 9, 2015 was received opposing Item 8-1. The letter was distributed to the committee and copies are on file in the Office of the CFO.

5. BOARD INFORMATION ITEMS

9-1 Subject: Renewal status of Metropolitan's Property and Casualty Insurance Program

Presented by: Risk Manager Drew Boronkay

Mr. Boronkay provided a review of Metropolitan's self-insured liability and property and excess/specialty insurance coverage program, and discussed cost estimates for the upcoming insurance renewal.

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

6. COMMITTEE ITEMS

a. Subject: Oral report on investment activities

Presented by: Treasurer Roger Marumoto

Mr. Marumoto advised that the Disabato Advisers' Quarterly Investment Report as of March 31, 2015 is available to Directors on Metropolitan's website. He recommended that the committee consider reviewing Page 6, "First Quarter Performance Summary," and Page 9, "Manager Scorecard" of the report.

Mr. Marumoto reported on the investment portfolio for the month of April detailing investment performance of both short-term and long-term portfolios.

7. MANAGEMENT REPORT

a. Subject: Chief Financial Officer's Report

Presented by: Chief Financial Officer Gary Breaux

Mr. Breaux advised that he had one-on-one meetings with investors in New York and gave a presentation on the drought and how it is impacting the state, Southern California, and Metropolitan, and answered their questions and concerns.

Mr. Breaux discussed the cumulative water sales for the fiscal year through the month of April.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Director Kurtz entered the meeting at 9:27 a.m.

Next meeting will be held on June 8, 2015.

Meeting adjourned at 9:27 a.m.

Brett R. Barbre
Chair