THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

January 11, 2016

Chair Barbre called the meeting to order at 9:00 a.m. in Committee Room 2-456 at Metropolitan's Headquarters.

Members present: Chair Barbre, Vice Chair Wunderlich, Directors Apodaca, Blois, Dake, De Jesus, Dear, Faessel, Kurtz, Lewinger, Lowenthal (entered at 9:16 a.m.), McKenney, Ramos (entered at 9:11 a.m.), and Touhey (entered at 9:09 a.m.).

Member absent: Director Martinez.

Other Board members present: Board Chairman Record, Directors Ackerman, Atwater, Beard, Dick, Friedman, Hogan, Lefevre, Morris, Murray, Peterson, Steiner, and Tu.

Staff present: Beatty, Breaux, J. Carrillo, L. Carrillo, Cole, J. Green, Hiltscher, Jackson, Kightlinger, Man, Mares, Martin, Marumoto, Odwak, Patterson, Philp, Pellegrini, Riss, Rodriguez, Sanchez, Scully, Sims, Skillman, Soper, Upadhyay, Vanderhorst, Westford, 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 FINANCE AND INSURANCE COMMITTEE MEETING HELD DECEMBER 7, 2015.

Motion:	Carried		
Moved:	Director Lewinger	Seconded:	Director Dake
Ayes:	Chair Barbre, Vice Chair Wunderlich, Directors Apodaca, Blois, Dake, De Jesus, Dear, Faessel, Kurtz, Lewinger, and McKenney		
Noes:	None		
Abstentions:	None		
Absent:	Directors: Lowenthal, Martinez, Ramos, and Touhey		

The motion passed by a vote of 11 ayes, 0 no, 0 abstain, and 4 absent.

3. CONSENT CALENDAR ITEMS – ACTION

None

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

Director Touhey entered the meeting at 9:09 a.m.

Director Ramos entered the meeting at 9:11 a.m.

Director Lowenthal entered meeting at 9:16 a.m.

6. COMMITTEE ITEMS

a. Subject: Update on Metropolitan's Business Continuity Program

Presented by: Jose Sanchez, Program Manager III

Mr. Sanchez provided an update on Metropolitan's Business Continuity Program as follows:

- Emergency Program Management Overview
- Business Continuity Program
  - Strategy and Approach
  - Fusion Framework Implementation
  - Business Impact Analysis & Audit Recommendations
- 2016 Next Steps

b. Subject: Update on Quarterly Financial Report

Presented by: Hal Soper III, Controller

- Mr. Soper provided a second quarterly financial report, including projections through the end of the fiscal year for revenues, expenses and unrestricted reserves.

c. Subject: Update on Budget and Rates Process for FY 2016/17 and FY 2017/18
Presented by: June Skillman, Section Manager

Ms. Skillman reported on the upcoming budget and rates process, which included:

- Summary of Financial Policies
- Schedule for Proposed Biennial Budget and Rates Process

d. Subject: Oral report on investment activities

Presented by: Roger Marumoto, Assistant Section Manager

- Mr. Marumoto reported on the investment portfolio for the month of December 2015 detailing investment performance of both short-term and long-term portfolios.

7. MANAGEMENT REPORT

a. Subject: Chief Financial Officer's Report

Presented by: CFO Gary Breaux

Mr. Breaux reported on the results of the $250 million bond sale in December.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on February 9, 2016.

Meeting adjourned at 9:52 a.m.

Brett R. Barbre
Chair