

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

ADJOURNED FINANCE AND INSURANCE COMMITTEE

August 15, 2016

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, Faessel, Kurtz, Lewinger, McKenney, Ramos, and Touhey.

Members absent: Directors Martinez and Paskett.

Other Board Members present: Board Chair Record, Directors, Atwater, Beard, Dick, Hogan, Lefevre, Morris, Peterson, Steiner, and Wilson.

Staff present: Beatty, Benito, Bowman, Breaux, Brooks, Goldstein, Green, Kightlinger, Kostopoulos, Man, Mares, Marumoto, Jackson, Pitman, Quilizapa, Scully, Skillman, Soper, Young, and Zinke.

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

Brenna Norton, Senior Organizer Norton of Food & Water Watch, addressed the committee regarding opposition of tax levy increase.

2. APPROVAL OF THE MINUTES OF THE FINANCE AND INSURANCE COMMITTEE MEETING HELD ON JULY 11, 2016

Motion: Carried

Moved: Director Touhey Seconded: Director Dear

Ayes: Chair Barbre, Vice Chair Wunderlich, Directors Apodaca, Blois, Dake, Dear, De Jesus, Faessel, Kurtz, Lewinger, McKenney, Ramos, and Touhey.

Noes: None

Abstentions: None

Absent: Directors Martinez and Paskett.

The motion passed by a vote of 13 ayes, 0 noes, 0 abstain, and 2 absent.

3. OTHER MATTERS

5E Subject: Tax Levy for fiscal year 2016/17. (F&I)

5E-1 Report on list of certified assessed valuations for fiscal year 2016/17 and tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 15, 2016

Presented by: June Skillman, Budget and Rates Manager

Ms. Skillman provided an overview of the certified assessed valuation of property in the Metropolitan service area, including affirming the number of directors and highlighting changes in overall assessed valuation and member agency vote entitlements.

5E-2 Adopt CEQA determination and resolution establishing the tax rate for fiscal year 2016/17

Presented by: June Skillman, Budget and Rates Manager

Ms. Skillman provided an overview of Metropolitan's ad valorem tax authority, the process to establish budgeted tax revenues for the biennial budget period, and two Board options to establish the ad valorem tax rate for FY 2016/17. Staff recommended Option #1 to maintain the ad valorem tax rate for FY 2016/17 at the existing rate of 0.0035 percent of assessed valuation and to direct staff to transmit the resolution to county auditors.

Motion: Carried

Moved: Director McKenney Seconded: Director De Jesus

Ayes: Chair Barbre, Vice Chair Wunderlich, Directors Apodaca, Blois, Dake, Dear, De Jesus, Faessel, Kurtz, McKenney, Ramos, and Touhey.

Noes: Director Lewinger

Abstentions: None

Absent: Directors Martinez and Paskett.

The motion passed by a vote of 12 ayes, 1 noes, 0 abstain, and 2 absent.

Chair Barbre acknowledged the letter in opposition received from San Diego and stated it would be included as part of the record.

4. CONSENT CALENDAR ITEMS – ACTION

None

5. OTHER BOARD ITEMS – ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

- a. Subject: Oral report on investment activities
Presented by: Roger Marumoto, Treasurer

Mr. Marumoto presented the Board with Metropolitan's short-term and long-term portfolio balances.

- b. Subject: Update on Treatment Fix Surcharge Workgroup
Presented by: Stathis Kostopoulos, Senior Resource Specialist

Mr. Kostopoulos provided an update on the Treatment Fix Surcharge Workgroup, including the process, participating agencies, meeting logistics and timeline.

8. MANAGEMENT REPORT

- c. Subject: Chief Finance Officer's report
Presented by: Gary Breaux, Chief Financial Officer/Assistant General Manager

Mr. Breaux presented an overview of Metropolitan's cumulative water sales through July 2016 and provided an update on recent financings.

9. FOLLOW UP ITEMS

None

10. FUTURE AGENDA ITEMS

None

11. ADJOURNMENT

Next meeting will be held on September 12, 2016.

Meeting adjourned at 10:00 a.m.

Brett R. Barbre
Chair