

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

October 10, 2016

Chair Barbre called the meeting to order at 9:30 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Barbre, Vice Chair Wunderlich (entered at 9:31 a.m.), Directors Apodaca, Blois, Dake, Dear, De Jesus, Faessel (entered at 9:46 a.m.), Kurtz, Lewinger, McKenney, and Touhey.

Members absent: Directors Martinez, Paskett, and Ramos.

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

Staff present: Beatty, Bowman, Breaux, Brooks, Coffey, Green, Kightlinger, Man, Mares, Marumoto, Jackson, Johnson, Quilizapa, Riss, Scully, Skillman, Soper, Stites, Upadhyay, Young, and Zinke.

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

Brenna Norton of Food & Water commented on concerns regarding the share of cost of the twin tunnels.

Vice Chair Wunderlich entered the meeting at 9:31 a.m.

2. APPROVAL OF THE MINUTES OF THE FINANCE AND INSURANCE COMMITTEE MEETING HELD ON SEPTEMBER 12, 2016

Motion: Carried

Moved: Director Touhey Seconded: Director Dear

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

Noes: None

Abstentions: None

Absent: Directors Faessel, Martinez, Paskett and Ramos.

The motion passed by a vote of 11 ayes, 0 noes, 0 abstain, and 4 absent.

3. CONSENT CALENDAR ITEMS – ACTION

None

7-1 Subject: Adopt CEQA determination and resolution for Annexation No. 100 to Calleguas MWD and Metropolitan
Presented by: Ethel Young, Resource Specialist

Chair Barbre announced item 7-1's presentation was not necessary.

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

The motion passed by a vote of 11 ayes, 0 noes, 0 abstain, and 4 absent.

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

Director Faessel entered the meeting at 9:46 a.m.

6. 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.

Director De Jesus withdrew from the meeting at 9:57 a.m.

Mr. Soper spoke on item 6c first

- c. Subject: Year-End Financial Review
Presented by: Hal Soper, Controller

Mr. Soper presented a review of Metropolitan's budget vs. actuals of revenues and expenses, water management fund balance, unrestricted reserves, and balance sheet trends.

- b. Subject: Quarterly Financial Review
Presented by: Hal Soper, Controller

Mr. Soper reviewed cumulative water sales, monthly water sales, FY16/17 reserves, and FY16/17 expenses.

- d. Subject: Update on Treatment Fixed Charge Workgroup
Presented by: Tom Chesnutt, A&N Technical Services

Dr. Chesnutt presented the committee members with an update on the progress of the Treatment Fixed Charge Workgroup, including synopsis of April proposal, process, overview of past meetings and the next steps.

7. MANAGEMENT REPORT

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

Mr. Breaux stated that the information provided in Mr. Soper's presentation covered his topics.

8. FOLLOW UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

Next meeting will be held on November 7, 2016.

Meeting adjourned at 10:07 a.m.

Brett R. Barbre
Chair