

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

AUDIT AND ETHICS COMMITTEE

November 8, 2022

Chair Ramos called the teleconference meeting to order at 10:30 a.m.

Members present: Chair Ramos, Directors Ackerman, Blois, Dennstedt, Jung, Kurtz, McCoy, Record and Smith.

Members absent: None

Other Board Members present: Directors Abdo, Atwater, Cordero, De Jesus, Dick, Erdman, Faessel, Fellow, Fong-Sakai, Goldberg, Lefevre, Miller, Morris, Peterson, and Tamaribuchi.

Committee Staff present: Hagekhalil, Rodriguez, Salinas, Scully, Shope, Tonsick, Torres and Von Haam.

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

None

CONSENT CALENDAR ITEMS — ACTION

2. CONSENT CALENDAR OTHER ITEMS – ACTION

A. Approval of the Minutes of the Audit and Ethics Committee held October 25, 2022.

3. CONSENT CALENDAR ITEMS – ACTION

7-1 Subject: Approve proposed amendments to the Administrative Code sections 2416 and 2131 relating to Equal Employment Opportunity policies and investigative procedures involving the Board of Directors and its Direct Reports; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Presented by: Jonaura Wisdom, Chief EEO Officer

Motion: Approve proposed amendments to the Administrative Code sections 2416 and 2131 relating to Equal Employment Opportunity policies and investigative procedures involving the Board of Directors and Direct Reports.

Ms. Wisdom gave a presentation on the Administrative Code sections 2416 and 2131 related to Equal Employment Opportunity policies and investigative procedures which involve the Board of Directors and Direct Reports.

In response to questions, the General Manager stated that staff would return to the Committee next month to discuss whether to require referral of EEO cases with conflicts to the Ethics Office instead of having the option to refer to it either Ethics or the Legal Department.

Added After completion of presentation, Director Smith made a motion to approve recommended amendments to Administrative Code sections 2131 and 2416, and further develop the EEO Investigative Procedures for the Board and its Direct Reports however the motion failed due to lack of second.

Director Record made a motion, seconded by Director Blois to approve the consent calendar items 2A and 7-1.

The vote was:

Ayes: Directors Ackerman, Blois, Dennstedt, Jung, Kurtz, McCoy, Ramos, Record, and Smith

Noes: Ramos (7-1), Smith (7-1)

Abstentions: None

Absent: None

The motion for item 2A passed by a vote of 9 ayes, 0 noes, 0 abstain, and 0 absent.

The motion for item 7-1 passed by a vote of 7 ayes, 2 noes, 0 abstain, and 0 absent.

The following Directors asked questions or provided comments:

1. Smith
2. Record
3. Kurtz
4. Blois

Staff responded to the Directors questions and comments.

END OF CONSENT CALENDAR ITEMS

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

- a. Subject: Discussion of Independent Auditor's Report from KPMG, LLP for fiscal year 2021-2022

Presented by: John Tonsick, Interim General Auditor

Mr. Tonsick introduced Brianne Weise from KPMG to present. Ms. Weise provided an overview of the Independent Auditor's Report from KPMG for fiscal year 2021-2022.

7. MANAGEMENT REPORTS

- a. Subject: Interim General Auditor's report

Presented by: John Tonsick, Interim General Auditor

Mr. Tonsick had nothing to add to his report.

- b. Subject: Ethics Officer's report

Presented by: Abel Salinas, Ethics Officer

Mr. Salinas reported that since October, the Ethics Office has initiated two new investigations. The Ethics office has also initiated a contract with Shaw Law Group for as needed investigation services.

8. FOLLOW-UP ITEMS

Chair Ramos announced that the subcommittee for the General Auditor recruitment has met. Plan to bring back candidates for the committee's consideration at the December 13, 2022 Board meeting.

9. FUTURE AGENDA ITEMS

Adel Haghekhil announced that Ms. Wisdom will bring back the amendments to Item 7-1 for further deliberation at the December Audit and Ethics meeting.

10. ADJOURNMENT

Meeting adjourned at 11:30 a.m.

Marsha Ramos
Chair