

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

FINANCE AND INSURANCE COMMITTEE

May 9, 2022

Vice Chair Record called the teleconference meeting to order at 9:30 a.m.

Members present: Vice Chair Record, Directors Blois, Dennstedt, Dick, Faessel, Goldberg, Hawkins, Jung, Ortega, Quinn, Ramos, Smith, and Tamaribuchi.

Members absent: None.

Other Board Members present: Directors Abdo, Ackerman, Atwater, Erdman, Fellow, Lefevre, McCoy, Miller, Morris, Peterson, and Pressman.

Committee Staff present: Beatty, Hagekhalil, Kasaine, Ros, Scully, Upadhyay.

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. Subject: Approval of the Minutes of the Finance and Insurance Committee held April 11, 2022

3. CONSENT CALENDAR ITEMS – ACTION

- 7-1 Subject: Adopt Resolution to continue Metropolitan's Water Standby Charge for fiscal year 2022/23; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Motion: Adopt the resolution to continue the Standby Charge for fiscal year 2022/23
- Presented by: Nancy Warfel, Resource Specialist

Ms. Kasaine introduced the item and Ms. Warfel presented the committee with an overview of the Water Standby Charge program and previous board actions taken regarding the Readiness-to-Serve Charge and Standby Charge.

After completion of the presentation, Director Blois made a motion, seconded by Director Dick, to approve the consent calendar consisting of items 2A and 7-1.

The vote was:

Ayes: Directors Blois, Dennstedt, Dick, Faessel, Goldberg, Hawkins, Jung, Ortega, Quinn, Record, Smith and Tamaribuchi

Noes: None

Abstentions: None

Absent: Director Ramos

The motion for item 2A and 7-1 passed by a vote of 12 ayes, 0 noes, 0 abstain, and 1 absent.

END OF CONSENT CALENDAR ITEMS

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

9-2 Subject: Renewal Status of Metropolitan's Property and Casualty Insurance Program

Presented by: Drew Boronkay, Unit Manager-Risk Management

Ms. Kasaine introduced the item and Mr. Boronkay presented the committee with an overview of the current Property and Casualty Insurance programs and the cost estimates for this year's insurance renewal.

The following Directors provided comments or asked questions:

1. Ortega
2. Record

Staff responded to Directors' comments and questions.

6. COMMITTEE ITEMS

a. Subject: Quarterly Financial Report

Presented by: Bernadette Robertson, Controller

Ms. Kasaine introduced the item and Ms. Robertson presented the committee with Metropolitan's quarterly financial report for the period ending March 31, 2022. The report included cumulative water transactions in acre-feet, revenues, and expenses for fiscal year 2021/22. Ms. Robertson also reported on reimbursable costs and Operations & Maintenance costs for the Delta Conveyance Project through March 2022.

The following Directors provided comments or asked questions:

1. Smith
2. Record
3. Ortega

Staff responded to Directors' comments and questions.

- b. Subject: Quarterly Investment Activities Report
Presented by: Kyle Jones, Managing Director, PMF Asset Management LLC

Ms. Kasaine and Mr. Smalls introduced the item and Mr. Jones presented the committee with an overview of Metropolitan's liquidity portfolio through March 31, 2022 and discussed market environment, investment strategy, returns and earnings projections.

The following Directors provided comments or asked questions:

1. Ortega

Staff responded to Directors' comments and questions.

- c. Subject: Bond Disclosure: Appendix A Training
Presented by: Brian Forbath, Partner, Stradling Yocca Carlson & Rauth

Ms. Kasaine and Mr. Rohen introduced the item and Mr. Forbath presented the committee with an overview of standards under the federal securities laws that apply when approving Appendix A, duties and responsibilities of board members, SEC enforcement, and disclosure controls.

7. MANAGEMENT REPORT

- a. Subject: Chief Financial Officer's report
No report given.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEM

None

10. ADJOURNMENT

Next meeting will be held on June 13, 2022.

Meeting adjourned at 10:43 a.m.

Randy Record

Vice Chair