



TO: Board of Directors

FROM: Bill D. Carnahan

SUBJECT: Finance Committee Report

DATE: July 14, 2014

A meeting of the Finance Committee was held on July 7, 2014 at the SCPPA office in Glendora.

Committee members present were: Brian Beelner (*Anaheim*); Bob Liu (*Burbank*); Rebecca Gallegos (*Colton*); David Davis and Steve Lins (*Glendale*); Belen Valenzuela and Greg Broeking (*IID*); Peter Huynh; (*LADWP*); Shari Thomas; (*Pasadena*); Laura Nomura (*Riverside*); and William Fox (*Vernon*).

Others present were: Stephen Cole (*Norton Rose Fulbright*); Mike Berwanger and Will Frymann (*Public Financial Management*); Therese Savery (*LADWP/SCPPA*); and Bill Carnahan, Robert Rozanski, and Richard Morillo (*SCPPA*).

The following are the business matters transacted by the Committee:

1. Minutes

The Committee reviewed and approved the minutes for the May 5, 2014 Finance Committee meeting.

2. Investment Reports

The Committee reviewed the Investment Reports for the months ended April 30, 2014 and May 31, 2014. The Committee recommended forwarding the reports to the Board for receipt and filing.

3. Financial Statements

The Committee reviewed the Quarterly Financial Statements for the quarter ended March 31, 2014. The Committee recommended forwarding the report to the Board for receipt and filing.

4. Project Budget Comparison Reports

The Committee reviewed the Project Budget Comparison Reports for the quarter ended March 31, 2014. The Committee recommended forwarding the reports to the Board for receipt and filing.

5. Security and Exchange Commission (SEC) Rule 15c2-12

The Committee received a briefing by Norton Rose Fulbright (Bond Counsel) on the SEC's new Municipalities Continuing Disclosure Cooperation Initiative (MCDCl) regarding the self-reporting of omissions with respect to past disclosure filings pursuant to SEC Rule 15c2-12. The Committee approved a recommendation by Bond Counsel to self-report minor omissions on past disclosure filings.

6. Municipal Advisor Rule

The Committee received a briefing with respect to SCPPA's compliance with the Dodd-Frank Municipal Advisor Rule (Rule). The Committee did not take any action with respect to such Rule.

7. San Juan (Unit 3) Power Project

The Committee received a briefing by PFM on options to refund and/or restructure San Juan Power Project bonds. The Committee did not take any action with respect to such options.

8. Pension Plan

The Committee received a briefing with respect to the funded level of SCPPA's CalPERS pension plan account, and the need to develop a targeted level of pension plan funding.

9. Market and VRDO Update

The Committee received a market update and VRDO status report from PFM.

10. Unsolicited Proposals

The Committee reviewed unsolicited proposals that were received from investment bankers. The Committee did not take any action with respect to such proposals.

11. Closed Session

The Committee did not meet in closed session.

**THE NEXT REGULARLY SCHEDULED
FINANCE COMMITTEE MEETING WILL BE AUGUST 4, 2014.**