The Finance Committee conducted this meeting remotely, in accordance with California Governor Newsom’s Executive Order N-29-20 and COVID-19 pandemic protocols.

CALL TO ORDER & ROLL CALL
Chair Julian Gold called the meeting to order at 11:03 a.m. and Clerk of the Board, Gabriela Monzon, conducted roll call.

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<thead>
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<th>Roll Call</th>
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<tbody>
<tr>
<td>Beverly Hills</td>
<td>Julian Gold</td>
<td>Committee Chair</td>
<td>Remote</td>
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<tr>
<td>Carson</td>
<td>Reata Kulcsar</td>
<td>Committee Member</td>
<td>Remote</td>
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<td>Claremont</td>
<td>Corey Calaycay</td>
<td>Committee Member</td>
<td>Remote</td>
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<td>Rolling Hills Estates</td>
<td>Steve Zuckerman</td>
<td>Committee Member</td>
<td>Remote</td>
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<td>Santa Monica</td>
<td>Pam O’Connor</td>
<td>Committee Member</td>
<td>Absent</td>
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All votes are unanimous unless otherwise stated.

GENERAL PUBLIC COMMENT
There was no public comment.

CONSENT AGENDA
1. Approve Minutes from the March 24, 2021 Finance Committee Meeting
2. Receive and File March 2021 Risk Management Team Report
3. Receive and File March 2021 CPA Investment Report
4. Receive and File February 2021 Financial Dashboard

Motion: Committee Member Calaycay, Claremont
Second: Committee Member Zuckerman, Rolling Hills Estates
Vote: The consent agenda was approved by a roll call vote.

REGULAR AGENDA
5. Report from the Chief Financial Officer

David McNeil, Chief Financial Officer, provided an update on the operations of the Finance department, noting that load forecasting has been brought in-house and that financial modeling capabilities are being further developed.

Responding to Committee Member Zuckerman’s questions, Mr. McNeil explained that the AR is expected to continue to age until the moratorium on disconnections and late payment penalties end at which point payment performance is expected to improve.
6. Review and Recommend Approval of Proposed FY 2020/21 Amended Budget to the Board of Directors

Mr. McNeil reviewed the proposed FY 2020/21 Amended Budget.

Chair Gold noted that CPA’s ability to add $20 million to its reserves even though energy cost was $80 million higher than expected was impressive. In response to Committee Member Kulcsar’s question, Mr. McNeil clarified that budget contingencies included in the FY 2020/21 base budget were exhausted, however, CPA is approaching a normally low risky part of the year which does not warrant adding additional budget contingencies.

**Motion:** Committee Member Zuckerman, Rolling Hills Estates  
**Second:** Committee Member Calaycay, Claremont  
**Vote:** The consent agenda was approved by a roll call vote.

7. Review FY 2021/22 Budget Priorities and Draft Operating Expenses

Mr. McNeil provided a summary of CPA’s budget process and operational priorities. Operating expenses were established with the following considerations: management of energy costs and risk; in-sourcing of core functions; use of savings to increase customer programs and communications that provide better customer experience and helps customers, particularly low-income, access assistance programs. Some of the key budget priorities for FY 21/22 are to contain net operating expenses to current levels and a 50% reduction in capital outlay; management of energy costs and risk; reduce use of consultants by investing in staff and technology; and use savings to increase customer programs and communications where there is potential return on investments (ROI). Cost savings opportunities and investments in key areas will mitigate potential opt-outs during a time of cost pressure, bring additional operating efficiencies, and manage cost volatility in the medium and long-term.

In response to questions from Committee Members Calaycay and Zuckerman, Ted Bardacke, Executive Director, discussed CPA coordination activities with staff from City of Claremont in the outbound calling for AMP and the launch of Power Ready; CPA has identified a county library located within Claremont as a potential site for a community serving facility with critical load. Additionally, the costs for completion of CPA’s offices were 20% under budget; in FY 2021/22 funding has been set aside for A/V system commissioning and troubleshooting and the revamp of the CPA’s website. With regard to the Power Response program, Mr. Bardacke explained that funding would primarily go towards customer incentives and funding for equipment will be determined through the RFP process. Chair Gold commented that the budget looked straightforward and that he anticipated more detailed discussions in future years about how much to allocate to customers programs versus reserves. Mr. McNeil added that in the near-term staff are focused on developing business models for customer programs that are functional, scalable and that produce a positive ROI for CPA. Mr. McNeil cited the example of the Power Response program which has the potential to significantly reduce CPA energy costs during times of high wholesale prices and energy use.

COMMITTEE MEMBER COMMENTS

None.
ADJOURN
Committee Chair Gold adjourned the meeting at 12:03 p.m.