

**GENERAL SESSION MINUTES
AUDIT COMMITTEE MEETING
August 31 – September 1, 2016
ISO Headquarters
Folsom, California**

August 31, 2016

The Audit Committee of the ISO Board of Governors convened the general session meeting at approximately 3:00 p.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the Audit Committee were in attendance:

Ash Bhagwat, Chair
Mark Ferron
Dave Olsen

The following members of the executive team were present at times throughout the meeting: Steve Berberich, Keith Casey, Eric Schmitt, Mark Rothleder, Roger Collanton and Becky Regan

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

There was no public comment offered at this time.

DECISION ON GENERAL SESSION MINUTES

Governor Olsen moved for approval of the Audit Committee's general session minutes for the June 28, 2016 meeting. The motion was seconded by Governor Ferron and approved 3-0.

ACCEPTANCE OF ISO RETIREMENT SAVINGS BENEFITS PLAN AUDIT

Ryan Seghesio, Chief Financial Officer and Treasurer, informed the Audit Committee that the U.S. Department of Labor requires employers with employee benefit plans to

file audited financial statements. Mr. Seghesio reviewed a table that depicted how the plan assets had increased by \$2.8 million in 2015.

Brad Wall, with Moss Adams, provided the Audit Committee with a background overview of Moss Adams and noted it was California's largest provider of audits of ERISA plans. He noted the firm performs approximately 1,400 audits annually. Mr. Wall provided an overview of the auditor communications that are required as part of the rules of professional responsibility. He noted that three minor adjustments had been recorded. Brief discussion followed. He stated the information included in the financial statements and supplementation information complied with the Department of Labor's rules. Mr. Wall noted his appreciation to ISO staff and the Plan's service provider, Schwab, for the high level of commitment and cooperation throughout the process. Brief discussion followed and Mr. Seghesio provided an overview of the ISO's Employee Pension Benefits Committee.

Motion

Governor Ferron:

Moved, that the Audit Committee of the ISO Board of Governors accepts the audit report of financial statements with supplementary information of the California ISO Retirement Savings Benefits Plan for the years ended December 31, 2015 and 2014, as audited by Moss Adams LLP Certified Public Accountants, and as attached to the memorandum dated August 24, 2016.

The motion was seconded by Governor Bhagwat and approved 3-0.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 3:30 p.m.