



# Approve and Authorize the Distribution of Appendix A For Use in the Issuance and Remarketing of Metropolitan's Bonds

Finance and Insurance Committee

Item # 8-1

February 13, 2017

# Appendix A Update Process

- Board to review and approve biannually unless there are no financial transactions requiring an update
- Interim updates to be provided to Board for review and comment

# Appendix A Describes Metropolitan

- Metropolitan's service area
- Governance and management
- Sources of water supply and current conditions
- Capital projects and expenditures
- Revenues, expenses and debt service obligations
- Litigation and legislation

# Metropolitan is Responsible for the Content of its Disclosure Documents

- May not:
  - Contain an untrue statement of a material fact
  - Omit material facts

# Responsibilities of The Board of Directors

- Receive reports
- Review draft disclosure document
- Proper disclosure

# Appendix A

- Significant updates since June 2016 include:
  - Reorganization and added context
  - Water supply conditions and storage
  - Revenues, expenses and financial reserves
  - Recent financings

# Options for Consideration

- Option #1

Adopt the CEQA determination that the proposed action is not subject to CEQA and

- Approve the draft Appendix A attached to the board letter;
- Authorize the General Manager, or other designee of the Ad Hoc Committee, to finalize Appendix A, with changes approved by the General Manager and General Counsel; and
- Authorize distribution of Appendix A, as finalized by the General Manager, in connection with the sale or remarketing of bonds.



# Options for Consideration

- Option #2

Do not approve Option #1.



# Staff Recommendation

- Option #1

