

3. CONSENT CALENDAR ITEMS – ACTION

None

4. OTHER BOARD ITEMS -- ACTION

None

5. BOARD INFORMATION ITEMS

9-2 Review of the Metropolitan Water District Act Section 124.5
ad valorem property tax limitation for fiscal years 2020/21 and 2021/22

Presented by: Katano Kasaine, Assistant General Manager/Chief Financial Officer

Ms. Kasaine provided an overview of the Metropolitan Water District (MWD) Act Section 124.5 ad valorem property tax for fiscal years 2020/21 and 2021/22, which included limitations, restrictions, and the importance of maintaining the tax rate at .0035 percent.

The following Directors provided comments or asked questions:

1. Goldberg
2. Smith
3. Blois
4. Ortega
5. Hogan
6. McKenney

6 COMMITTEE ITEMS

- a. Subject: Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2020/21 and 2021/22; proposed water rates and charges for calendar years 2021 and 2022 to meet revenue requirements for fiscal years 2020/21 and 2021/22; ten-year forecast; and Cost of Service Report (Workshop #3)

Presented by: Arnout Van den Berg, Unit Manager-Rates, Charges & Financial Planning
Tobin Tellers, Section Manager-Engineering Services

Mr. Van den Berg presented the committee with the follow-up items from Workshops #1 and #2, which included hypotheticals of the impact of a potential Delta conveyance project, the proposed Regional Recycled Water Program, and OPEB/PERS prefunding. He also discussed the reason why we cannot provide an impact analysis of anticipated cost of State Water Project subsidence to the 10-year forecast and that the current 10-year forecast includes cost provided in the fall of 2019. Finally, Mr. Van den Berg provided the impact of funding CIP at 80%, 90%, and 100%, funding levels, and the average full-service rate in 2021 and 2022 under each scenario.

The following Directors provided comments or asked questions:

1. Smith

2. Ortega
3. Kurtz
4. Dick

7. MANAGEMENT REPORT

a. Chief Financial Officer's report

Ms. Kasaine presented the committee with an update of water revenues for the seven-month period ending January 31, 2020. Her report included budgeted and actuals of cumulative and monthly water transactions in acre-feet, and water transactions and revenues through January 2020. Ms. Kasaine also updated the Board on the Subordinate Water Revenue Refunding Bond, 2020 Series A, that was priced on March 4, 2020 at \$151.4 million and produced debt service savings of \$9.4 million or 4.4%.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

Next meeting will be held on April 13, 2020.

Meeting adjourned at 10:30 a.m.

Randy Record
Vice Chair