



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

Finance and Insurance Committee

Item 8-2

May 11, 2020

Appendix A

- Upcoming bond issuances
- Provide investors material information

Appendix A Describes Metropolitan

- Service area
- Governance and management
- Sources of water supply and current conditions
- Capital projects and expenditures
- Revenues, expenses and long-term obligations
- Litigation and legislation

Appendix A Update Process

- Staff/Internal update
- Disclosure counsel
- Working finance and legal group
- Board review and approval

Board Review and Approval

- Receive reports
- Review draft Appendix A
- Proper disclosure – May not
 - Contain an untrue statement of a material fact
 - Omit material facts

Appendix A

- Significant updates since January 2020 include:
 - COVID-19
 - Adoption of Budget and Rates
 - State Water Project Environmental Permits

Future Updates to Appendix A

- Biannual updates
 - Unless there are no financial transactions
- Interim updates
 - Will be provided to Board for review and comment

Options for Consideration

● Option #1

- Approve the draft Appendix A (Attachment 1) attached to the board letter;
- Authorize the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A; and
- Authorize distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale or remarketing of bonds.

Options for Consideration

- Option #2

Do not approve Option #1.

Staff Recommendation

- Option #1



Questions?