



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

Finance and Insurance Committee

Item 7-2

May 10, 2021

# 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 December 2020 include:
  - COVID-19
  - Water Supply Conditions
  - Litigation Updates

# Future Updates to Appendix A

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



# Board 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.



# Board Options for Consideration

- Option #2
  - Do not approve Option #1.

# Staff Recommendations

- Option #1

