



**TO:** Board of Directors  
**FROM:** Michael S. Webster  
**SUBJECT:** Finance Committee Report  
**DATE:** August 6, 2018

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A meeting of the Finance Committee was held on August 6, 2018 at the SCPPA office in Glendora.

**Committee members present were:** Russell Dowell (*Anaheim*); Bob Liu (*Burbank*); Rebecca Gallegos (*Colton*); Belen Valenzuela (*IID*); Mario Ignacio (*LADWP*); Shari Thomas (*Pasadena*); Laura Chavez-Nomura (*Riverside*); and Bill Fox (*Vernon*).

**Others participating were:** Stephen Cole, Victor Hsu (*Norton Rose Fulbright*); Mike Berwanger and Tyler Old (*Public Financial Management*) and Alex Injev (*Public Financial Management-Teleconference*); Vince Brar and Ramzi Raufdeen (*Ceritos-Teleconference*); Joan Ilagan and Yolanda Pantig (*LADWP/SCPPA*); Michael S. Webster, Greg Broeking, Richard Morillo, Daniel Hashimi, and Joanna Lopez (*SCPPA*).

The following are the business matters transacted by the Committee:

**1. Opportunity for the Public to Address the Committee**

No public comments were made.

**2. Meeting Minutes**

The Committee reviewed and approved the minutes for the June 4, 2018 Finance Committee meeting.

**Moved By:** Laura Chavez-Nomura

**Seconded By:** Shari Thomas

**Unanimously Approved**

**3. Investment Reports**

The Committee reviewed the Monthly Investment Report for the months ended May 31, 2018 and June 30, 2018. The Committee also reviewed the Quarterly Investment Reports for the period ended June 30, 2018. The Committee recommended forwarding the Reports to the Board for receipt and filing.

**Moved By:** Laura Chavez-Nomura

**Seconded By:** Russell Dowell

**Unanimously Approved**

**4. Annual Audit**

Moss Adams provided the Committee with a presentation regarding the annual audit for fiscal year end June 30, 2018.

**5. Finance Committee Governance**

The Committee received a status and discussed the final draft by-law amendment clarifying the governance and structure of the Finance Committee. The Committee recommended forwarding the Finance Committee Governance to the Board for consideration.

**6. Fiscal Agency Agreement**

The Committee received a status update and discussed the draft of the Fiscal Agency Agreement. The Committee recommended forwarding the Fiscal Agency Agreement to the Board for consideration.

**7. Natural Gas Prepay RFP/RFI**

The Committee received an update from PFM regarding the natural gas prepay banking and gas supply services RFP/RFI.

**8. STS Refunding Update; Review of Board Resolutions**

The Committee received an update from PFM on the status of the issuances of refunding bonds to refund the STS 2008 Series A Bonds and most of the STS 2009 Series A Bonds. The Committee then reviewed two draft Board Resolutions approving (i) the issuance of bonds to refund the Refunded Bonds and the approval of various related documents and (ii) the adoption of a Continuing Disclosure Board Resolution required by Rule 15c2-12, which relates to the STS refunding bonds to be issued. The Committee recommended forwarding the Resolutions to the Board for consideration.

**Moved By:** Mario Ignacio

**Seconded By:** Shari Thomas

**Unanimously Approved**

**9. Pension and OPEB Funding Levels**

The Committee discussed how to address the Board's directive on funding shortfalls for pension and OPEB costs.

**10. Market and VRDO Update**

The Committee received a market and VRDO status report from PFM.

**11. Unsolicited Proposals**

The Committee reviewed unsolicited proposals that have been received from investment bankers. The Committee may take action with respect to such proposals.

**12. Future Agenda Topics**

The Committee members were given the opportunity to suggest topics for future Committee meetings.

The Authority upon request will provide reasonable accommodation to the disabled to ensure equal access to its meetings. To ensure availability, such request should be made 48 hours in advance by contacting the Authority at (626) 793-9364 during business hours.

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**THE NEXT REGULARLY SCHEDULED  
FINANCE COMMITTEE MEETING WILL BE September 10, 2018.**