



WESTERN MUNICIPAL WATER DISTRICT
14205 Meridian Parkway, Riverside, CA 92518
MINUTES OF THE
FINANCE COMMITTEE MEETING
OF THE WHOLE
November 18, 2024 at 9:30 AM

1. CALL TO ORDER

The Western Municipal Water District (Western Water) Finance Committee Meeting of the Whole was called to order by Director Mike Gardner at 9:31 a.m., in the Training Room at the Western Water Headquarters Office, 14205 Meridian Parkway, Riverside, California.

2. ROLL CALL

Directors Present

Gracie Torres, Board Member
Mike Gardner, President
Laura Roughton, Vice President
Fauzia Rizvi, Secretary-Treasurer

Roll call of the Board of Directors was taken by Board Secretary Tammi Ford. Roll call was not conducted for Staff or members of the public.

3. PUBLIC COMMENTS

Members of the public may address the Committee regarding any item within the subject matter jurisdiction of the Committee; however, no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Committee considers that matter. Each individual's comment is limited to a maximum of three (3) minutes, however, the Presiding Officer reserves the right to reduce the amount of time each individual can speak in order to ensure all members of the public have an opportunity to comment.

None.

4. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial and are to be acted upon by the Committee by one motion, without discussion. If any Committee member, staff member, or interested person requests that an item be removed from the Consent Calendar for further discussion, it will be moved to the first item on the Action Agenda.

A. Approve the Minutes of the October 14, 2024, Finance Committee Meeting of the Whole

Committee members approved minutes of the October 14, 2024 Finance Committee Meeting of the Whole, with no changes.

5. ITEMS TO BE ADDED TO THE AGENDA

(If any) In accordance with Section 54954.2 of the Government Code, upon determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present that there is a need to take action, and the need to take action arose after the agenda was posted

None.

6. UPCOMING BOARD ITEMS/RECOMMENDATIONS TO BE MADE TO THE FULL BOARD

The following items on the Agenda call for discussion and action by the Committee. All items are placed on the Agenda so that the Committee may discuss and take action on the item, if the Committee is so inclined.

A. Quarterly Investment Report for the Period Ended September 30, 2024

Dan Delaney, Chandler Asset Management, presented the quarterly investment report for the period ending September 30, 2024. He discussed factors that can affect investment results, including employment the GDP, the economy in general and inflation. He reported that the the higher interest rates have not had as much impact as anticipated and talk of a recession had ended. He noted that the Federal Reserve had cut rates twice and the official interest rate is currently 4.75%. He discussed Western Water's decision to issue a larger amount of debt when the rates were low, so we will not be greatly affected by the rate fluctuations. He noted that bond yields had a very good third quarter, causing increased earning for Western Water. He reported that Western Water is in full compliance with our policies and reviewed our account profile. He finished by reviewing Western Water's VEBA Trust, again noting we are in full compliance and he reviewed the current asset allocation and remarking that our investments have a good diversification.

B. Report on the Community Facilities District No. 88-1 and Community Facilities District No. 99-1 to Comply with the Local Agency Special Tax and Bond Accountability Act

This item was presented by: Spencer Melendez, Accountant I

Committee Recommendation: Forward Item 6B to the full Board of Directors for consideration.

C. Approve Combining Certain Retail Water Service Area Operating and Designated Reserve Funds Effective July 1, 2025

This item was presented by: Kevin Mascaro, Assistant General Manager/Chief Financial Officer

Committee Recommendation: Forward Item 6C to the full Board of Directors for consideration.

D. Receive and File the September 2024 Cash Disbursement Report

This item was presented by: Spencer Melendez, Accountant I

Committee Recommendation: Forward Item 6D to the full Board of Directors for consideration.

7. REPORTS

The following agenda items are reports. They are placed on the Agenda to provide information to the Board and the public. There is no action called for in these items.

A. GENERAL MANAGER REPORT

General Manager Craig Miller announced that there may be an added item to the Board Meeting agenda on Wednesday, November 20, 2024. He stated that depending on the outcome of a vote at the Metropolitan Water District Board Meeting, Western Water will bring an item to be added to the agenda to possibly make an investment to pre-purchase water pursuant to a reverse cyclic program. He said he felt this would be a great financial opportunity for Western Water to be able to purchase water at a lower rate now for delivery in the future.

B. CHIEF FINANCIAL OFFICER REPORT

Assistant General Manager/Chief Financial Officer Kevin Mascaro, reported that TD Bank, a firm Western Water does business with and where we have our pipeline replacement line of credit has been downgraded by the S & P, as a result of fines and civil and criminal penalties they bank received due to a money laundering incident. He provided brief information about how this may affect Western Water and stated that although we will monitor the situation closely, he felt this was an isolated incident and that the group we have our line of credit with is still credible.

C. DIRECTORS' REPORT AND REQUESTS

None.

8. NEXT MEETING

A. **Monday, December 16, 2024 at 9:30 a.m.**

9. ADJOURNMENT

There being no further business before the Committee, Director Mike Gardner adjourned the meeting at 10:35 a.m.