

May 28, 2020



**MINUTES OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE**

Executive Order N-25-20 and N-29-20, issued by the Governor of the State of California, in which portions of the Ralph M. Brown Act are suspended and allows, all Board members, staff and the public to participate by telephone.

Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

A meeting of the Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) was held via audio conference, on Thursday, May 28, 2020, at 9:37 a.m., Chair Sobel presiding.

- (1) **Call to Order:** 9:37 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong.

Committee Members Present (7): Chair Sobel; Vice Chair Fredericks; Directors Cochran, Grosboll, Moylan and Yee; President Pahre.

Committee Members Absent (0): None.

Other Directors Present (4): Directors Hill, Mastin, Rabbitt and Theriault.

Committee of the Whole Members Present (11): Directors, Fredericks, Grosboll, Hill, Mastin, Moylan, Rabbitt, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Committee of the Whole Members Absent (6): Directors Arnold, Belforte Fewer, Garbarino, Hernández, and Sears.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Attorney Madeline Chun, Deputy General Manager/Administration and Development Kellee Hopper; Deputy General Manager/Bridge Steve Miller; Deputy General Manager/Bus Transit Mona Babauta; Deputy General Manager/Ferry James Swindler; Executive Assistant to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

Visitors Present: Lesley Murphy, PFM Asset Management, LLC.

(3) Ratification of Previous Actions by the Auditor-Controller

(a) Staff Report

In a memorandum to the Committee, Auditor-Controller Joseph Wire and General Manager Denis Mulligan reported on the commitments, disbursements and investments made on behalf of the District. The report included a copy of the District's "Investment Report" for April 2020 from PFM Asset Management, LLC (PFM). A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation of Investment Report by PFM Asset Management, LLC

At the meeting, PFM Senior Managing Consultant Lesley Murphy reviewed the Investment Report. She stated that interest rates are quite low at 20 basis points or 0.2%. She pointed out the Unemployment Rate is at 14.7%, and 40 million Americans have lost their jobs since March 20. She said that Gross Domestic Product (GDP) contracted by 4.8%, which is the largest drop since the Great Recession. She added that as of this morning, economists expect the Second Quarter GDP Report will show that the economy has shrunk by 40%. She said the states are under pressure to re-open their economies. She added that state officials have to balance the public's health and their state's economy. She highlighted the Republican-led states have advocated opening their economies earlier whereas the Democrat-led states have been more cautious. She said in recent weeks, some investors have become more optimistic and the Standard & Poor index (S&P) has rebounded by 30% since its March 23rd low.

Ms. Murphy further said that PFM continues to take a cautious and conservative approach to managing the District's investments. She noted PFM could purchase more securities, but instead has counselled investing in the Local Area Investment Fund (LAIF).

Ms. Murphy confirmed the District's portfolio is in compliance with Board policy and the law, and is well-diversified. She said that PFM puts a priority on maintaining the safety and credit worthiness of the District's portfolio.

(c) Discussion by the Committee

Director Hill commented the District has investments in Asset Backed Securities (ABS), and he asked why the District has so many automobile-related ABS. Ms. Murphy said the District has investments in automobile-related ABS because of their relative value and safety. She said PFM has a dedicated ABS subcommittee, which looks closely at the credit worthiness of the ABS investments. She added the automobile-related companies may be very active in the marketplace. She noted PFM is stress-testing all the ABS in their client portfolios and will not make any new purchases until that testing is completed.

Director Mastin asked about the MetLife Short Term security that was purchased and matured on the same date which is shown in the Committee packet on page 17. He noted the maturity date was the same date as the settle date. Ms. Murphy responded that she would investigate and report back at a later time.

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Chair Sobel observed the federal government has been putting a lot of money into the economy. He also observed the GDP and federal deficit are at about the same level. He asked how this ratio could affect the economy. Ms. Murphy pointed to page 16 of the Committee packet. She said the ratio of GDP to the federal deficit is a concern. She said in the latest round of federal assistance legislation the cost is estimated to be \$3 trillion dollars. She noted some legislators are concerned about the U.S.'s debt level. She noted the debate may be along party lines, and would likely continue. She said the investors seem willing to purchase the U.S. debt.

Chair Sobel asked how much of the U.S. debt is held by China. Ms. Murphy noted China owns a lot of the U.S. debt.

(d) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors FREDERICKS/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the following actions:

- (i) Ratify commitments and/or expenditures totaling \$46,008.00 for the period of April 1, 2020 through April 30, 2020;
- (ii) Ratify investments made during the period April 15, 2020 through May 12, 2020;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between May 13, 2020 and June 15, 2020, as well as the investment of all other funds not required to cover expenditures which may become available; and,
- (iv) Accept the Investment Report for April 2020.

**Action by the Board at its meeting of May 29, 2020 – Resolution
CONSENT CALENDAR**

AYES (11): Directors, Fredericks, Grosboll, Hill, Mastin, Moylan, Rabbitt, Sobel, and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (6): Directors Arnold, Belforte Fewer, Garbarino, Hernández, and Sears.

(4) Authorize Budget Adjustment(s) and/or Transfer(s)

No actions required authorization.

(5) **Authorize Actions Related to Grant Programs**

No actions required authorization.

(6) **Authorize Execution of a Third Amendment to the Services Agreement with VHT Star Star, LLC Relative to Contract No. 2013-B-11, Mobile Direct Response Network Services to Enable Mobile Messaging for Toll Information for All Electronic Tolling**

(a) **Staff Report**

In a memorandum to the Committee, Director of Budget and Electronic Revenue Jennifer Mennucci, Auditor-Controller Joseph Wire and General Manager Denis Mulligan reported on staff's recommendation to authorize execution of the Third Amendment to the Services Agreement with VHT Star Star, LLC, dba StarStar Mobile, relative to Contract No. 2013-B-11, *Mobile Direct Response Network Services to Enable Mobile Messaging for Toll Information for All Electronic Tolling (AET)*, for continued use of the StarStar mobile phone number and application services for an additional one-year term with two one-year option terms. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) **Presentation by Staff**

At the meeting, Mr. Wire summarized the staff report and briefly explained the mobile messaging services provided by dialing **GGB on a phone. He said the texter receives information about All Electronic Tolling and how to pay, which is available in multiple languages. He pointed out the Board's approval of this item would extend the District's Agreement with VHT Star Star, LLC for an additional year with two one-year option terms.

(c) **Discussion by the Committee**

Director Mastin asked how many calls are made to **GGB each month. Mr. Wire responded that **GGB number gets hundreds of calls each month. He said staff believes the service is not cost-effective. However, he noted the multi-lingual features are unique and there are not many other solutions similar to **GGB. He stressed that staff would continue to look for other options.

Director Mastin asked how **GGB is promoted. Mr. Wire responded that people learn about **GGB through the District's website and signage. Mr. Mulligan added that the rental car companies have flyers that include information about **GGB. He said the **GGB is an easy way to get information to visitors from all over the world.

(d) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors FREDERICKS/GROSBOLL** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize execution of the Third Amendment to the Services Agreement with VHT Star Star, LLC, dba StarStar Mobile, relative to Contract No. 2013-B-11, *Mobile Direct Response Network Services to Enable Mobile Messaging for Toll Information for All Electronic Tolling (AET)*, for a total not-to-exceed amount of \$75,000 (up to \$25,000 per year), for use of the StarStar mobile phone number and application services for an additional one-year term with two one-year option terms to be exercised by the General Manager, if deemed in the best interest of the District; with the understanding that sufficient funds in the FY 20/21 District Division Operating Budget for the first year of services and sufficient funds will be included in future year's budgets as necessary.

Action by the Board at its meeting of May 29, 2020 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors, Fredericks, Grosboll, Hill, Mastin, Moylan, Rabbitt, Sobel, and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (5): Directors Arnold, Belforte Fewer, Garbarino, Hernández, and Sears.

[Director Rabbitt departed.]

(7) **Authorize Execution of an Extension to the Commercial Paper Line of Credit Agreement with JPMorgan Chase Bank**

(a) **Staff Report**

In a memorandum to the Committee, Director of Fiscal Resources Alice Ng, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan reported on staff's recommendation to approve actions relative to extending the Line of Credit (Agreement) with JPMorgan Chase Bank (JPMorgan), for the Commercial Paper Program (CP Program). A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) **Presentation by Staff**

At the meeting, Mr. Wire summarized the staff report. He reported that the JPMorgan Line of Credit assures creditors that the District's CP Program is safe, and he pointed out the Agreement is for a year. He noted the cost of these types of agreements typically rise during times of heavy economic activity. He also noted right now, there is a lot of aggressive borrowing and demand for credit. As a result, JPMorgan can charge more for its Line of Credit. He said that in challenging economic times, the District may have increased costs in certain areas. He highlighted that staff has consulted with PFM representatives who believe the market will look different, and the District will likely be able to get a lower rate next year.

(c) Discussion by the Committee

Director Mastin asked if the District ever uses the Line of Credit. Mr. Wire responded the District never intends to use this Line of Credit. He added the Indenture Agreement gives holders of District debt first right to District revenues. If the District had to use its Line of Credit the District would not be able to repay its obligations.

Chair Sobel noted the District is paying a substantial amount of money for the Line of Credit protection. Mr. Wire concurred.

Director Cochran asked how much less the District is paying on its debt in the CP Program as a result of reduced interest rates. He asked if the reduced cost would offset the increased cost of the Line of Credit. Mr. Wire stated that he did not have those numbers in front of him at the moment. He noted the District is likely paying a lower rate of interest on its CP Program. He said the reduced interest could likely equal roughly half of the increase in the JPMorgan Line of Credit cost.

Director Cochran asked what the District paid out for its CP Program last year. Mr. Wire said the amount the District paid for its CP Program is shown in the Proposed Budget for FY 20/21. Mr. Mulligan added the District has a CP Program and the JPMorgan Line of Credit assures investors the District will repay them for their investment in the CP Program.

(d) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors FREDERICKS/MOYLAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize the execution of an extension of the Line of Credit (Agreement) with JPMorgan Chase Bank (JPMorgan), for the Commercial Paper Program (CP Program), at a cost of 0.825% per annum, for a total cost of approximately \$637,500, for the period of June 30, 2020, through June 29, 2021.

**Action by the Board at its meeting of May 29, 2020 – Resolution
NON-CONSENT CALENDAR**

AYES (10): Directors, Fredericks, Grosboll, Hill, Mastin, Moylan, Sobel, and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (7): Directors Arnold, Belforte Fewer, Garbarino, Hernández, Rabbitt, and Sears.

(8) Status Report on the Renewal of the Liability and Property Insurance Programs

In a memorandum to Committee, Director of Risk Management and Safety Kelli Vitale, Deputy General Manager/Administration and Development Kellee Hopper, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan provided a status report regarding the District's Liability and Property Insurance Programs for informational purposes only and no action is recommended. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation by Staff

At the meeting, Mr. Wire reviewed the staff report. He said insurance costs can be affected by the economy and are being affected this year. He noted the Liability and Property Insurance Programs (the Programs) have been costly in the past, and will likely be costly this year.

He reviewed the Excess Liability Insurance, and noted some of the pressures on the costs. He noted that the District's insurance broker USI Insurance Services (USI) is working on building up the District's coverage and is anticipating increased costs of 17% to 30%. He reviewed the District's historical costs for the coverage.

He reviewed the Property Insurance Program. He said the pressures in the marketplace include higher costs and the economic conditions.

He spoke about the District's Bridge Self-Insurance Loss Program. He said a number of years ago, staff recommended that the District put the cost to insure the Bridge tolls into a reserve.

(c) Discussion by the Committee

President Pahre asked if the Seismic Retrofit project would help reduce any of the District's insurance coverage. Mr. Wire said the Seismic Retrofit project would not reduce any of the District's insurance coverages because the District does not buy property insurance for the Bridge.

President Pahre asked if the Property Insurance Program which now includes excess earthquake insurance, covers the District's other structures besides the Bridge. Mr. Wire confirmed the excess earthquake insurance covers the District's other structures besides the Bridge. He noted that the Engineering Department lead by Ms. Bauer-Furbush is ensuring the Bridge is stable through various projects.

Director Theriault asked about the District's losses. Mr. Mulligan responded that the District's insurance is covering the class action lawsuits related to All Electronic Tolling. Attorney Manolius added that there is a second class of lawsuits related to the alleged exposure of personally identifiable information.

Director Hill asked if the District could secure an umbrella policy for the Bridge when the Bridge Reserve fund reaches \$25 million.

Mr. Wire stated that, when the District originally set up the Bridge Toll Insurance Program, the District was paying \$1.3 million for \$25 million of coverage. He noted there was a Self-Insured Retention of \$15 million. He said at that time, the Board, in consultation with staff, thought that \$1.3 million was too high a price to pay and the Board approved building a Bridge Reserve of \$25 million with a target of putting \$1.3 million into the reserve each year. He said that staff could look at the coverage costs for the Bridge. He noted that it was difficult to get coverage for the Bridge 15 years ago.

Chair Sobel commented that \$25 million is a lot of money, but not much for damages that could occur to the Bridge.

Director Mastin asked about the Marine Insurance Program. Mr. Wire stated that the Marine Insurance Program was approved by the Board in February. Mr. Mulligan added the Marine Insurance Program includes Hull and Machinery Insurance.

(9) Initial Presentation of the Proposed FY 2020/2021 Operating and Capital Budget

(a) Staff Report

In a memorandum to the Committee, Director of Budget and Electronic Revenue Jennifer Mennucci, Director of Capital and Grant Programs Amy Frye, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan presented the Draft FY 20/21 Operating and Capital Budgets for informational purposes only and no action is recommended. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation by Staff

At the meeting, Mr. Wire expressed his appreciation for staff's efforts on this year's proposed budget. He recognized the staff who made key contributions to the FY 19/20 Proposed Budget including Director of Budget and Electronic Revenue Jennifer Mennucci, Director of Capital and Grant Programs Amy Frye, Principal Budget and Program Analyst Lehnee Salazar, Budget and Program Analyst Daniel Gomez, Capital and Grant Programs Analyst Jacob Brown, and Editor Mydria Clark. He pointed out the District's budget has earned the Government Finance Officers Association *Distinguished Budget Presentation Award* for a number of years.

Mr. Wire said that he would review the staff report for the Proposed Budget for FY 2020/2021 (proposed budget), highlight areas of the proposed budget and summarize how the COVID-19 Shelter-in-Place (SIP) has affected the District's finances. A copy of the proposed budget is available at <https://www.goldengate.org/assets/1/25/2020-0528-financecomm-no9-proposedbudgetfy20-21-attachment.pdf>.

Mr. Wire explained that staff had completed the proposed budget and then, the Governor and counties issued SIP Orders. He said that staff made some quick changes based on the trends staff saw in the early phase of the SIP, but in order to present the proposed budget at this meeting, staff had to finish the budget.

Mr. Wire emphasized that the proposed budget is a placeholder in time and can be viewed as a living document. He noted that the proposed budget is more out-of-date than others because expenses are \$98.2 million higher than revenues, which represents about 40% of the total budget. He said that in the coming months, the Board and staff will have to discuss and make decisions about how to balance expenses with revenues. He stated that in recent weeks, staff has seen some increases in Bridge traffic, and expects to see more increases. He encouraged the Board and staff to identify ways to increase revenue and decrease expenses.

Mr. Wire reviewed the actions that are outlined in the staff report and included in the budget that the Board will consider in June. He gave an overview of the overarching components of the proposed budget including: a) Operating Budget revenues of \$144 million; b) Operating Budget expenditures of \$242.2 million; c) Assumption of \$98.2 million future increases in revenue or decreases in expenses to balance the budget; d) Capital Budget revenues of \$29.1 million; e) Capital Budget expenditures of \$48.7 million; and, e) District Reserves of \$19.6 million that will be used to fund the FY 20/21 Capital Budget.

Mr. Wire focused on the effects of the SIP Orders on the Bridge, Bus and Ferry Divisions. He reviewed the Bridge Division Overview and Status, and pointed out how the Bridge traffic has decreased as much as 71% as a result of the COVID-19 SIP Orders. He said that the community did a great job adhering to the SIP Orders. He noted that after a few weeks of the SIP, the Bridge traffic rose to about 50% of its usual traffic. He reviewed the Toll Revenue Trends for the eight weeks of the SIP. He outlined some of the assumptions staff used to project revenues, and he emphasized staff's attempted to identify realistic projections for Bridge traffic. He noted that staff is projecting that Bridge traffic will rise after the SIP concludes and reach about 82% by June 2021.

Mr. Wire reviewed the COVID-19 Transit Overview and Status. He pointed out the projected revenue for the Bus Transit Division. He summarized staff's assumptions for the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding projections. He emphasized the CARES Act funding can only be used for transit. He noted the CARES Act funding will be spent in FY 19/20 and will only be applicable to the FY 19/20 Budget. He reviewed the bus ridership and revenue trends for the first eight weeks of the SIP. He noted that staff is projecting that bus ridership will rise quite slowly after the SIP concludes and reach about 55% by June 2021.

Mr. Wire reviewed staff's revenue projections for the Ferry Division. He noted that the ferry ridership declines have been even more dramatic than the bus ridership declines. He reviewed the Ferry Ridership Trends during the first eight weeks of the SIP. He pointed out that the ferry ridership demand is very elastic because many are riders who make a choice about how to commute and might make a choice to telecommute. He emphasized that ferry ridership is down about 99%. He said that staff is projecting that ferry ridership will rise quite slowly after the SIP concludes and reach about 51% by June 2021.

Mr. Wire highlighted other sections of the proposed budget including the Budget Overview, Net Impact on District Reserves, Transit System Funding, Financial Reserves, Projected Reserves for Capital Projects, Operating Budget Summary, Operating Revenues, Operating Expenses, Proposed Budget Position Changes, and Capital Budget.

Mr. Wire stated that the Bridge has historically had inelastic demand. He emphasized that Bridge traffic could decrease for the long term because of the SIP and a possible long term change in working patterns. He noted the District's mission includes a statement that transit is funded based on the availability of resources. He pointed out the difference between available resources for FY 19/20 and FY 20/21. He said the difference between projected revenues and expenses is \$98.2 million and as a result, the Board and staff will have to make decisions about how to close the gap.

[Director Yee departed, and the Committee ceased being a Committee of the Whole.]

(c) Discussion by the Committee

Chair Sobel expressed his appreciation for all the work staff did on the proposed budget. He noted the budget is a superb document. Mr. Wire responded he would pass on his appreciation to staff and he acknowledged the contribution of the Executive Team.

Director Hill asked if staff has investigated the assertion that more people will be working at home after the SIP has concluded. Mr. Wire responded staff took into account the possibility that fewer people would be travelling through the Golden Gate corridor, and fewer people will take the District's transit. He said staff's highest projection is Bridge traffic will increase up to 80% of the usual vehicle traffic by June 2021.

Chair Sobel commented that Mr. Wire and his staff would be working on the expenses and revenues for the next few months. In the meantime, the Board could approve the proposed budget as a provisional budget at the Board meeting being held in June. Mr. Wire concurred. He added that the Board would be approving the proposed budget as presented with the understanding that the Board and staff would work together to make changes to revenues and expenses to balance the budget.

Chair Sobel stated that staff would be looking at each area and determining how it could reduce expenses. He added that he did not want to highlight any one area over another; however, he pointed out that the District is operating buses with low ridership levels due to the COVID-19 SIP. He stated that he thought the Board and staff would have to look at the bus transit operation in order to reduce expenses. He noted the District's primary business is to get vehicles across the Bridge. He pointed out that people's work patterns may be changing, and the changing work patterns would affect Bridge traffic and transit ridership. He encouraged his fellow Board members and staff to look into the future and see what the District would be in three, five and ten years. Mr. Mulligan thanked Chair Sobel for acknowledging the organization is a Bridge District that supports transit. He added the transit is designed to get vehicles off the Bridge. He noted the COVID-19 SIP will likely alter traffic patterns. He stated that the Board and staff do not yet know what demand there will be for the Bridge and transit in the future, but they will learn more as time passes. He said that some believe people will be more inclined to drive than take transit after the SIP Orders are lifted. He acknowledged that staff is evaluating all District positions and assessing if vacant positions must be filled immediately.

Chair Sobel acknowledged that staff and the Board are still collecting information about how COVID-19 and the SIP will affect Bridge traffic and transit ridership. He added that finalizing the FY 20/21 Budget would be a challenge.

Director Hill stated that Metropolitan Transportation Commission (MTC) and others are looking at how to reshape transit. He encouraged the Board and staff to monitor their efforts.

At the conclusion of the item, Ms. Ko-Wong stated that she had received an email from Lesley Murphy of PFM Asset Management, LLC, in response to Director Mastin's inquiry regarding the Consent Calendar. Ms. Murphy confirmed the maturity date on the MetLife Short Term security had a typo and is actually July 16, 2020.

(10) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Ten Months Ending April 2020)

(a) Staff Report

In a memorandum to Committee, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan provided schedules and charts for informational purposes only and no action was recommended. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

Mr. Wire stated that he has already reviewed how Bridge traffic and transit ridership shifted in April.

(11) Monthly Review of Financial Statements (for Ten Months Ending April 2020)

(a) Statement of Revenue and Expenses

In a memorandum to Committee, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan provided financial statements for informational purposes only and no action was recommended.

Mr. Wire reviewed the Statement of Revenue and Expenses. He pointed out that expenses exceeded revenues by \$3 million in April 2020. He said staff expects that discrepancy to grow over the coming months. He highlighted that the CARES Act funding has not yet been included in the District's revenues, and will not be included until the District receives the funding.

(b) Statement of Capital Programs and Expenditures

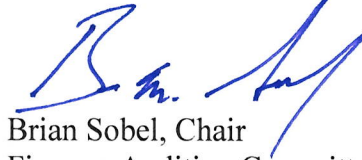
In a memorandum to Committee, Analyst of Capital and Grant Programs Clifford Duong, Director of Capital and Grant Programs Amy Frye, Auditor-Controller Joseph Wire and General Manager Denis Mulligan provided financial statements for informational purposes only and no action was recommended.

Copies of the reports for Item Nos. 10.a. and 10.b. are available on the District's web site or upon request from the Office of the District Secretary.

(12) Adjournment

Chair Sobel thanked the Committee for their participation. All business having been concluded, the meeting was adjourned at 11:39 a.m.

Respectfully submitted,



Brian Sobel, Chair
Finance-Auditing Committee

BS:AMK:EIE:mjl