

**INDEPENDENT CITIES FINANCE AUTHORITY**

**BOARD OF DIRECTORS ANNUAL MEETING**

**June 24, 2020**

**MINUTES**

**I. CALL TO ORDER.**

The annual meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order on June 24, 2020 at 12:02 p.m. by President Sylvia Ballin.

**I. ROLL CALL.**

**Members Of The Executive Committee/Board of Directors Present (Voting)**

Sylvia Ballin, President	San Fernando
Jose Solache, Vice President	Lynwood
Aja Brown	Compton
Leticia Lopez	Vernon
Eduardo "Eddie" Martinez	Huntington Park

**Alternate Members Of The Board of Directors Present**

None

The cities of Baldwin Park and South Gate were not represented by a voting member.

**Guests Present**

Julie Ann Anopol	Willdan Financial Services
Wes Wolf	Wolf & Company, Inc.

**Staff Present**

Scott Campbell	Best Best & Krieger LLP
Debbie Smith	Smith, Alvarez & Castillo/ICFA

**II. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.**

There were no amendments or adjustments to the agenda.

**III. PUBLIC COMMENTS.**

There were no members of the public who wished to speak.

**IV. NEW BUSINESS.**

**A. APPROVAL OF THE MINUTES OF THE DECEMBER 4, 2019 BOARD OF DIRECTORS MEETING.**

It was moved by Leticia Lopez, seconded by Jose Solache, and carried by the following roll call vote to approve the minutes of the December 4, 2019 Board of Directors meeting:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Leticia Lopez (Vernon), Eduardo Martinez (Huntington Park), Jose Solache (Lynwood)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of South Gate

**B. APPROVAL/ADOPTION OF RESOLUTION NO. 2020-1 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT NECESSARY FOR THE CREATION OF THE CALIFORNIA MUNICIPAL PUBLIC FINANCING AUTHORITY AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO).**

Staff reported generally as follows:

By way of introduction, the Byron-Bethany Irrigation District is a multi-county special district serving parts of Alameda, Contra Costa, and San Joaquin Counties across 47 square miles and 30,000 acres.

The Byron-Bethany Irrigation District has determined that the utilization of a joint exercise of powers agency will provide enhanced savings over other legal structures available to the District and will, therefore, be most economically beneficial to the District and its constituents. As such, the District has researched various potential agencies that might be willing to create a District-controlled Joint Powers Authority (JPA), and has concluded that the Independent Cities Finance Authority provides the best available option to create a new JPA, which will be called the California Municipal Public Financing Authority.

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The California Municipal Public Financing Authority will offer low-cost, tax-exempt refinancing options for each water contractor with an eligible Bureau of Reclamation Water Service Contract under the "Water Infrastructure Improvements for the Nation Act (WIIN)." The Authority will provide a turnkey resource for public agencies to refinance WIIN contracts, restructure pension plan liabilities, and otherwise access cost effective capital.

ICFA staff is recommending that the Board work with the District to create a new JPA that will be controlled solely by the Board of Directors of the District. As noted above, the new JPA will be called the California Municipal Public Financing Authority. The Byron-Bethany Irrigation District approved the creation of the new JPA at its Board meeting of June 16, 2020.

Board Members were referred to a form of the proposed Joint Exercise of Powers Agreement creating the new California Municipal Public Financing Authority included in the agenda packet. The JPA Agreement expressly provides that the Authority will be a public entity separate and apart from the parties to the JPA Agreement and that the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of either the District or ICFA.

The District has agreed to pay ICFA a one-time transaction fee of \$6,500, which includes ICFA staff and legal costs.

In response to a question regarding the benefits to ICFA, it was noted that ICFA will be able to participate in any projects created by the JPA, and further that the JPA will be responsible for any and all tasks related thereto.

President Ballin asked if there were any further questions or comments. There were none.

It was moved by President Ballin, seconded by Eduardo Martinez, and carried by the following roll call vote to: 1) approve/adopt Resolution No. 2020-1 authorizing and directing the execution of a Joint Exercise of Powers Agreement necessary for the creation of the California

Municipal Public Financing Authority; 2) authorize General Legal Counsel to work with respective parties to finalize

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necessary documents; and 3) authorize President Ballin and staff to execute any and all necessary documents relating thereto:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Leticia Lopez (Vernon), Eduardo Martinez (Huntington Park), Jose Solache (Lynwood)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of South Gate

**C. APPROVAL/ADOPTION OF A BUDGET FOR THE 2020-21 FISCAL YEAR AND A STATEMENT OF INVESTMENT POLICY FOR A TWO YEAR PERIOD.**

Jose Solache, ICFA Treasurer, referred those present to the proposed budget contained in the agenda packet noting that it represents the best estimates of staff regarding future financings, and noted that a balanced budget is being presented for approval/adoption.

He also noted that a Statement of Investment Policy should be adopted which requires that all Authority funds be deposited in a bank and/or in the State of California Local Agency Investment Fund (LAIF), unless otherwise directed by the Board.

A question was asked about the decrease in new issuance receipts during the 2019-20 FY. Staff noted that two financings have been delayed due to COVID-19 restrictions/guidelines.

President Ballin asked if there were any more questions or comments. There were none.

It was moved by Jose Solache, seconded by Leticia Lopez, and carried by the following roll call vote to approve the 2020-21 FY budget and Statement of Investment Policy:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Leticia Lopez (Vernon), Eduardo

Martinez (Huntington Park), Jose Solache  
(Lynwood)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of South Gate

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**D. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD NOVEMBER  
1, 2019 TO MAY 31, 2020.**

Staff provided a report on the accounting for the period noted.

President Ballin asked if there were any questions or comments. There were none.

It was moved by Jose Solache, seconded by Eduardo Martinez, and carried by the following roll call vote to approve the financial accounting for the period November 1, 2019 to May 31, 2020:

AYES: Sylvia Ballin (San Fernando), Aja Brown  
(Compton), Leticia Lopez (Vernon), Eduardo  
Martinez (Huntington Park), Jose Solache  
(Lynwood)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of South Gate

**VI. COMMENTS FROM BOARD MEMBERS.**

President Ballin thanked everyone for their participation in the meeting, especially during these challenging times. She noted that she looks forward to the time where meetings can be held in person.

**VII. COMMENTS FROM STAFF.**

Staff asked Board Members to mark their calendars for a meeting on July 22<sup>nd</sup>.

**VIII. ADJOURNMENT.**

There being no further business to be discussed, the meeting was adjourned at 12:18 p.m.

Respectfully submitted,

\_\_\_\_\_/s/\_\_\_\_\_  
Deborah J. Smith  
Executive Director