

CSDA FINANCE CORPORATION BOARD OF DIRECTORS

Thursday, March 13, 2008

MINUTES

CSDA Finance Corporation, 1112 I Street, Suite 200, Sacramento, CA 95814
Costa Mesa Sanitary District, 292 Bucknell Road, Costa Mesa, CA 92626
Goleta Sanitary District, 333 Old Mill Road #293, Santa Barbara, CA 93110
North County Cemetery District, 1028 Landavo Drive, Escondido, CA 92027
Saticoy Sanitary District, 10225 Telephone Rd., Suite A, Ventura, CA 93004
Western Municipal Water District, 450 Alessandro Blvd., Riverside, CA 92508
Kern County Water Agency, 3200 Rio Mirada Drive, Bakersfield, CA 93308
Moss Landing Harbor, 7881 Sandholdt Road, Moss Landing, CA 95039
Oxnard Harbor District, 333 Ponomo Street, Port Hueneme, CA 93041
Ojai Valley Sanitary District, 1072 Tico Road, Ojai, CA 93023

In Attendance

John Fox, President
Arlene Schafer, Vice President
Judy Cofer
Dennis Shepard (phone)
Steve Ruetters (phone)
Jim Acosta
Peggy Shirrel
John Rossi

Staff/Consultants Present

Bill Morton
Jeff Stava
David McMurchie
Saul Rosenbaum
Neil McCormick
Laura Labanieh
Diana Zavala

Absent (Excused)

Jack Curtis
Bill Morton (consultant)
Deborah Young (consultant)

President John Fox called the CSDA Finance Corporation Board meeting to order on March 13, 2008 at 2:35 p.m. A quorum was established. President Fox called for public comment. Hearing none, President Fox then turned the meeting over to Administrator McCormick who introduced Lyle Defenbaugh from Wachovia who was presenting to the Board regarding CalTRUST – Item III on the agenda. Mr. Defenbaugh gave his presentation via Power Point and hard copy. He shared that cities and counties already participate in CalTRUST, went over who Wachovia's Board members are, and who the sponsors and co-sponsors are (including CSDA as a co-sponsor). He stated that Wachovia has a Board meeting in Monterey on Wednesday, April 16th. With that, Mr. Defenbaugh answered some questions and ended his presentation.

The Board moved on to Item IV – the January 17 Board meeting. Vice President Schafer moved to accept the minutes as submitted. Director Acosta seconded the motion. The vote was unanimous for approval.

The Board moved to Item V – Consent Calendar (Financial Reports). The Financial Reports were reviewed and some questions were answered. Director Acosta motioned to approve the financial reports. Director Schafer seconded the motion and the Board voted unanimously for approval.

Next the Board reviewed Item VI, the Marketing and Consultant Report. Program Director Laura Labanieh reviewed closings and financings in process. She also reviewed prospective financings. She reported that this item is for information only. She answered some questions and ending this item.

Program Director Labanieh directed the Board to Item VII, the Alliance Branding Report. She stated that the only real item to report since the last AEC meeting is exhibiting at the Special District Institute for the first time ever. This item is also information only.

The Board moved on to item VIII. Director Shepard reviewed the AEC redesign of their logo. He gave a brief background on this item. He then reviewed the timeline for completing this item. He informed the Board that the new logo will be revealed at the CSDA conference. He stated the new name voted in is "California Special District Alliance." He informed the Board that the next scheduled AEC meeting is April 22 and he felt that the CSDA FC is more than getting their money worth on this logo redesign.

The Board moved on to Item IX – the CSDA Finance Corporation Task Force Report. Administrator McCormick discussed how the task force meeting went, as far as marketing. He said that interest rates would be reviewed to find out how we compare to the competition.

Item X regarding the Finance Corporation's Strategic Plan was reviewed by President Fox. President Fox asked where the Board wants to go from here. He said that we built a base during the strategic plan meeting with Bob Rauch and wants to know if the Board wants to call Mr. Rauch back and go further or use Mr. Rauch's notes and work on a Strategic Plan as a Board. Vice President Schafer suggested putting this item on a future agenda. The Board decided they would like to have a Board meeting in May 2008 verses waiting until the next regularly-scheduled meeting in July. Administrator McCormick will look up some dates and times and send them out to the Board for selection of a date.

The Board moved on to Item XI – CalTRUST Investment. Mr. McCormick stated that earlier on the agenda today, the Board was presented with information on CalTRUST. This agenda item is to request moving some FC funds into CalTRUST. Staff recommendation is \$100,000. This is less than 50% of the FC cash basis. Several questions were answered and then Director Shepard motioned to approve moving \$100,000 to CalTRUST. Director Cofer seconded the motion and the Board voted unanimously for approval.

The final agenda item is other business. Director Shirrel asked if there is a policy on changing funds from one account to another. She asked if the Board must approve moving funds or if this decision can be made by staff. The question was answered by Administrator McCormick who stated there is no formal policy in place. CSDA FC Attorney David McMurchie said it is protocol when an amount is high, such as \$100,000, to get approval from the Board. If the amount was small, staff might make this decision on their own.

Director Cofer informed the Board that she came early and reviewed the bank reconciliations today as was suggested at the last Board meeting.

The meeting then adjourned at 4:15 p.m.