

**CSDA FINANCE CORPORATION  
BOARD OF DIRECTORS MEETING**

Minutes – Thursday, July 12, 2007

SDRMA Conference Room  
1112 I Street, Suite 300  
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**

Jim Acosta  
Arlene Schafer  
Dennis Shepard  
Jack Curtis  
John Fox  
John Rossi \*  
Steve Ruettgers \*  
Judy Cofer  
Peggy Shirrel

**Staff/Consultants**

David McMurchie \*  
Jeff Stava \*  
Saul Rosenbaum \*  
Deborah Young \*

**Absent**

Bill Morton

**Staff**

Neil McCormick  
Laura Labanieh  
Diana Zavala

\* via conference call

The meeting of the CSDA Finance Corporation Board of Directors convened on Thursday, July 12, 2007 at 10:13 a.m. A quorum was established. President Acosta called for public comment and there was none.

The consent calendar was presented. Director Curtis motioned to accept the consent calendar. Director Rossi seconded the motion. A vote was called and the motion carried unanimously with no discussion.

Executive Director McCormick presented Agenda Item IV and stated that pairing our Financial Corporation Board Meetings with the CSDA Board Meetings has been saving the Financial Corporation on expenses. He went over the mid-year revenue, expenses, legal/Consultant fees, marketing and the logo. He then recommended a \$3,500 increase for legal fees. Director Curtis motioned for the \$3,500 increase, Director Schafer seconded and the motion unanimously carried.

Next on the agenda was Item V. – Reserve Policy. Draft CSDA Finance Corporation “Policies of the Corporation – Policy #2007-01” were discussed. Executive Director McCormick indicated that CSDA FC is growing and therefore should have a reserve and a reserve policy. The policy proposed has a \$100,000 target balance. Director Curtis said he would like to see this policy, but also an automatic increase each year to adjust for COLA. President Acosta stated that he would also like some language in the “policies” to state what these funds are to be used for to inform future boards.

A motion to approve the CSDA Finance Corporation Reserves Policy was made by Director Schafer. Director Cofer seconded, and the motion was unanimously carried.

Item VI – Future Planning. This was an informational item brought by Director Fox. Director Fox indicated that he feels the Finance Corporation has the capability of helping fund the loss of revenue that, up until now, has been brought on by SDRMA and CRWA. He indicated that he would like to see more financings through the Finance Corporation. It was noted that additional competition is now out there and he feels we need to market more directly to the CSDA members.

Director Schafer asked about creating a CSDA Finance Corporation “Strategic Plan.” Director Acosta agreed that this is a great idea to do this and the Planning Session could happen during a regular CSDA FC Board Meeting.

Item VII – Staff Time/Contract. This item also was a discussion/information item only. Neil McCormick and Laura Labanieh went over the “2007 Administrative and Marketing Services Agreement” with some detail. It was noted that a Strategic Planning Meeting would be held before the contract for 2008 is prepared.

Item VIII – Marketing/Consultant Report. Laura Labanieh went over her marketing report which included closed financings, financings in progress and dropped financings. She also went over her 2007 prospective financing list. She indicated that we are now marketing in the CSDA E-News and that there is a new portion of CSDA Magazine entitled “Money Matters” which currently has approximately 15,000 readers.

Item IX – Alliance Update. Laura Labanieh informed the Board that we have ordered and received the tabletop display tablecloth and sign and that in the last issue of CSDA’s magazine there is an Alliance insert card. Director Schafer asked if the Alliance should sponsor and exhibit at SDRMA’s conference. Staff informed that is what we are planning to do.

Item X – Alliance Executive Council (AEC) Update. A report came out about the CSDA “family” and recommended some changes to the Board of AEC. The Board was recently pared down from 9 members to 7. There are now only 7 Board Members on the Alliance – 3 from SDRMA, 3 from CSDA and 1 from the Finance Corporation. Director Shepard gave a complete overview of the AEC meeting, including a discussion on increasing the FC representatives to be equal with the others. Ultimately, the ABC elected to stay with the current structure.

At the Alliance Executive Council meeting, it was brought up that SDRMA took care of the administrative functions for 2 years now and it was agreed that CSDA would take over and pay for these costs now. The only cost the Finance Corporation currently has been paying is an equal share for the Alliance Branding Plan. We have not paid for any administration costs.

Item XI – New Business. Discussion took place regarding the financials and how they seem in tact. A new Financial Corporation Policy Manual would begin to be put together. Discussion took place regarding having a Strategic Session by year end.

The meeting adjourned at 12:05 p.m.