

MINUTES OF THE FINANCE COMMITTEE  
OF MT. VIEW SANITARY DISTRICT  
January 9, 2017

The Finance Committee of the Mt. View Sanitary District convened a duly Noticed Committee Meeting at the Mt. View Sanitary District Conference Room, 3800 Arthur Road, Martinez, County of Contra Costa, State of California on January 9, 2017 at 9:00 a.m.

1. ROLL CALL OF DIRECTORS

PRESENT: Chair Elmer "Al" J. Schaal and Director Stanley Caldwell

ABSENT: None

Also Present: STAFF – District Manager Neal B. Allen and Assistant District Manager (ADM) Lilia M. Corona

2. PUBLIC COMMENT

District Manager Allen asked for direction from the committee regarding the use of credit cards by District staff to make purchases. The committee provided direction to investigate no fee credit cards and bring the matter back to the committee.

3. OLD BUSINESS

A. UPDATE FROM STAFF ON PROPOSITION 218 COMPLIANCE TIMELINE

1. RECEIVE REPORT FROM STAFF

District Manager Allen indicated that staff is somewhat behind on the task of reaching out to the business community regarding the 218 rate adjustments. He hopes to complete that task in February. The District is on target to provide the Notice of Public Hearing by February 27<sup>th</sup> for the April 13<sup>th</sup> Public Hearing.

2. GENERAL DISCUSSION

Discussion ensued.

3. PROVIDE DIRECTION

The Committee provided direction to proceed with the compliance timeline.

4. NEW BUSINESS

A. PROPOSAL TO EVALUATE DISTRICT CONNECTION PERMIT FEES

1. RECEIVE REPORT FROM STAFF

District Manager Allen presented the 2017 Wastewater Capacity Charge Study staff report and Municipal Financial Services proposal for the preparation of the study. He indicated that with the District nearly completely built out, the District should investigate the need to redefine the use of new connection fees.

2. GENERAL DISCUSSION

Discussion ensued.

3. PROVIDE DIRECTION

The Committee provided direction to bring the matter before the Board by proceeding with the January 12<sup>th</sup> Board Agenda Item.

B. DISTRICT RISK TOLERANCE RELATED TO PARTICIPATION IN THE CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT)

1. RECEIVE REPORT FROM STAFF

District Manager Allen presented a written staff report and its attached CalPERS descriptions of the three available CERBT investment strategies. The District is presently funding the post-employment benefits (OPEB) of all existing retirees on a pay as you go system. Choosing a strategy that reduces risk may increase the Annual Required Contribution (ARC), but would likely result in less volatile swings in the District's ARC, making budgeting for future OPEB contributions more accurate.

2. GENERAL DISCUSSION

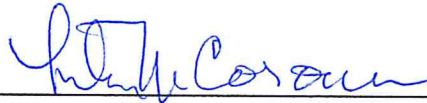
Discussion ensued. Director Caldwell asked if the strategies can be split up. Chair Schaal requested a presentation of the actuarial reports the District's consultants prepare.

3. PROVIDE DIRECTION

The Committee directed staff to report the percent that the OPEB liability is funded. Staff was directed to pursue actuarial comparisons amongst the strategies and to present that information to the Committee. Staff was also directed to determine if funds can be split among the different strategies and to provide more information regarding the specific Asset Class Target Allocations (Global Equity, Fixed Income and Treasury Inflation-Protected Securities).

5. ADJOURNMENT – THE NEXT SCHEDULED BOARD MEETING IS A REGULAR BOARD MEETING ON THURSDAY, JANUARY 12, 2017, AT 6:30 P.M.

Business having been concluded, the meeting was adjourned at 9:48 a.m.



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Lilia M. Corona, Assistant District Manager