

**Rural County Representatives of California  
Executive Committee Meeting  
1215 K Street, Suite 1650 Board Room  
Sacramento, CA 95814  
(916) 447-4806**

**February 20, 2013 – 10:00 a.m.**

Executive Committee Members:

Supervisor Kevin Cann, Mariposa County  
Supervisor Nate Beason, Nevada County  
Supervisor Lee Adams, Sierra County  
Supervisor Kim Dolbow Vann, Colusa County

Supervisor John Viegas, Glenn County  
Supervisor Geri Byrne, Modoc County  
Supervisor Diane Dillon, Napa County  
Supervisor Ray Nutting, El Dorado County  
Supervisor David Rogers, Madera County

**Minutes**

**Call to Order and Determination of Quorum**

Chair, Supervisor Kevin Cann, Mariposa County, called the meeting of the Executive Committee to order at 10:07 a.m. A quorum was determined at that time; those present were as follows:

<b><u>Supervisors in Attendance</u></b>	<b><u>County</u></b>
Kim Dolbow Vann	Colusa
Ray Nutting	El Dorado
John Viegas	Glenn
David Rogers	Madera
Kevin Cann	Mariposa
Geri Byrne	Modoc
Diane Dillon	Napa
Nate Beason	Nevada
Lee Adams	Sierra
Richard Forster	Amador

**Absent Members**

None

**Staff in Attendance**

Greg Norton, RCRC President and CEO  
Patricia Megason, RCRC Executive Vice President  
Paul Smith, RCRC Senior Legislative Advocate  
Craig Ferguson, RCRC Vice President  
Karl Dolk, RCRC Chief Financial Officer  
Sarah Bolnik, RCRC Executive Assistant

**Others in Attendance**

None

## **Approval of Minutes of the November 14, 2012 Meeting**

*(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise)*

**Supervisor Lee Adams, Sierra County, motioned to approve the minutes of the November 14, 2012 Executive Committee Meeting. Supervisor John Viegas, Glenn County, seconded the motion. Motion passed.**

### **Member County Concerns**

Supervisor Kim Dolbow Vann, Colusa County, discussed Colusa County's concerns with Institutions for Mental Disease (IMD's) and the county now being responsible for the cost of all prescription drugs if the individual is admitted in to an institution, as well as the back cost of all prescription drugs.

Supervisor Nate Beason, Nevada County, inquired about Laura's Law and whether other counties are choosing to implement it for their respective county.

Supervisor Lee Adams, Sierra County, informed members of the Executive Committee that Sierra County recently submitted a letter of support for AJR 9 (Dahle) which relates to reauthorizing the federal Secure Rural School's program.

Supervisor Kevin Cann, Mariposa County, expressed concerns about Medi-Cal reimbursement rates, particularly the impact on small, rural hospitals and requested an update regarding RCRC's role in addressing this issue. RCRC staff indicated this was an issue of high importance and that staff is working with the California Hospital Association and the California Association of Health Care Districts to address the concerns of Supervisor Cann and others.

Supervisor Ray Nutting, El Dorado County, discussed his concern with local government not being part of the curriculum for high school civics classes.

Supervisor Kim Dolbow Vann, Colusa County, thanked RCRC Staff for their part in bringing together everyone for the CalEnviroScreen meeting held at RCRC last month.

### **Public Comment**

None

### **Governmental Affairs Update**

Paul A. Smith, Senior Legislative Advocate, informed the Executive Committee that by early next week all the bills will be introduced for the 2013 Legislative Session and RCRC staff will know what the rest of the year looks like with respect to legislation. Mr. Smith informed the Committee of a troublesome Brown Act measure – AB 194 (Campos) which would make it a misdemeanor for the Chair of the Board to interrupt anyone during public comment/public criticism for any reason.

Mr. Smith discussed the State Budget, and the various proposals that the Governor has unveiled. The subcommittee hearing process will begin in the coming weeks.

Mr. Smith stated that Medi-Cal expansion conversations have commenced and will continue over the next couple of weeks.

Mr. Smith discussed the conversion of the SRA “fee” into and SRA “tax” and explained that this conversion can take place with a 2/3 vote. The Governor put forth language for a conversion bill on his website; however, it has since been removed. Mr. Smith and Cyndi Hillery, Legislative Advocate, met with both Assembly Member Frank Bigelow, and Assembly Member Brian Dahle to discuss what could unfold in the next couple of months with regards to preventing conversion and/or repealing these fees. Supervisor Kevin Cann, Mariposa County, and Supervisor Lee Adams, Sierra County, met with Assembly Member Kristin Olsen in mid-January to discuss this issue.

Mr. Smith discussed the upcoming NACo Legislative Conference in Washington D.C. that Patricia Megason, Executive Vice President, himself and the officers will attend. The primary topics of focus will be the reauthorization of Secure Rural Schools and the reauthorization of the Payment in Lieu of Taxes program.

### **Quarterly Budget and Investment Reports CHF, NHF and RCRC**

Greg Norton, President and CEO, presented the Quarterly Investment & Budget Reports and the Cash and Securities Asset Report for the Fourth Quarter of 2012 (period ending December 31, 2012) for RCRC, CHF and NHF.

### **2013 Appointments to Outside Committees**

Greg Norton explained the various RCRC Board Member appointments to outside committees. The RCRC officers have appointed the following Supervisors to the appointments / councils listed below:

	<u>2013 Appointee</u>
• California Biodiversity Council	RCRC Board Chair, Kevin Cann
• California Fire Alliance	Lee Adams, Sierra County
• California Invasive Weed Awareness Coalition	RCRC staff as needed
• Keep California Beautiful	TBD
• Stewardship Council	
○ Appointee	Lee Adams, Sierra County
○ Alternate	John Viegas, Glenn County
• Western Interstate Region (CSAC Appointment)	Kevin Cann, Mariposa County

### **Staff Recommendation**

Staff recommends the Executive Committee consider the 2013 Officers’ recommendations for appointment to the various positions and, following discussion, ratify the recommended appointments.

**Supervisor David Rogers, Madera County, motioned to approve the staff recommendations. Supervisor Kim Dolbow Vann, Colusa County, seconded the motion. Motion unanimously passed.**

## **Resolution 13-01: Revised Board Travel Policy**

Greg Norton reviewed the minimal changes proposed to the Board Travel Policy for 2013.

### **Staff Recommendation**

Staff recommends that the RCRC Executive Committee review and approve the proposed Board Travel Expense Policy, Resolution 13-01, and direct staff to present the Policy to the RCRC Board of Directors for approval.

**Supervisor Kim Dolbow Vann, Colusa County, motioned to approve the staff recommendations. Supervisor David Rogers, Madera County, seconded the motion. Motion unanimously passed.**

## **Investment Policy Renewal 2013**

Greg Norton reviewed the invest policy for RCRC, CHF and NHF. No changes were made to these policies, other than applicable dates and the reflection of the organization's new name.

### **Staff Recommendation**

Staff recommends that the RCRC Executive Committee review and approve the attached draft Investment Policy and take the following additional actions:

1. Direct staff to present the draft Investment Policy to the RCRC Board for adoption;
2. Direct the CHF Executive Director to present the draft Investment Policy to the CHF Board for adoption; and,
3. Direct the NHF President to present the draft Investment Policy to the NHF Board for adoption.

**Supervisor Nate Beason, Nevada County, motioned to approve the staff recommendations. Supervisor John Viegas, Glenn County, seconded the motion. Motion unanimously passed.**

## **Rural Alliance Inc. Update**

Greg Norton provided an update regarding Rural Alliance Inc (RAI). RAI is a 501(c)3 organization that started in the late 1990's. Staff's goal with RAI is to promote rural economic development and job creation in member counties. Mr. Norton addressed matters such as revision of the RAI Bylaws and the makeup of the RAI Board that will be presented to the Executive Committee for discussion in the future.

## **County Visits**

Greg Norton provided an update on staff visits to member counties. Staff has completed several visits in the past months, including visits to Glenn, Modoc, Madera, El Dorado, and Napa Counties.

## **CHF Funding of Second Mortgage Loans**

Greg Norton explained that in June 2009, the CHF Board of Directors approved the use of up to \$5 million to fund second mortgages. Although all of the funds have not been exhausted, due to program pricing structures and fund generation, CHF has nearly \$12 million in second mortgages in portfolio. Staff recommends the Executive Committee

direct staff to recommend to the CHF Board to ratify the funding of the additional \$7 million of second mortgage assets held in CHF's portfolio, and, in addition, to commit an additional \$10 million of resources to fund the purchase of additional second mortgage loans.

### **Staff Recommendations**

Staff recommends the Executive Committee direct the CHF Executive Director to make the following recommendations to the CHF Board:

1. To ratify the funding of up to \$7 million of additional second mortgage loans in the CHF portfolio as part of the ACCESS Program to date.
2. To commit additional resources of up to \$10 million to fund additional second mortgage loans; and
3. Direct staff to implement necessary changes and policies during the course of the program/s, as market and risk assessment warrants to best meet the needs of the program/s and CHF.

**Supervisor Kim Dolbow Vann, Colusa County, motioned to approve the staff's recommendations. Supervisor John Viegas, Glenn County, seconded the motion. Motion unanimously passed.**

### **2013 CHF/NHF Administration Agreement Amendment**

Craig Ferguson, Vice President, explained that the Administration and Services Agreement between CHF and NHF was signed on January 1, 2011 and automatically renews each year. An amendment has been made to this agreement effective January 1, 2013 in regard to the fees. For the Platinum Program, NHF will now net 0.75% from the price of the sale of the mortgage backed security rather than charge \$350 per loan funded. For the CHF Mortgage Credit Certificate (MCC) Program, NHF shall remit to CHF \$100 of the \$350 per MCC that is paid to NHF by the participating lenders in the program. This amendment to the fees is more in line with industry standards.

### **Staff Recommendation**

Staff recommends that the RCRC Executive Committee direct the CHF Executive Director and NHF President to recommend to the CHF and NHF Boards approval of the revised CHF/NHF administration fees as noted above and applicable revisions to the respective 2013 budgets.

**Supervisor John Viegas, Glenn County, motioned to approve the staff recommendations. Supervisor Geri Byrne, Modoc County, seconded the motion. Motion unanimously passed.**

### **CHF to NHF Loan Implementation**

Craig Ferguson explained that in August 2011, the CHF Board approved a debt obligation of up to \$10 million to NHF for NHF to facilitate a housing finance program. NHF is closer to implementing such a program and now intends on utilizing the debt obligation. This program, soon to be implemented, will be much like the CHF Platinum Program.

**Member County Employee Housing**

Greg Norton discussed the idea of a member county employee housing program. Staff is currently developing an additional incentive for member county employees that participate in certain CHF housing programs. The details on the incentive and the semantics on how this program is promoted are yet to be determined.

**Program Updates**

Craig Ferguson provided an update to the Executive Committee on the Access Program, the CHF Platinum Program, the Mortgage Credit Certificate Program, and the Energy Program.

**Strategic Goals and Action Steps Update**

Greg Norton presented the Executive Committee with the Strategic Goals and Action Steps update.

**President & CEO Goals and Objectives**

Mr. Norton met with the Executive Committee to discuss progress on his goals and objectives to date.

**Adjournment**

Supervisor Kevin Cann, Mariposa County, adjourned the meeting of the Executive Committee at 1:03 p.m.