

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

November 13, 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 Merita Callaway, Calaveras County
Supervisor John Viegas, Glenn County
Supervisor Geri Byrne, Modoc County
Supervisor Diane Dillon, Napa 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 10:06 a.m. A quorum was determined at that time; those present were as follows:

<u>Supervisors in Attendance</u>	<u>County</u>
Merita Callaway	Calaveras
Kim Dolbow Vann	Colusa
John Viegas	Glenn
David Rogers	Madera
Kevin Cann	Mariposa
Geri Byrne	Modoc
Nate Beason	Nevada
Lee Adams	Sierra

Absent Members

Diane Dillon	Napa
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Staff in Attendance

Greg Norton, President and CEO
Patricia Megason, Executive Vice President
Craig Ferguson, Vice President
Karl Dolk, Chief Financial Officer
Paul Smith, Senior Legislative Advocate
Justin Caporusso, Public Affairs Specialist
Sanjay Lee, Accountant
Sarah Bolnik, Executive Assistant

Others in Attendance

Derek Criswell, Partner, Moss Adams
Shannon Avrett, Senior Manager, Moss Adams
Katherine Jackson, Manager, Moss Adams
Yolanda Veliz, Senior Manager, Moss Adams
Kevin Reynolds, Staff Accountant, Moss Adams

Approval of Minutes of the July 31, 2013 Meeting

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

Supervisor David Rogers, Madera County, motioned to approve the minutes of the July 31, 2013 Executive Committee Meeting. Supervisor John Viegas, Glenn County, seconded the motion. Motion passed.

Member County Concerns

Supervisor Merita Callaway, Calaveras County, discussed a program on Channel 13 last week regarding Marijuana which featured Calaveras County. Concern was raised because a medical professional who was considering moving in to the county for employment saw the program and has since changed his mind about moving to Calaveras County.

Supervisor Nate Beason, Nevada County, informed the Executive Committee that by law you have to update your housing element. Nevada County is requesting assistance from RCRC on this issue as they need more flexibility to rezone.

Supervisor John Viegas, Glenn County, informed the Executive Committee that he recently met with Mr. Thad Bettner from the Glenn Colusa Irrigation District (GCID) regarding the Bay Delta water storage. Folsom, Oroville, Sacramento River, and Shasta are all going to be affected, and this group is willing to come and educate our Board of Directors on all of these water issues.

Supervisor Geri Byrne, Modoc County, noted that her Social Services department informed Modoc County that they need to double their staff as well as rent a new building in order to accommodate Obama Care. Supervisor Byrne asked if other counties had dealt with this same issue.

Supervisor Kevin Cann, Mariposa County, discussed homelessness in Mariposa County. Something that Mariposa has never experienced. The Executive Committee offered ideas of how to handle this growing problem in rural counties. Supervisor Cann also informed the Executive Committee that Mariposa recently issued a letter of support for Senate Bill 405 regarding Plastic Bags.

Public Comment

None

2013 Annual Audit Entrance Conference with Audit Committee

Derek Criswell, Partner, from Moss Adams along with Shannon Avvett, Senior Manager, Yolanda Veliz, Senior Manager, and Katherine Jackson, Manager discussed with the Executive Committee the auditing process taking place. Staff voluntarily left the meeting for a few moments where the Executive Committee was free to ask the auditors anything questions that they had.

Patty Mattingly Award

Patricia Megason, Executive Vice President, discussed recommendations for recipients of the 2013 Patty Mattingly Award. Staff recommended Assemblyman Rich Gordon and Senator Anthony Cannella as recipients of the Patti Mattingly Award.

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

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 Third Quarter of 2013 (period ending September 30, 2013) for RCRC, CHF and NHF.

2014 Proposed Budget for RCRC

Greg Norton reviewed the 2014 proposed budget for RCRC.

Staff Recommendations

Staff recommends that the RCRC Executive Committee approve the following staff recommendations and direct the RCRC President to make the same recommendations to the RCRC Board of Directors:

1. Approve the attached proposed 2014 RCRC Operating Budget.
2. Approve the RCRC contract service fees at the following amounts:
CHF - \$1,760,712; ESJPA - \$90,000; and NHF - \$1,662,209.
3. Approve the recovery of the remaining 2004 contract service fee at the following amounts: CHF - \$1,488,246 and NHF - \$911,533.
4. Grant the RCRC President the authority to make up to \$50,000 in short-term revolving business loans to ESJPA to assist with cash flow needs when grant revenues are not received timely.
5. Approve 2014 member county dues calculation at the levels approved by the Board on June 13, 2012.
6. Review and approve the attached proposed 2014 payrate schedule.

Supervisor David Rogers, Madera County, motioned to approve the staff's recommendations. Supervisor Lee Adams, Sierra County, seconded the motion. Motion unanimously passed.

2014 Proposed Budget for CHF

Greg Norton presented the proposed 2014 budget for CHF.

Staff Recommendations

Staff recommends that the RCRC Executive Committee approve the following staff recommendations and direct the CHF Executive Director to make the same recommendations to the CHF Board of Directors:

1. Approve the attached proposed 2014 CHF Operating Budget.
2. Grant the CHF Executive Director the authority to make necessary business decisions and utilize up to \$500,000 per decision outside of the approved operating budget when necessary. Such decisions will be made with notification to the CHF Board Chair and Vice Chair and reported back to the CHF Board at the next available Board meeting.
3. Grant the CHF Executive Director the authority to proceed with necessary operating decisions due to changes in opportunities, the market, the economy or changing transactional requirements to provide necessary flexibility to effectively and timely implement programs. Such decisions to be made in consultation with the Vice President, CHF Chair and CHF Vice Chair with subsequent ratification by the Board of Directors as necessary.
4. Approve the contract service fee to RCRC in the amount of \$1,760,712 which contributes to a portion of the compensation for all RCRC employees, including the RCRC President/CEO, Executive Vice President and Chief Financial Officer.
5. Approve the \$1,488,246 for payment of the remaining 2004 contract support services fee.

Supervisor John Viegas, Glenn County, motioned to approve the staff's recommendations. Supervisor David Rogers, Madera County, seconded the motion. Motion unanimously passed.

2014 Proposed Budget for NHF

Greg Norton presented the proposed 2014 budget for NHF, for information only.

Election of Officers Update

The 2014 RCRC Officers will be elected at the December 4, 2013 Board Meeting. Greg Norton discussed the election process and noted that Supervisor John Viegas, Glenn County, has submitted a letter of interest for the Second Vice Chair position.

RAI Update

Greg Norton reported on the status of Rural Alliance Inc. Mr. Norton reviewed the new strategic plan for RAI and discussed a possible December 11th initial board meeting. Mr. Norton also discussed with the Executive Committee who is eligible to sit on the RAI Board of Directors. There was some interest from multiple Executive Committee Members to sit on the RAI board. Mr. Norton explained that job creation and economic development will be the primary focus of RAI.

Membership Update

Greg Norton reported that in October 2013 Humboldt County unanimously voted to become a member of RCRC, effective January 1, 2014. If the RCRC board approves Humboldt County joining RCRC, our membership will be 34 counties strong. CHF currently has a 32 county membership, with Tulare County being the only RCRC member not currently a member of CHF.

Investment Policy Renewal 2014

Greg Norton reviewed the investment policy for RCRC, CHF and NHF with the Executive Committee. No changes were made to these policies, other than applicable dates.

Staff Recommendations

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's recommendations. Supervisor Kim Dolbow Vann, Colusa County, seconded the motion. Motion unanimously passed.

Resolution 14-01: Board Travel Policy Proposed Revisions

Greg Norton and Patricia Megason reviewed the minimal changes proposed to the Board Travel Policy for 2014. The Executive Committee offered up some edits to the proposed changes.

Staff Recommendation

Staff recommends that the RCRC Executive Committee review and approve the proposed Board Travel Expense Policy, with edits, Resolution 14-01, 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's recommendations. Supervisor Geri Byrne, Modoc County, seconded the motion. Motion unanimously passed.

County Visits

Greg Norton provided an update on staff visits to member counties. Staff has completed visits in the past months to Calaveras, Butte and Trinity Counties. Mr. Norton also discussed the Broadband meeting that both he and Staci Heaton, Regulatory Affairs Advocate attended in October. It was very well attended by many RCRC Board Members, and RCRC was recognized for their hard work on the passing of AB 740.

Housing Update

Craig Ferguson, Vice President, provided a summary and updates on the housing programs.

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 1:51 P.M.