

AGENDA ITEM 2 (ACTION ITEM) APPROVAL OF MINUTES FROM JUNE 21, 2017 MEETING

Minutes

California Debt and Investment
Advisory Commission Meeting
June 21, 2017, 1:00 PM

Jesse M. Unruh State Office Building
915 Capitol Mall, Room 587
Sacramento, California 95814

1. ROLL CALL

Deputy Treasurer Alan Gordon called the meeting to order at 1:03 p.m. Commission members present included: Alan Gordon, Deputy Treasurer, representative for John Chiang, State Treasurer; Eraina Ortega, Chief Deputy Director, Department of Finance, representative for Governor Edmund G. Brown; Lynn Paquin, Deputy State Controller, representative of State Controller Betty Yee; Jose Cisneros, Treasurer and Tax Collector, City and County of San Francisco; and David Baum, Director of Finance, City of San Leandro. Deputy Treasurer Gordon declared a quorum was present. Treasurer and Tax Collector Cisneros joined the meeting at approximately 1:13 p.m.

2. APPROVAL OF THE MINUTES FROM JUNE 21, 2016 AND FEBRUARY 8, 2017 (ACTION ITEM)

Deputy Treasurer Gordon introduced the first item of business before the Commission, approval of the CDIAAC meeting minutes from both prior meetings, June 21, 2016, the annual meeting and February 8, 2017, a special meeting of the Commission.

Deputy Treasurer Gordon asked if there were any amendments to the proposed meeting minutes. Hearing none, he asked for a motion. Eraina Ortega, Chief Deputy Director moved to accept the minutes. Lynn Paquin, Deputy State Controller, seconded the motion. Deputy Treasurer Gordon asked for a roll call and roll was taken.

APPROVAL OF JUNE 21, 2016 MINUTES
AND FEBRUARY 8, 2017 MINUTES

	AYE	NAY	ABSENT	ABSTAIN
ALAN GORDON	X			
ERAINA ORTEGA	X			
LYNN PAQUIN	X			
MATTHEW DABABNEH			X	
JOSE CISNEROS			X	
DAVID BAUM	X			

The motion passed.

3. EXECUTIVE DIRECTOR'S REPORT (INFORMATION ITEM)

Deputy Treasurer Gordon introduced Executive Director Mr. Campbell to present his report.

Reporting on the FY 17-18 budget he stated that CDIAC's total budget allocation will increase by 9 percent. The principal adjustment, he explained, was a \$200,000 augmentation in CDIAC's personnel services budget, including a \$140,000 for new staff in response to SB 1029.

In addition, CDIAC's contract with the State Treasurer's Office Information Technology (IT) Division for technology services will increase by \$260,000. CDIAC's fund balance will continue to decline as expenditures are expected to exceed revenues in FY 17-18.

Mr. Campbell highlighted three major projects CDIAC would be working on in FY 17-18. The first was a database project in response to the passage of SB 1029.

The second project was the development of an internet-based on-demand training program for elected officials, fulfilling a strategic initiative of the Treasurer.

The last project was the update to the CDIAC Debt Issuance Primer.

Deputy Treasurer Gordon announced that Mr. Cisneros joined the meeting at 1:13 p.m.

These projects were in addition to the on-going day-to-day work that the staff perform in the collection and recording of the debt, providing educational programming, and writing reports and best practice guidelines.

Mr. Campbell then drew the members' attention to two legislative proposals that if chaptered, would have an impact on CDIAC. AB 1253, authored

by Assemblymember Cooley, addressed school finance and bond oversight committees and offered a clarification of the roles and responsibilities of bond oversight committees.

SB 450, authored by Senator Hertzberg, would require additional public notice for bond issues including listing in simple language, the long term debt requirement and interest and principle payments over the term of the bond.

At the conclusion of his remarks, Deputy Treasurer Gordon thanked Mr. Campbell and asked if there were any questions.

Chief Deputy Director Ortega asked about the mention on page 17 of the staff report on Improved Data Sourcing. Ms. Ortega said that the report stated that more than a hundred new data elements would be added to the database and wanted to know what type of elements those would be and if those elements were similar to what EMMA provides on their website.

Mr. Campbell explained that many of the additions to the database resulted from the approval of the regulatory package. Other data fields were being added as a consequence of SB 1029.

Deputy Executive Director Robert Berry added that it is CDIAC's intent to look at expanding the database to reveal maturity level information. He added that CDIAC was looking at methods by which to acquire that data so that it would not have to be collected from issuers.

Mr. Campbell stated that CDIAC continues to review its database and opportunities to benefit from developments in technologies and applications with regard to debt data. In order to make it a part of the public record CDIAC hopes to engage the Commissioners' in a discussion of the opportunities for CDIAC to adopt 21st century technology for data collection and reporting. He pointed out the possibility of using secondary or tertiary data sources that would ease the burden on issuers submitting data to CDIAC.

Deputy Treasurer Gordon asked if anyone had any questions. Hearing none, he thanked Mr. Campbell and Mr. Berry and closed Agenda Item 3.

4. COMMISSION STAFF REPORT (INFORMATION ITEM)

Mr. Campbell stated that, while the executive director's report is prospective, the staff report is a retrospective report on the activities CDIAC. It addresses the number of debt reports received, seminars and training programs held, and research and publications released. He recognized that the report was included in the meeting materials provided to the Commissioners and offered to answer any questions.

Deputy Treasurer Gordon asked if there were any questions. Hearing none, he closed Agenda Item 4.

5. CONTRACT DELEGATION AUTHORITY (ACTION ITEM)

Mr. Campbell pointed out that the Commission must delegate the authority to the Executive Director to act on the Commission's behalf to sign contracts. This delegation covers all of CDIAC's service agreements and purchase orders. He requested delegation of this authority by resolution of the Commission with the following limitations: \$1,600,000, with any single contract authority limited to \$300,000 excluding the interagency administrative service agreement with the State Treasurer's Office, which is limited to \$648,000. Mr. Campbell requested approval of Resolution 17-02.

Deputy Treasurer Gordon asked if there were any questions. Hearing none, he requested a motion. Chief Deputy Director Ortega moved to approve the Resolution 17-02 and Mr. Cisneros seconded the motion. Mr. Gordon requested that roll be taken.

APPROVAL OF CONTRACT DELEGATION AUTHORITY

	AYE	NAY	ABSENT	ABSTAIN
ALAN GORDON	X			
ERAINA ORTEGA	X			
LYNN PAQUIN	X			
MATTHEW DABABNEH			X	
JOSE CISNEROS	X			
DAVID BAUM	X			

Deputy Treasurer Gordon stated that the motion was passed by unanimous vote. Resolution 17-02 was adopted.

ITEM 6. PUBLIC COMMENT

Deputy Treasurer Gordon then opened the meeting up for public comment. Hearing none, Mr. Gordon thanked everyone for their attendance.

ITEM 7. ADJOURNMENT

The meeting was adjourned at 1:25 p.m.