

September 2, 2015

A regular meeting of the Finance Committee of Novato Sanitary District was held at 10:00 a.m., Wednesday, September 2, 2015, at the District office, 500 Davidson Street, Novato.

COMMITTEE MEMBERS PRESENT: Members William C. Long and Jerry Peters.

STAFF PRESENT: General Manager-Chief Engineer Sandeep Karkal, Finance Officer Laura Creamer, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Erik Brown, Technical Services Manager, Novato Sanitary District
Nick Franceschine, Consulting Actuary, North Bay Pensions

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES: The April 30, 2015 meeting minutes were approved as presented.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45 ("GASB 45")
ACTUARIAL REPORT – UPDATE:

- Receive draft "Valuation of Retiree Health Benefits, Report of GASB 45 Valuation as of July 1, 2015, as prepared by Nick Franceschine of North Bay Pensions. The General Manager introduced Nick Franceschine, Consulting Actuary, North Bay Pensions. He noted that Mr. Franceschine had prepared the attached draft Valuation of Retiree Health Benefits Report and would verbally review it with the Committee.

- Receive a verbal presentation on the draft 2015 Valuation of Retiree Health Benefits, and a discussion on prefunding alternatives, from Nick Franceschine of North Bay Pensions. The General Manager stated that the intent of this item was to present information on the District's retiree health benefit obligations, and the District's future funding options, consistent with GASB 45 requirements. Mr. Franceschine provided a short overview of his Report. He discussed the actuarial methods used, the assumptions utilized, and the results presented in the report. This was followed by a PowerPoint presentation by the General Manager, assisted by the Finance Officer and Mr. Franceschine. The PowerPoint presentation provided information on prefunding scenarios for the District's projected GASB 45 liabilities based on Mr. Franceschine's actuarial work. It was noted that options utilizing these scenarios are available from entities such as CalPERS and the Public Agency Retirement System (PARS) company.

The PowerPoint presentation was followed by a general discussion on the presented material. The Committee Members asked that the PowerPoint presentation be shared with the full Board at a future Board meeting. The Committee also asked that staff bring forward at a future Finance Committee meeting, a side-by-side presentation by CalPERS and PARS staff of their individual investment options.

ADJOURNMENT: The meeting was adjourned at 11:22 a.m.

Respectfully submitted,

Sandeep Karkal
General Manager- Chief Engineer

Julie Swoboda, Recording