

**MINUTES OF THE FINANCE COMMITTEE  
SUTTER BUTTE FLOOD CONTROL AGENCY  
MAY 4, 2015**

The Sutter Butte Flood Control Agency (SBFCA) Finance Committee Members, met on the above date at 1 p.m. at the SBFCA office, 1441 Garden Highway, Yuba City, California.

**MEMBERS PRESENT:**

City of Yuba City: John Dukes and Kash Gill  
Levee District 9: David Lamon  
County of Butte:  
Levee District 1:

**STAFF PRESENT:** Mike Inamine, Executive Director; Michael Bessette, Director of Engineering; Andrea Clark, Agency Counsel; Seth Wurzel, Budget Manager; Dan Cox, Financial Consultant; Sarah Modeste, Administrative Manager

**Call to Order/Discussion & Action Items**

- 1. Approval of Finance Committee Meeting minutes from the February 4, 2015, March 2, 2015 and March 30, 2015 meetings**

**On motion of Director John Dukes, and seconded by Director Kash Gill, the minutes were approved as follows:**

- John Dukes – Yes
- Kash Gill – Yes
- Dave Lamon – Yes

- 2. Review and recommendation of preliminary approval of the Proposed Amended 5-Year Budget covering 2014-15 through 2015-16, and approval to set public hearing on June 10, 2015 by the Board**

Budget Manager Seth Wurzel provided an overview of the budget amendment process and highlighted the changes between planned and actual costs.

Director Dukes asked what Mr. Wurzel would be presenting at the Yuba City Council meeting on May 4, 2015. Mr. Wurzel clarified that the presentation at the Yuba City Council meeting would not include information on the budget, but instead would focus on SBFCA's financing plans. He added that SBFCA is required to present bond sale information to a land use agency within the JPA boundaries, and it will meet this requirement by doing so at a Yuba City Council meeting.

Director Kash Gill asked if the budget would project budget needs for the next five years. Mr. Inamine responded that the five-year budget was initiated as a mechanism to plan for cash flow and financing needs for the many projects on the horizon. He added that SBFCA is still within the originally approved five-year budget and staff is now preparing a strategic plan which will inform the next five-year budget after 2015-16. Mr. Wurzel added that staff is looking to the Board for approval to amend 2014-15 and 2015-2016 within the current five-year budget.

**On motion of Director John Dukes, and seconded by Director Kash Gill, the recommendation of preliminary approval of the Proposed Amended 5-Year Budget covering 2014-2015 through 2015-16 and approval to set a public hearing on June 10, 2015 by the Board were approved as follows:**

- John Dukes – Yes
- Kash Gill – Yes
- Dave Lamon – Yes

- 3. Review and recommendation of approval of the sale and issuance of not-to-exceed \$50 million of assessment revenue bonds by the Board**

Mr. Wurzel and Mr. Cox provided an overview of the bond authorization, bond financing details, and credit process. Mr. Inamine added that the information had been previously provided, but one of the key concepts is that while the finance committee understands the mechanics, there will be a number of steps that will take place in order to allow for pre-payment of bonds, minimize insurance costs and other

features and terms of bonds to enable SBFCA to reduce long-term costs. The action the Board will make will allow staff to make real time decisions that will result in the best possible terms for SBFCA.

Director Dukes asked if construction would be able to be extended after November, if it continues to be a dry year. Mr. Bessette responded that construction is slated to be completed by October 31 and any work thereafter would be related to punch list items.

**The committee no longer had quorum, so an action was not taken on this item.**

**Public Comment**

Elaine Miles provided public comment related to the amount of financing SBFCA was planning to seek. Ms. Miles also provided comment regarding how the amount financed would impact property owners within the assessment district as it relates to their annual assessment amounts and the percent the assessment district proceeds would cover vs. state funding. The group discussed Ms. Miles' comments. Mr. Inamine stated that while the facts have changed since the Assessment District was formed, the dollar amounts have not changed and the bond sales are based on the assessment amounts and what can be leveraged.

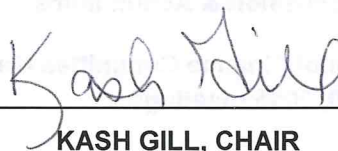
**Adjourn**

With no further business, the meeting was adjourned at 3:15 p.m.

ATTEST BY:



**SARAH MODESTE, BOARD CLERK**



**KASH GILL, CHAIR**