

**BOARD MINUTES  
SOUTH PLACER MUNICIPAL UTILITY DISTRICT**

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	District Office	August 2, 2018	4:30 p.m.

**I. CALL MEETING TO ORDER:** The Regular Meeting of the South Placer Municipal Utility District Board of Directors was called to order with President Mitchell presiding at 4:30 p.m.

**II. ROLL CALL OF DIRECTORS:**

Present: Jerry Mitchell, Will Dickinson, Vic Markey, John Murdock, Jim Williams

Absent: None

Vacant: None

Staff: Herb Niederberger, General Manager  
Adam Brown, Legal Counsel  
Eric Nielsen, District Engineer  
Sam Rose, Superintendent

Others: None

**III. PLEDGE OF ALLEGIANCE:** President Mitchell led the Pledge of Allegiance.

**IV. CONSENT ITEMS:**

1. MINUTES from the June 28, 2018 Board meeting.
2. ACCOUNTS PAYABLE in the amount of \$2,686,649.22 through July 26, 2018.
3. MONTHLY INVESTMENT REPORT in the total amount of \$51,370,252 through July 26, 2018.

Director Dickinson made a motion to approve all items from the consent calendar; a second was made by Director Williams, the motion carried 5-0.

**V. PUBLIC COMMENTS:**

President Mitchell opened the Public comments. Hearing no comments, public comments were closed.

**VI. BOARD BUSINESS**

**1. ACTUARIAL VALUATION REPORT FOR OTHER POST-EMPLOYMENT BENEFITS (OPEB) PROGRAMS**

GM Niederberger introduced a presentation of the Actuarial report prepared by MacLeod Watts (formerly Bickmore). He explained that the District holds approximately \$4.6M in the CERBT trust which funds other post-employment benefit (OPEB) liabilities. He reported that the District has made a Strategy change for the Asset Allocation within the CERBT, to Strategy 2. The objective for this portfolio consists of moderate allocations in equities, bonds and other asset investments which are complimentary to the Districts moderate approach to investment strategies as specified in Policy #3120. Director Dickinson asked if the Strategy change should have been brought back to the Board for their consideration. Herb answered that staff followed Policy #2575 for OPEB prefunding and Policy #3120 for Investment of District funds. President Mitchell quantified that the obligation is complex and looking at stable investments with the least risk, is the most beneficial to the District. Director Williams said that we just don't know what will change with Medical insurance in the near future.

President Mitchell asked a question regarding the Unfunded Actuarial Accrued Liability, asking if that amount will grow over time. GM Niederberger responded that if the rate of return is less than expected the Unfunded amount will increase over time. Director Williams said that current retirees are drawing out of this account, and that this Board was forward thinking in contributing to this fund for the future and are consequently in better shape than many other public entities.

Director Dickinson stated that long term liabilities are a concern as these types of costs are getting away from many other government entities. GM Niederberger stated that the District is at least 75% funded for future benefits, and the actuarial report provides a guideline for future payments into the trust and directly to retirees. President Mitchell said that he realizes the analysis is complex and appreciates the assistance of the actuarial firm to prepare this necessary report for the CERBT Fund.

Director Williams said that there are many unknowns, particularly with what will be happening with healthcare in the near future. He further stated that with the changes made to benefits for PEPRA employees, they will be retiring later at aged 62 and therefore much closer to the Medicare age. Meaning that the higher medical insurance rates will be paid out for less years than those employees retiring at age 55. Director Dickinson asked to review the report in further detail with staff in a Personnel Committee meeting. He would like to understand the implicit and explicit components of the study as well as the information regarding the comparisons to the CalPERS Unfunded Actuarial Accrued Liability (UAAL).

Director Williams made a motion to accept the July 3, 2018 Actuarial Report; a second was made by Director Murdock, the motion carried 5-0.

## **VII. REPORTS:**

- 1. District General Counsel (A. Brown):** General Counsel Brown reported that he drafted the Agreement to address the claim for veterinary fees related to the Loomis Diversion project. The Agreement has been completed, with payment made to Mr. & Mrs. Nakashoji. He provided a brief report regarding several licenses & easements that the District have held for many years with the Union Pacific Railroad. He stated that he is corresponding with Railroad Legal Counsel to address their continued requests to adjust the agreement amounts, a report will be brought to the Board at a future meeting.
- 2. General Manager (H. Niederberger):** GM Niederberger asked if there were any comments regarding his Manager's report. Director Dickinson asked for further information regarding the need to have a Social Media Policy. GM Niederberger stated that he had attended a Social Media session at the CSDA General Manager summit. He said that staff is reviewing policies and researching items to consider for the future. President Mitchell asked what the Loomis Streetscape reimbursement was for, DE Nielsen reported that the District has been coordinating with the Town of Loomis, during their Streetscape project, they were able to assist the District with a number of items and invoice the District directly.
  - A. ASD, FSD & TSD Reports:** Director Markey asked about the work beginning on Taylor Road near Lorenzo's Restaurant. DE Nielsen reported plans are in for review for mixed use properties in that area.
  - B. Information Items:** No additional items were reported.
- 3. Directors Comments:** Director Dickinson thanked DE Nielsen for taking him on a tour of the Loomis Diversion Project. He also made a request for a meeting of the Personnel Committee in September, to begin the General Manager's evaluation.

President Mitchell commented that he had been reading about Placer County Regional efforts for Trails in the surrounding area. He said that he has also been working with Parks & Recreation staff at the City of Rocklin who are looking at their future plans for Bikeway and Pedestrian facilities. With these projects in mind, President Mitchell stated that since SPMUD adopted a Joint Use of District Easements & Access Roads Policy he would like to explore opportunities for partnering with surrounding agencies. He asked other Board members if they would entertain this possibility, all members agreed with the concept. GM Niederberger stated that staff will bring back an item to the next Board meeting for further review and discussion.

**VIII. ADJOURNMENT**

The President adjourned the meeting at 5:30 pm. to its next regular meeting to be held on September 6, 2018 at 4:30 p.m.

A handwritten signature in black ink that reads "Joanna Belanger". The signature is written in a cursive, flowing style.

Joanna Belanger, Board Secretary