Minutes of CHCF-B Administrative Committee (AC)
October 27, 2010

Venue
California Public Utilities Commission
505 Van Ness Ave., Room 3212
San Francisco, CA 94102

Attendees

Primary Members
Robert Lehman (RL), Chairman
Mike Foreman (MF), AT&T
Charlie Born (CB), Frontier Communications
Jeanie Renfro-Woods (JRW), Sickle Cell Community Advisory Council

Liaisons
Alex Koskinen (AK), CPUC – Communications Division
Beverly Sligh (BS), CPUC, Fiscal Office
Sindy Yun (SY), CPUC, Legal Division
Marry Evans (ME), Public Advisors Office

Others
CPUC Communications Division - Mike Amato (MA), Eric Van Wambeke (EVW), Larry Hirsch (LH)

The meeting was called to order at 10:41am by Robert Lehman

1. Introductions
All attendees introduced themselves

2. Public Comments – None

3. Review and Approval of Minutes of the Previous March 17, 2010 meeting
The CHCF-B AC approved the draft minutes of the March 17, 2010 meeting with minor corrections. Mike Foreman made a motion to adopt the amended minutes. Robert Lehman motioned to vote on acceptance of the minutes. Vote passed, 3 ayes.

4. Liaison Staff Reports
a. Fiscal Report
BS: Provided a statement of operations report for Fund 0470
Ending "fund balance" as reported for 9/30/2010 was $108,320,870.20
Program revenues $27,015,889.05 million
Program expenditures $10,016.92
The reason expenditures were so low the previous quarter was the lack of a state budget

Q2 payments will be unusually large to make up for the previous quarter
Unsure when the state's General Fund will pay back the loans it has taken out of Fund 0470

RL: Wondered if there would be more loans forthcoming

LH: General Fund will borrow $16 million soon

MF: How was Q2 ending balance calculated

BS: (previous ending balance) + (total program revenue) – (total program expenditures)

RL: Claims greatly increased throughout FY 2009

CB: Without the state budget problems the fund balance would remain ~$60 million, no upward trend exists

RL: Questioned whether a footnote should be added to the report describing how the $108 million ending balance was in fact overstated due to the budget problem and the $16 million loan

CB: Likes the new report format

b. Legal report – None

c. Public Advisor's report –

ME: Jeanie Renfro-Woods of the Sickle Cell Community Advisory Council should be changed from a secondary member of the committee to a primary member

EVW: Asked if a new alternate was needed.

5. Other Administrative Matters

LH: Alex Koskinen has taken over the duties of Donna Wong
State budget recently passed
0470 (B-Fund) will collect $100m, spend $51m
At present surcharge rates fund will over collect ~$40m/year
Administrative Committee must file yearly report with Commission

CB: Questioned how CHCF-B affordability study was paid for

LH: Study has not been paid for yet
Study came in below budget, $1m proposed, $700k actual

CB: Asked what the impact of the study would be on the High Cost Funds
Asked if there were any updates on the CHCF-B proceedings

EVW: Public participation meetings should happen early next year
Basic service issue must be resolved before reverse auctions are addressed
Wants to explore updating CBGs with new census data
Basic service definition may impact all subsidy programs

MF: Affordability Report shows that CHCF-B is still necessary
Might be worth looking at penetration data for specific CBGs

CB: Sees fund growing smaller already, from $450m to $50m after last overhaul

ME: Asked if there would be any transfers between CHCF-B and CASF

EVW: No, those two funds are separate

6. Review of Administrative Committee vacancy status
All positions should have two alternates, but one should be sufficient

7. Announcements – None

8. New agenda items for next meeting – None

9. Date and Time for future meeting:
xxxxxx

Mike Foreman motioned to adjourn the meeting. Robert Lehman seconded the motion.

The meeting was adjourned at 11:36pm.
Minutes were submitted by Alex Koskinen