Minutes of CHCF-B Administrative Committee (AC)
December 11, 2013

ADOPTED

Venue
California Public Utilities Commission
505 Van Ness Ave., Room 2204
San Francisco, CA 94102

Attendees

Primary Members
Robert Lehman (RL), Chairman
Michael Foreman (MF), AT&T
Margot Ormiston (MO), Verizon; (alternate for Charlie Born)

Liaisons
Richard Maniscalco (RM), CPUC – Communications Division
Michelle Morales, (MM), CPUC - Fiscal Office

Others
Felix Robles (FR) CPUC - Communications Division
Jim Simmons (JS) CPUC – Office of Ratepayer Advocates

The meeting was called to order at 11:10 am by Robert Lehman (RL)

1. Introductions
All attendees introduced themselves; Margo Ormiston attended as alternate for Charlie Born, who could not attend.

2. Announcements - None

3. Public Comments – None

4. Review and Approval of Minutes
The minutes of the February 27, 2013 meeting were reviewed. Robert Lehman noted that the minutes from the November 26, 2012 had not been reviewed and voted on yet. Richard Maniscalco (RM) said he would send the draft November 26, 2012 meeting minutes to the members by email for their review and approval. Robert Lehman noted that he needed the November 26, 2012 meeting minutes for the annual report to Paul Clanon which is due by end of December 2013. Robert Lehman motioned to approve the minutes from the February 27, 2013 meeting and Michael Foreman seconded the motion. The minutes from the February 27, 2013 meeting were approved.

5. Liaison Staff Reports

a. Fiscal Report

Michelle Morales (MM) presented to all a Statement of Operations for the B Fund for the first quarter ending Sept. 30, 2013 and for the second quarter as of Oct. 31, 2013, the ending balances were $53.77 and 55.34 million, respectively. Robert Lehman had a couple of questions for Michelle about the report, mostly about the format. Richard Maniscalco asked Michelle what would happen to the funds in the B Fund if it was to sunset as scheduled on January 1, 2015. Michelle thought that it might revert to the General Fund, but that she would check on it to be sure. MM then left the meeting.

b. Legal report –

No legal report as Sindy Yun (SY) was not in attendance.

c. Communications Division report on FY 2014-15 Budget and Surcharge Reduction Resolutions

Richard passed out copies of Resolution T-17417 and explained that this resolution, which was adopted by the Commission on December 5, 2013, reduced the B Fund surcharge from 0.30% to 0.00%, to be effective on February 1, 2014. He continued to explain that the current high balance in the B Fund and the decreasing claims amounts made it a prudent change. Also, he mentioned that the B Fund was due to sunset on January 1, 2015 and also that the State was due to repay loans totaling $134 million sometime during the next two fiscal years.

Richard next passed out copies of Resolution T-17399, set the expenditure budget for the B Fund for Fiscal Year 2014-15, and explained that Appendix A to the resolution contained a comparison of the B Fund's Expenditures for Fiscal Years 2012-13, 2013-14 and 2014-15. The total proposed expenditures for FY 2014-15 is $22.39 million, of which $20.78 million are expected claims.

6. Other Administration Matters

None.

7. New agenda items for next meeting –
General Fund Credit information from Michelle Morales; news about new legislation to extend the B Fund;

8. Date and Time for future meeting:

Robert Lehman asked the members if April 23, 2014 would be a good date for the next meeting. All present said it was okay.

The next meeting will be held on Wednesday, April 23, 2014 from 10:30 am to 12:00 pm.

Robert Lehman motioned to adjourn the meeting. Michael Foreman and Margot Ormiston both seconded the motion.

The meeting was adjourned at 12:00 pm.
Minutes were submitted by Richard Maniscalco