



SPECIAL FINANCE COMMITTEE MINUTES

August 3, 2015

The special meeting of the Finance Committee held on Monday, August 3, 2015, was called to order by Chair Stone at 1:00 p.m., in the Administration Conference Room, followed by the Pledge of Allegiance.

ROLL CALL

Present:	Ms. L. Stone, Chair	Mr. P. Hood
	Mrs. C. Damoci	Ms. P. Snowden
	Mrs. M. Dodero	Mr. R. Stone
	Mr. P. Friedman	Ms. R. Winkler, Ex Officio
Staff:	Mr. R. Ankeny, Executive Director	
	Ms. C. Miller, Controller	
	Ms. J. Rodgers, Purchasing Manager	
	Mrs. J. Reed, GRF Representative, Mutual Four	
	Mr. B. Lukoff, GRF Representative, Mutual Fourteen	
	3 Foundation Members	

INTRODUCTION OF STAFF AND GUESTS

The Chair introduced and welcomed Foundation members and Staff.

By unanimous consent, the Chair declared the reading of the quorum notification be dispensed with.

In accordance with California Civil Code Section 4090, please be advised that a quorum of the GRF Board of Directors is present at today's posted meeting. The business of the Finance Committee will be conducted in accordance with the agenda. As a quorum of the Board is present, this meeting will be conducted as a committee meeting *and* a Board meeting. The agenda actions of the committee will be limited only to the members of the committee and will only constitute such actions in accordance with stated committee policy and/or provide recommendations to the GRF Board of Directors at its regular Board meeting on the 4th Tuesday of the month. GRF Board members who are not committee members will be allowed to comment when recognized by the Chair and only during the proscribed Foundation member comment period, not to exceed four minutes, as set forth in Policy 5610, Participation by Foundation Members. The minutes of today's Board meeting will be presented to the Board for approval following the approval of the committee meeting minutes in August.

COMMITTEE RULES

The Chair reviewed the meeting rules and asked that courtesy and respectfulness be acknowledged at all times. Please remember to turn off your cell phones. The Chair respectfully requested the Committee members wait to be called on and to use their microphones.

CHAIR'S ANNOUNCEMENTS

The Chair announced there will be a Lease and Contract Sub-Committee meeting on Wednesday, August 12, 2015 at 10:00 a.m. in the Physical Properties Room. There will be a Special GRF Special Board meeting on Friday, August 20, 2015 in the Administration Conference Room to discuss the plan of action on the philosophy of spending.

FOUNDATION MEMBER COMMENTS

Three Foundation members commented on various items on the agenda.

CORRESPONDENCE

One piece of correspondence was received and reviewed by the Committee.

NEW BUSINESS

Contracts Up For Renewal

The Controller reviewed with the Committee members the contracts that are up for renewal.

2016 Preliminary Budget for Cost Centers 29, Administration Building; 31, Finance Department; 32, Purchasing; 39, Resales Office 60, Health Care Center; and 65, Reserve Funding

The Controller and Committee members reviewed the preliminary 2016 Budget for the Committees applicable cost centers.

New Cost Centers

The Controller reported two new cost centers that will developed for 2016 Budget in the following departments:

- Architectural & Design Review
- Mutual Administration (Now separate from Stock Transfer)

UNFINISHED BUSINESS

2015 Audit Proposals

On March 30, 2015, letters were sent to fourteen (14) audit firms extending invitations to provide bids for financial audits and tax preparation for the years 2015 – 2017 for the sixteen (16) Mutual Corporations and financial and 401(k) audits and tax preparation for the years 2015 – 2017 for the Golden Rain Foundation. The letters requested bids to be broken out by each of the three audit years for all services combined and further broken out for each individual service separately for Golden Rain Foundation and for all Mutual Corporations. We requested sealed bids to be submitted by April 30, 2015 and addressed to the Finance Committee.

Extensive research was performed in selecting audit firms to solicit. Eight (8) firms who had responded to our request for bid in 2012 were selected. Four (4) firms were selected from the California Society of CPAs website CALCPA.org. The search criteria used that most closely matches our needs fall under the categories of HUD audits, non-profits and tax preparation. There were no results when searching under the category of Common Interest Development (CID).

As of April 30th, we received only two sealed bids as requested. Bids were received by NSBN, LLP and from Weinberg & Company, PA and are displayed in Exhibit C. Two letters were returned as non-deliverable. After further research, a new address was obtained for one of the letters and was resent to the firm with an extended deadline of May 15.

Due to the timing of the request during tax preparation season, we extended the deadline to the end of May. As of May 27, 2015, no further responses were received. We attempted to contact by phone each of the eleven (11) firms that did not respond to our written request. Three (3) stated the engagement was too large to accept; one (1) requested to review our financial statements but elected to not submit a bid; one (1) stated they do not perform audits; one (1) went out of business and the remaining partner does not perform audits; five (5) did not return our phone call.

Ms. Snowden MOVED, seconded by Mrs. Dodero and carried unanimously –

TO approve and recommend the GRF Board approve the selection of NSBN, LLP to perform the annual audits and tax returns for 2015, 2016 and 2017 and to authorize the President to sign the associated engagement letters.

STAFF REPORTS

Executive Director

The Executive Director reported staff is working diligently on the 2016 budget.

FOUNDATION MEMBER COMMENTS

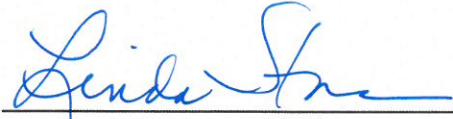
Two Foundation members spoke on various items pertaining to the Committee's area of purview.

COMMITTEE MEMBER COMMENTS

Committee Members commented that the meeting was informative.

ADJOURNMENT

The Chair adjourned the meeting at 2:24 p.m.



Linda Stone, Chair
FINANCE COMMITTEE
mm 08.14.15

MOTIONS

- By unanimous consent, the Chair declared the reading of the quorum notification be dispensed with.
- **TO** approve and recommend the GRF Board approve the selection of NSBN, LLP to perform the annual audits and tax returns for 2015, 2016 and 2017 and to authorize the President to sign the associated engagement letters.