

**Golden State Finance  
Authority (GSFA)  
Executive Committee Meeting**



**Wednesday, July 12, 2017  
11:00 A.M.**

**1215 K Street, Suite 1650  
Sacramento CA 95814  
916-447-4806**



**Golden State Finance Authority (GSFA)  
Executive Committee Meeting  
1215 K Street, Suite 1650  
Sacramento, CA 95814**

**July 12, 2017 – 11:00 a.m.**

Executive Committee Members:

Supervisor Kevin Cann, Mariposa County  
Supervisor Randy Hanvelt, Tuolumne County  
Supervisor Bob Williams, Tehama County  
Supervisor Rex Bohn, Humboldt County  
Supervisor John Viegas, Glenn County

Supervisor Les Baugh, Shasta County  
Supervisor Doug Teeter, Butte County  
Supervisor Diane Dillon, Napa County  
Supervisor Matt Kingsley, Inyo County  
Supervisor David Rogers, Madera County

**Agenda**

- I. **Call to Order and Determination of Quorum**  
*Chair, Supervisor Kevin Cann, Mariposa County*
  
- II. **Approval of Minutes of the May 10, 2017 Meeting** **Page 1**  
*(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise)*
  
- III. **Public Comment**  
*At this time any member of the public may address the Board. Speakers are asked to state their name for the record. Comments are usually limited to no more than 3 minutes per speaker.*
  
- IV. **Quarterly Reports for GSFA** (Discussion and possible action relative to)  
*Greg Norton, Executive Director*  
*Lisa McCargar, Chief Financial Officer*
  - a. **GSFA Budget Report (May 31, 2017)** **Page 5**
  - b. **GSFA Investment Report (May 31, 2017)** **Page 9**
  - c. **GSFA Cash and Investment Report (May 31, 2017)**
  
- V. **Business and Administrative Matters** (Discussion and possible action relative to)  
*Greg Norton*  
*Craig Ferguson, Deputy Director*
  - a. **Other Business and Administrative Matters**
  
- VI. **Program Updates** (Discussion and possible action relative to)  
*Greg Norton*  
*Craig Ferguson*

## **VII. Adjournment**

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, contact Sarah Bolnik by calling (916) 447-4806 at least 48 hours before the meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment, please let staff know if you would like to speak on a specific agenda item. The agenda for this meeting of the Executive Committee of the Golden State Finance Authority was duly posted at its offices, 1215 K Street, Suite 1650, Sacramento, California, 72 hours prior to the meeting.

**Golden State Finance Authority (GSFA)  
Executive Committee Meeting  
1215 K Street, Suite 1650 Board Room  
Sacramento, CA 95814  
(916) 447-4806**

**May 10, 2017 – 9:00 a.m.**

**Executive Committee Members:**

Supervisor Kevin Cann, Mariposa County  
Supervisor Randy Hanvelt, Tuolumne County  
Supervisor Bob Williams, Tehama County  
Supervisor Rex Bohn, Humboldt County  
Supervisor John Viegas, Glenn County

Supervisor Les Baugh, Shasta County  
Supervisor Doug Teeter, Butte County  
Supervisor Diane Dillon, Napa County  
Supervisor Matt Kingsley, Inyo County  
Supervisor David Rogers, Madera County

**Minutes**

**Call to Order and Determination of Quorum**

GSFA and NHF Vice Chair, Supervisor Randy Hanvelt, Tuolumne County and RCRC Chair, Supervisor Bob Williams, Tehama County, and called the Simultaneous meeting of the GSFA Executive Committee, RCRC Executive Committee, and the NHF Board of Directors to order at 9:03 a.m. The purpose of the simultaneous meeting was to conduct the Special Order of Business relative to the 2016 GSFA, RCRC and NHF annual audits. A quorum was determined at that time. Those present were as follows:

<b><u>Supervisors in Attendance</u></b>	<b><u>County</u></b>
Doug Teeter	Butte
John Viegas	Glenn
Rex Bohn	Humboldt
Matt Kingsley	Inyo
David Rogers	Madera
Les Baugh	Shasta
Bob Williams	Tehama
Randy Hanvelt	Tuolumne

**Absent Members**

Kevin Cann	Mariposa
Diane Dillon	Napa

**Staff in Attendance**

Greg Norton, Executive Director  
Craig Ferguson, Deputy Director

**Others in Attendance**

Lisa McCargar, RCRC Chief Financial Officer  
Sarah Bolnik, RCRC Business Development/Board Relations  
Justin Caporusso, RCRC Vice President External Affairs  
Paul A. Smith, RCRC Vice President Governmental Affairs

Elizabeth Jensen, RCRC Accountant  
James Lanzarotta, Partner, Moss Adams (Via Conference Line)  
Derek Criswell, Partner, Moss Adams  
Kevin Reynolds, Audit Senior, Moss Adams  
Robin Rau, Ygrene Energy Fund

**Special Order of Business:**

**2016 Annual Audit Exit Conference and Financial Statements**

Lisa McCargar, Chief Financial Officer, introduced Moss Adams, independent auditors. Present were Derek Criswell, Partner, Kevin Reynolds, Audit Senior, and James Lanzarotta, Partner via telephone. The team from Moss Adams provided the GSFA and RCRC Executive Committees, and the NHF Board of Directors with an overview of the financial statements for RCRC, GSFA and NHF. Mr. Criswell noted that RCRC, GSFA, and NHF received unqualified "clean" opinions, and there were no significant matters identified. No audit adjustments were proposed.

The GSFA and RCRC Executive Committees and the NHF Board of Directors met privately with the Moss Adams team to pose questions and/or comments. Staff exited the room at 9:34 a.m. and returned to the room at 9:52 a.m.

**Recommendation:**

It is recommended that the GSFA Executive Committee, acting in their function as the Audit Committee, review and approve the 2016 audited financial statements and information letter as presented for presentation to and adoption by the GSFA Board of Directors.

**Supervisor Les Baugh, Shasta County, motioned to approve the 2016 financial statements and information letter as presented. Supervisor Matt Kingsley, Inyo County, seconded the motion. Motion unanimously passed.**

**At 9:56 a.m., the simultaneous meeting of the GSFA Executive Committee, NHF Board of Directors, and the RCRC Executive Committee was adjourned.**

**At 9:57 a.m., the GSFA Executive Committee Meeting was reconvened.**

**Approval of Minutes of the February 15, 2017 Meeting**

*(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise)*

**Supervisor Rex Bohn, Humboldt County, motioned to approve the minutes of the February 15, 2017 GSFA Executive Committee Meeting. Supervisor Les Baugh, Shasta County, seconded the motion. Motion passed.**

**Public Comment**

None

### **GSFA Quarterly Reports**

Lisa McCargar, Chief Financial Officer, presented the GSFA Quarterly Investment Report, the Budget Report, and the Cash and Securities Asset Report for the period ending March 31, 2017.

### **GSFA 2017 Local Area Investment Fund (LAIF) Authorization**

Lisa McCargar informed the GSFA Executive Committee that GSFA maintains investments in LAIF with the California State Treasurer's Office. The Executive Director and Deputy Director previously had authority to transfer funds to and from LAIF. Ms. McCargar reported that as a result of the former Deputy Director retiring, authority permissions needed to be altered. Ms. McCargar recommended that in addition to the Executive Director and Deputy Director that the Chief Financial Officer should be given authority to transact on behalf of GSFA.

### **Recommendation**

It is recommended that the GSFA Executive Committee approve the addition of the Chief Financial Officer as an authorized individual to deposit or withdraw funds in LAIF, and direct the GSFA Executive Director to make the same recommendation to the GSFA Board of Directors.

**Supervisor David Rogers, Madera County, motioned to approve the above recommendations. Supervisor John Viegas, Glenn County, seconded the motion. Motion passed.**

### **Program Updates**

Craig Ferguson, Deputy Director, provided an update on the single and multifamily programs, the PACE Program, the Infrastructure Finance Program, and the Mortgage Credit Certificate allocation for GSFA.

Greg Norton received an email from the GSFA Chair, Supervisor Kevin Cann, Mariposa County, asking that Mr. Norton read the email to the GSFA Executive Committee. Mr. Norton read a very complimentary email from a GSFA Platinum Program recipient thanking the GSFA Chair and the GSFA full board of Directors for their program. The home buyer stated that he was able to buy the home of his dreams thanks to this wonderful program.

### **Adjournment**

GSFA Vice Chair, Supervisor Randy Hanvelt, Tuolumne County, adjourned the meeting of the GSFA Executive Committee at 10:07 a.m.







Golden State Finance Authority (GSFA)  
1215 K Street, Suite 1850 · Sacramento, California 95814  
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**To:** GSFA Executive Committee  
**From:** Greg Norton, Executive Director  
Lisa McCargar, Chief Financial Officer  
**Date:** July 3, 2017  
**Re:** GSFA Budget Report (May 31, 2017)

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**Summary**

The Statement of Revenues and Expenses for GSFA provides a budget to actual comparison for the five months ended May 31, 2017.

**Attachment**

- GSFA Statement of Revenues and Expenses, Budget vs. Actual, for the five months ended May 31, 2017.



**GOLDEN STATE FINANCE AUTHORITY**  
**Statement of Revenue and Expenses**  
**Budget Vs. Actual - Unaudited**  
**For the Five Months Ended May 31, 2017**

	2017 Annual Budget	5 Months Ended May 31, 2017 Budget	5 Months Ended May 31, 2017 Actual	Variance Favorable/ (Unfavorable)	Percent Favorable/ (Unfavorable)
<b>Income:</b>					
Housing Program Revenue	\$ 51,055,000	\$ 21,272,915	\$ 30,779,466	\$ 9,506,551	44.69%
Energy Program Revenue	3,015,000	1,256,250	883,126	(373,124)	-29.70%
Grant Reimbursed Costs	300,000	125,000	114,494	(10,506)	-8.40%
Interest Income and Capital Gain/(Loss)	307,000	127,915	143,164	15,249	11.92%
Ongoing Issuer Fees	54,000	22,500	25,623	3,123	13.88%
2nd Mortgage Interest	500,000	208,335	163,771	(44,564)	-21.39%
Miscellaneous Income	-	-	-	-	0.00%
<b>Total Income</b>	<b>\$ 55,231,000</b>	<b>\$ 23,012,915</b>	<b>\$ 32,109,644</b>	<b>\$ 9,096,729</b>	<b>39.53%</b>
<b>Expenditures:</b>					
Accounting & Auditing	\$ 31,500	\$ 13,125	\$ 24,552	\$ (11,427)	-87.06%
Business Development and Expansion	100,000	41,665	21,575	20,090	48.22%
CDLAC fees	50,000	20,835	-	20,835	100.00%
Custodian/Trustee	50,000	20,835	-	20,835	100.00%
Consultants	385,000	160,415	90,000	70,415	43.90%
Contract Performance Fee	1,960,750	816,980	-	816,980	100.00%
Dues, Fees & Subscriptions	30,000	12,500	1,546	10,954	87.63%
Grant Costs	300,000	125,000	114,494	10,506	8.40%
Insurance	39,000	16,250	15,252	998	6.14%
Infrastructure Program	200,000	83,335	-	83,335	100.00%
Legal Services	125,000	52,085	147,970	(95,885)	-184.09%
Loan Losses	150,000	62,500	32,667	29,833	47.73%
Multi Family Bonds	10,000	4,165	-	4,165	100.00%
Gift Program	40,000,000	16,666,665	24,370,407	(7,703,742)	-46.22%
Grant Fund - California Disaster Assistance	1,000,000	416,665	-	416,665	100.00%
Pipeline Services	200,000	83,335	73,750	9,585	11.50%
DPA Program Management	2,500,000	1,041,665	1,625,986	(584,321)	-56.09%
Printing and Duplication	1,000	415	-	415	100.00%
Promotion and Marketing	75,000	31,250	634	30,616	97.97%
Rent	104,667	43,610	38,856	4,754	10.90%
Contract Support Services	2,399,000	999,585	999,584	1	0.00%
Sponsorships	50,000	20,835	52,800	(31,965)	-153.42%
Board Member Travel and Reimbursements	15,000	6,250	-	6,250	100.00%
Travel	40,000	16,865	8,224	8,441	50.65%
Other Expenses	8,000	3,335	6,956	(3,621)	-108.58%
<b>Total Expenditures</b>	<b>\$ 49,823,917</b>	<b>\$ 20,759,965</b>	<b>\$ 27,625,253</b>	<b>\$ (6,865,288)</b>	<b>-33.07%</b>
<b>Net Revenues Over Expenditures</b>	<b>\$ 5,407,083</b>	<b>\$ 2,252,950</b>	<b>\$ 4,484,391</b>	<b>\$ 2,231,441</b>	<b>99.05%</b>





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**To:** GSFA Executive Committee  
**From:** Greg Norton, Executive Director  
Lisa McCargar, Chief Financial Officer  
**Date:** July 3, 2017  
**Re:** GSFA Investment Report (May 31, 2017)

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**Summary**

In accordance with GSFA's investment policy, we are providing the investment report as of May 31, 2017. This report provides a summary of investment transactions from March 31, 2017 to May 31, 2017. In addition, the report provides the returns by investment type and a comparison to the 90 day Treasury Rate.

The CalTRUST yields are the funds' reported May 31<sup>st</sup> yields. The LAIF return is the fund's May 31<sup>st</sup> apportionment rate.

**Attachment**

- GSFA Investment Report – May 31, 2017



**GOLDEN STATE FINANCE AUTHORITY**  
**Investment Report**  
**As of May 31, 2017**

	Total	CalTRUST Short-Term	CalTRUST Medium-Term	LAIF
Balance 3/31/17	\$ 19,668,045	\$ 7,479,921	\$ 12,002,497	\$ 185,627
Additions	-	-	-	
Withdrawals	-	-	-	
Interest (includes accrued)	38,356	13,243	25,113	
Capital Gain/(Loss)	12,661	694	11,967	
Balance 5/31/17	\$ 19,719,062	\$ 7,493,858	\$ 12,039,577	\$ 185,627

<u>Yield:</u>	Short Term	Mid Term	LAIF
Annualized One Year	0.89%	1.11%	0.91%
Average Maturity (days)	343	748	186
90 Day Treasury Bill Rate	0.98%		

All current cash investments are held in either California Treasurer's Local Agency Investment Fund (LAIF) or CalTRUST's Short-Term Fund or Medium-Term Fund. Cash in the LAIF fund and the CalTRUST Short-Term Fund may be accessed within 24 hours. Cash in the CalTRUST Medium-Term Fund may be accessed at the end of each month.

No members of the Investment Committee have any conflict of interest with any current investment firms.

Purpose of transactions in excess of \$1 million:  
 -None





### DELEGATE EXPENSE CLAIM

Name \_\_\_\_\_ County \_\_\_\_\_ Phone Number \_\_\_\_\_

Purpose of Trip, Details and Remarks: \_\_\_\_\_

Month/Year Date	Time	LOCATION <small>(Where Expenses Were Incurred)</small>	LODGING			MEALS			MILEAGE <small>POV @ \$0.535/mile</small>		TRANSPORTATION, FEE or OTHER EXPENSE		TOTAL EXPENSES
			Breakfast	Lunch	Dinner	Miles	Amount	Description of Expense	Amount				

Provide documentation for expenses as required in the Travel and Expense Policy for Delegates. Mileage expenses may not exceed \$0.535 per mile. For lodging in the Sacramento area, reimbursement will include lodging expense, inclusive of room rate, occupancy tax and other fees, up to a maximum of \$112 per night. Meal allowances may not exceed \$8 for breakfast, \$12 for lunch, and \$25 for dinner without prior approval, except as noted in the Travel and Expense Policy. Receipts for ALL requested reimbursements must be attached to this expense claim.

Supervisor's Signature \_\_\_\_\_

**Mail Payment To:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, Zip: \_\_\_\_\_

**Office Use Only:**

Approved By: \_\_\_\_\_

G / L Code: \_\_\_\_\_

Amount: \_\_\_\_\_

