



**California Home Finance Authority
Board of Directors Meeting
June 12, 2014
12:00 p.m.
The Miners Foundry Cultural Center
325 Spring Street, Nevada City, CA**

MINUTES

Call to Order & Determination of Quorum

Chair, Supervisor Richard Forster, Amador County, called the meeting to order at 1:25 p.m. A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
Mary Rawson	Alpine
Richard Forster	Amador
Doug Teeter	Butte
Kim Dolbow Vann	Colusa
John Viegas	Glenn
Rex Bohn	Humboldt
Linda Arcularius	Inyo
Anthony Farrington	Lake
Aaron Albaugh	Lassen
Rick Farinelli	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
Geri Byrne	Modoc
Nate Beason	Nevada
Anthony Botelho	San Benito
Les Baugh	Shasta
Peter Huebner	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
Debra Chapman	Trinity
Randy Hanvelt	Tuolumne
Jim Provenza	Yolo
Roger Abe	Yuba

Absent

Merita Callaway	Calaveras
Brian Veerkamp	El Dorado
Michael Kelley	Imperial

David Finigan	Del Norte
John Pedrozo	Merced
Tim Fesko	Mono
Diane Dillon	Napa
Jim Holmes	Placer
Terry Swofford	Plumas

Others in Attendance

Supervisor Brian Oneto, Amador County
Supervisor Hank Weston, Nevada County
Ed Horton, Placer County Water Agency
Howard Arcularius
Paul A. Smith, RCRC Senior Legislative Advocate
Kathy Mannion, RCRC Legislative Advocate
Mary Pitto, RCRC Regulatory Affairs Advocate
Staci Heaton, RCRC Regulatory Affairs Advocate
Cyndi Hillery, RCRC Legislative Advocate
Justin Caporusso, RCRC Public Affairs Specialist
Sarah Bolnik, RCRC Office Manager, Executive Assistant

Staff in Attendance

Patricia Megason, Deputy Director
Craig Ferguson, Vice President

Approval of Minutes – March 26, 2014 Board Meeting

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

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the minutes of the March 26, 2014 CHF Board of Directors Meeting. Supervisor Rex Bohn, Humboldt County, seconded the motion. Motion unanimously passed.

Member County Concerns

None

Public Testimony

None

Change to CHF Authority Officer Appointment

Patricia Megason, Deputy Director, discussed necessary board approval in order to replace Karl Dolk with Lisa McCargar as CHF Controller/Assistant Secretary, an Authority Officer.

Staff Recommendation:

Staff recommends the Board of Directors take the action confirm the replacement of Karl Dolk with Lisa McCargar as CHF Controller/Assistant Secretary, an Authority Officer.

Supervisor Les Baugh, Shasta County, motioned to approve staff recommendations as presented. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion unanimously passed.

CHF 2013 Audited Financial Statements

Patricia Megason presented the 2013 audited financial statements and information letter for California Home Finance Authority (CHF) which had received an unqualified clean opinion from Moss Adams LLP. Moss Adams had presented the financial statements and letter to the RCRC Executive Committee, in their capacity as the Audit Committee on May 7, 2014.

Staff Recommendation:

Staff recommends that the CHF Board of Directors review and approve the 2013 audited financial statements and information letter as presented.

Supervisor Randy Hanvelt, Tuolumne County, motioned to approve staff recommendations as presented. Supervisor Linda Arcularius, Inyo County, seconded the motion. Motion unanimously passed.

2014 Service Agreements and Budget Amendments

Craig Ferguson, Vice President, discussed proposed revisions to the 2014 Service Agreements between CHF and RCRC and CHF and NHF including a performance fee to RCRC based solely on CHF program success; and a management fee increase by 5 basis points to NHF for program management of the CHF MBS program. Upon approval, the applicable agreements would be amended as necessary.

Staff Recommendation:

Staff recommends that the CHF Board of Directors approve the following amendments to the 2014 CHF budget retroactive to January 1, 2014:

1. Increase in the expenditure budget by a projected \$855,000 to reflect the Performance Fee to RCRC a portion of which, along with the contract service fees with RCRC, could be utilized for compensation for RCRC personnel who provide services to the JPA through a contract for services with RCRC, including those of the RCRC President/CEO, Executive Vice President and Chief Financial Officer; and
2. Increase in the expenditure budget by a projected \$157,500 to reflect the increase in the MBS program management fee to NHF.

Supervisor Les Baugh, Shasta County, motioned to approve staff recommendations as presented. Supervisor Bob Williams, Tehama County, seconded the motion. Motion unanimously passed.

CHF Proposed Multi-Family Financing

Craig Ferguson discussed a proposed multifamily renovation financing project consisting of 6 properties in three rural counties. The project would require a loan from CHF in the amount of \$1,000,000 towards the project. Staff is continuing to review the project and is considering the loan subject to conditions.

Staff Recommendation:

Staff recommends that the CHF Board of Directors approve continued efforts to:

1. Proceed with the multifamily project;
2. Evaluate the cost/benefit of providing the loan toward the project; and
3. When appropriate, to make the necessary recommendations for financial and staff commitments to participate in a successful project.

Supervisor Kim Dolbow Vann, Colusa County, motioned to approve staff recommendations as presented. Supervisor Larry Munger, Sutter County, seconded the motion. Motion unanimously passed.

Energy & Housing Program Update

Craig Ferguson provided an update on the existing Housing and Energy Retrofit Programs

Adjournment

Supervisor Richard Forster, Amador County, adjourned the meeting of the CHF Board of Directors at 1:35 p.m.