

MEMORANDUM

To: Genesee Foundation Board Members
From: Anita Livingston, Treasurer
Subject: **December 12, 2007, Genesee Foundation Board Meeting,
Finance Committee Report**
Date: December 6, 2007

The Finance Committee met on December 5, 2007. Dan Wenzinger was unanimously selected as Vice-Chair, and John Recca was unanimously selected as Secretary.

The following items were discussed and unanimously recommended to be brought before the Board for approval.

1. Recommend selection of Wagner, Burke, Barnes, LLP as Auditing Firm for audit, review, and tax preparation services 2007 – 2009.

The Foundation's current auditing firm, BKD, LLP did not submit a proposal. Four firms submitted proposals. They are: BiggsKofford, Causey Demgen & Moore Inc., Doty, Lyle and Jones, LLC, and Wagner, Burke, Barnes, LLP. The bids for the 2007 preparation ranged from \$20,000 to \$6,500+. Two committee members had experience with two of the firms, which coincidentally had the lower bids: Doty, Lyle and Jones, LLC and Wagner, Burke, Barnes, LLP.

After discussing the bids, Wagner, Burke, Barnes, LLP was selected as the auditing firm to be recommended to the Foundation Board for approval at the December 12, 2007 meeting. Their bid for 2007 is \$7,600. Selection was made on the following criteria:

1. Extensive Non-profit and Special District Experience
2. Cost
3. FIRM bid rather than an "anticipated" bid
4. Local firm
5. Very good references from two committee members, Bruce Strand and Dan Wenzinger. This firm also does work with the Genesee Water Board.

Carla asked for a committee member to be a liaison for the auditing process if the auditors should have questions that need immediate attention. Dan Wenzinger volunteered to be the liaison.

2. Recommend change of current policy waiver of late fees and finance charges on assessments.

The current policy adopted in 1991 allows one waiver of late fees and finance charges on assessments. After discussion, it was unanimously decided to recommend to the Board that residents be allowed one waiver of late fees and finance charges every 10 years if necessary. The letter which is sent to the resident confirming a waiver of late fees and finance charges was rewritten to make it more "resident friendly."

Other discussion:

Fourth community member needed

The Finance Committee charter specifies that there shall be three Board members and four community members appointed by the Board to the committee. Therefore, there is a need to recruit a fourth community member. It was determined that Anita will write an announcement for the position to be placed on the web page, cable channel and the mailboxes within the next few days with a date of January 1st for the deadline of a letter of interest to be mailed to the Foundation. If more than one candidate should apply, the committee will meet with the candidates on the January 7 meeting. The selected candidate will be recommended to the Board for approval at the January 9, 2007 Board meeting.

Schedule of Finance Committee meetings for 2008

January 7, 2007	11:00 am	Oxley
March 3, 2007	11:00am	Oxley
June 2, 2007	11:00am	Oxley
September 8, 2007	11:00am	Oxley
December 1, 2007	11:00am	Oxley

Other meetings may be called as needed, particularly during the budget process.

Investment Accounts for Genesee

Currently, the investment accounts of the Capital Replacement Fund, Capital Improvement Fund and the Operating Fund are with UBS. Nick Jones with UBS is handling our investments. There was concern about \$450 in fees shown on the October statements. Dan will look into this to see why we are being charged fees. Cliff will check with Smith, Barney to see what their policy is on fees for this type of investment. Nick Jones will be asked to come to the January 7 Finance Committee meeting to go over Genesee's investments and give his recommendations for investing in the future.

Community Reports

The committee decided a Genescene article should be written on a regular basis by the Finance Committee. These articles will give the community information on Genesee's current financial situation, audit review, and any future expenditure that may affect assessments. The schedule of the Finance Committee meetings will be published in the Genescene and placed on the Web site and cable channel to give the community an opportunity to attend.