

Alta California Regional Center
Finance Committee Meeting
Monday, January 8, 2018
Minutes

Present:

Dan Lake, Acting Chair
Cindy Benson
Tatiana Kuzminchuk
Michelle Rewerts
Steven Sanchez (via phone)
Retha Seabron

Board Members:

Eric Ciampa
Austin Taylor

Facilitators:

Amy Fulk
Larry Prosser

Absent: (* excused)

Anwar Safvi*, Chair
Rita Walker*

Visitor:

Paul Stroub (via phone)

Staff:

Phil Bonnet, Executive Director
Peter Tiedemann, Chief Operating
Officer
Iqbal Ahmad, Controller
Lisa West, Executive Secretary

The Finance Committee met at 4:58 p.m. on Monday, January 8, 2018, in the Brenda Smith Conference Room at Alta California Regional Center to discuss: 1) Review Independent Audit Report; 2) Monthly Financial Report; and 3) Contracts over \$250,000. All present provided self-introductions.

Without objection, Dan Lake made the motion to adopt the Finance Committee meeting minutes of November 13, 2017 as submitted.

****change in agenda was noted***

1. ***Review Independent Audit Report***

Issue: The committee needs to review the Independent Audit Report.

Discussion and Action: Mr. Tiedemann distributed the "Examination of Financial Statements for the Year Ended June 30, 2017" for review. Mr. Stroub noted that Stroub Thompson Noble Company, LLP expressed an unqualified opinion on the financial statements, meaning there were no material findings.

Mr. Ahmad and Mr. Stroub reviewed the audit report including the basic financial statements with those present. It was clarified that ACRC's net assets are the funds in the contribution account.

ACRC had a small interest expense in 2016 due to use of our line-of-credit. Mr. Ahmad noted that ACRC is discontinuing our Money Management custodian duties for our clients.

ACRC's management continues to have proper internal controls in place. Mr. Tiedemann noted that an "unqualified opinion" is the top opinion that an organization can receive. This report will be reviewed with the full Board at the end of the month.

M/S/C (Steven Sanchez) **To accept the Independent Audit Report as presented.** (5 in favor)

2. **Monthly Financial Report**

Issue: The monthly financial report is reviewed by the Finance Committee prior to presentation to the Board.

Discussion and Action: Mr. Tiedemann distributed the November 30, 2017 financial report which reflects five months of expenditures for the current fiscal year (FY). ACRC has expended 38.9% of Purchase of Services (POS) and 41.9% of Operations (OPS).

Mr. Tiedemann completed ACRC's initial projections, which were sent to the Department of Developmental Services (DDS) by December 10th. He is projecting that ACRC will need between \$1.8 and \$4 million in additional POS funding at the end of this FY. Much of this is due to the raise in the minimum wage that went into effect on January 1, 2018; this projection may end up being less since only a limited number of service providers provided the necessary data to determine their rate increase at the end of December. Also, between \$600,000 and \$800,000 will be needed in additional funding for ACRC's Community Placement Plan (CPP). ACRC incurred additional costs for moving individuals out of Sonoma Developmental Center (SDC) during the recent natural disaster.

There are no cash flow issues at this time and should remain this way through the end of the FY.

Without objection, Dan Lake made the motion to accept the monthly financial statement as submitted.

3. **Contract over \$250,000**

- There are no contracts to approve at this time.

***A joint presentation by staff regarding the State Budget Update before the Finance Committee and the Executive Committee will commence immediately after this meeting.**

The next Finance Committee meeting is scheduled for **Monday, February 12, 2018**, at 5 p.m. The meeting adjourned at 5:25 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Phil Bonnet