

Finance Committee Meeting Minutes

Location: Family Pool Office

Date: Wednesday August 20, 2008

Time: 10:00 am – 11:30 am

Attendees:

Ron Murphy (chairman)

Frank Ingrassia

Ron Weismehl

Ed Welt, Treasurer

Unable to Attend:

Cheryl Anderson

Armand Houze

DISCUSSION

The Finance Committee (FC) met to discuss current financial status of the HOA and another iteration of the 2009 fiscal year budget for University Place.

Current Financials - July

The current financials, with *actual* expenses through July 2008, revealed no surprises and all categories are basically on track with our budget and forecasted projections for the year. Pool Heating has leveled off during the summer months and remains within the forecasted range.

Deferred Revenue Summary

All of these amounts are still on schedule, and the “Legal Fees for Water Issue” category should become finalized about \$1K over our estimates at \$11,035. We are still anticipating Grounds expenditures of about \$1K for lake benches.

Capital Replacement Reserves

Still working on the final security camera placement at Seven Oaks pool, and estimates are pending for the Charleston pool cameras and wiring.

Budget for 2009

Ron made slight adjustments to our projected year end 2008 estimates, and subsequent 2009 needs, based on July *Actuals*; nothing significant to report otherwise. The budget will continue to be presented to the BOD for fine tuning.

Funds Protection

Reviewed plans for protecting (FDIC insurance) our Reserves by placing them in the CDARs program, an extended CD instrument that spreads deposits out among 2100 member banks to maintain a safe balance in each individual account below the \$100K FDIC threshold. We presently have \$270K available in Reserve accounts, and those monies are currently being invested in 3 CDs of \$25K each (\$75K total), and new funds in 2 CDARs accounts (\$175K total), while withholding about \$20K for contingency uses.

The FC recommends spreading the \$250K of Reserves into all-CDARs accounts with maturities coming due every three months to keep our money both safe and liquid. Also, the FC recommends that the majority of \$238K in proceeds from our CIS sale to the CDD also be invested in CDARs accounts, less any amounts needed to loan to the CDD, if any. Again, invest the full amounts in CDARs, using one month rolling increments to allow maximum flexibility.

Delinquencies

Ron Murphy summarized the total delinquencies to date (\$60,595) and noted that the amount was staying within his projected trend and variance. The FC suggest to the BOD the following strategy in handling delinquent accounts:

- (a) houses in Lender's hands - write off net amount (after maximum recovery under Florida law)
- (b) houses in Foreclosure - do nothing until house passes to Lender's hands
- (c) houses just not paying - negotiate payment schedule OR initiate foreclosure proceedings

Comings and Goings

Frank Ingrassia will be leaving the UP Finance Committee after four years of service on or about October 31, once the new 2009 Budget has been finalized. Frank will be assuming Seat #4 of the Community Control District (CDD) Board of Supervisors for University Place in November, running unopposed on Election Day.

Next Meeting

The next meeting of the FC is scheduled for **Wednesday, September 24 at 10:00 am.**

FJI 08/20/08