

## **Finance Committee Meeting Minutes**

**Location:** Charleston Pool Office

**Date:** Wednesday, January 13, 2007

**Time:** 10:30 am – 12:00 pm

**Attendees:**

Ron Murphy (chairman)

Frank Ingrassia (communications)

Shannon Gerard (contracts)

Cheryl Anderson (ad hoc)

**Unable to attend:**

Jean Gregory (HOA Treasurer)

Roy Sethna (accounting)

Ron Weismehl (RFPs, procedures)

Alasdair MacLauchlan (ad hoc Engineering Study)

### **DISCUSSION**

#### ***Review of 2006 Actuals to date***

Ron Murphy stated that the final figures for 2006 are incomplete. Due to a recent transition of bookkeepers at AMI, we are unable to obtain or verify the final 2006 data. It is unknown when this issue will be resolved, but Ron will speak with Doug at AMI today to find out what we can. Of interest, the Revenues collected at the end of 2006 are still not known, and there are some '*in dispute*' exercise equipment repair bills yet to be posted.

Frank noted that we need this information to write our piece for the next Newsletter, which has a mid-February deadline. If we cannot get the right numbers from AMI, we'll go with what we have and extrapolate.

#### ***Review of 2007 Budget***

Ron sent AMI the new chart of accounts as approved by the HOA Board. However, it appears that AMI is not following the revised category postings, another topic for discussion with Doug at AMI. Ron clarified several items of interest in the 2007 budget, including a new category of Vandalism/Security. He also discussed how his investigation of the Electric bills uncovered an entity of "Lift Stations": Are they sewer related? Should the County be paying these bills? Are they the pumps for the irrigation system? We need to find out more definitively (see below).

#### ***Status of the Line of Credit***

The UP Treasurer is responsible for obtaining a Line of Credit for the Association. Apparently, the Line of Credit requires closing costs and a repayment schedule... it is sounding a lot more like a loan than an LOC. We will wait for the Treasurer to resolve this issue.

### ***Cash Flow***

The UP Treasurer is also responsible for managing the cash flow of the Association. The Finance Committee has not taken an active role in this activity and so we have no specifics to report at this time. We are aware of a potential refund from the CDD of \$9,000 that will assist in our cash flow management.

### ***Electric Bill / Meter Location review***

Ron asked Frank to look into the FPL electric bills, which are issued separately for about a dozen locations, and to map and verify these locations, while attempting to determine what each bill is actually for. Bill Bates (Engineering Committee), Charlie Barger and Terry Williams have all had a look or interest in this issue beforehand, and Frank will try to get with them to visually and physically inspect the meters and ascertain what is being charged where, to the extent possible.

### ***Reviewed "Contingency Budget"***

The Finance Committee is attempting to establish a "contingency" accounting line in the 2007 budget. This category of funding will be comprised of funds from 2007 budget items that may have been overestimated. Ron recapped the major savings in the contingency budget. Notables are HOA Admin (\$500), Professional Fees (\$1500), Legal (\$2000), Irrigation Contract (\$6888 actual), Lake Maintenance (\$1000), Fountain Electric (\$5892), Vandalism (\$1500), Pool Repair (\$4241)... the total projected savings is **\$25,372** which can be applied to unexpected expenses, or saved and carried over to next year. Enhanced fiscal management of all budgetary items will have to be a focus to make this plan successful.

### ***Contracting Process***

Cheryl briefly discussed the process for obtaining contracts, including the RFP, the Bid, etc. The process should be general enough to accommodate the various contractors we employ, but include all of the essential steps in a good and thorough evaluation and negotiation. The Finance Committee will be happy to work with the respective Committee Chairs on specific bids when contracts are next due.

### ***Capital Replacement***

Sy Golden gave back the Capital Replacement study materials... we were trying to get this done in concert with the Engineering Study. In any event, Alasdair will continue to work on this task.

### ***Review Contracts***

Shannon gave status and some analysis on the new grounds contract with TLC (formerly AFS). They are supposed to check that the irrigation system is working, and maintain it as a single point of contact. Frank noted that they were in Ashley Trace yesterday testing all of the systems, and left a hanger on his door ('Proposal to follow' was the notation!!). Shannon is also looking into the Insurance coverage, and will review the Fahey contract for pest control in the pool areas.

### *Communications Plan*

Frank reviewed the communications plans, which include utilizing the website, the newsletter as well as other forms of communication with the community. The format of the information disseminated through these media is still in design, and waiting on AMI's 2006-year end data.

### *Next Meeting*

The BOD now requires committees to submit their minutes within seven days after their monthly meeting. The Finance Committee will adjust our meeting times each month to better correlate to the release of monthly financial information from AMI. We will accommodate the BOD requirements and see how it goes. The BOD has stated that if they have any questions regarding the financial data they will invite us to their next meeting for specific reviews without waiting for their normal monthly meeting. The BOD has also taken the responsibility of providing financial data to the various committees each board member oversees.

Our next Finance Committee meeting will be held on **Friday, February 16th at 10:00 am** in the Charleston Landing office.

FJI 01/17/07