

## **Finance Committee Meeting Minutes**

**Location:** Charleston Pool Office

**Date:** Friday, February 16, 2007

**Time:** 10:00 am – 11:30 am

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### **Attendees:**

Ron Murphy (chairman)

Frank Ingrassia (communications)

Cheryl Anderson (ad hoc)

Ron Weismehl (RFPs, procedures)

Alasdair MacLauchlan (ad hoc Engineering Study)

### **Unable to attend:**

Jean Gregory (HOA Treasurer)

Roy Sethna (accounting)

Shannon Gerard (contracts)

## **DISCUSSION**

### ***Capital Replacement***

The Engineering Committee has decided to wait until Neal Communities turns over the drawings and plans of the development before starting on the Engineering Study. The Capital Placement Study on establishing our “reserves” does not require these documents, so Alasdair will begin searching for companies to establish the replacement cost for our capital items. The approximate cost of this study should be about \$3500.

### ***Contracting Process***

Cheryl and Ron will use Alasdair’s search for a company to do the Capital Reserves evaluation as an “*illustration*” for the contracting procedures they are developing.

### ***Insurance Contracts***

Shannon is reviewing all Insurance policies currently in force, and comparing alternatives (e.g. maintenance vs. insured replacement). She was unable to attend and so will provide her analysis at a future meeting.

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

Ron Murphy stated that the final figures for 2006 are still incomplete, due to a late invoice received. In addition, the discovery of some incorrectly posted charges booked against the HOA, which should have been booked against Carriage Run, have led to examination of all the grounds and irrigation bills to verify correct posting. The November and December 2006 grounds maintenance bills have been misplaced at AMI, so we are in the process of replacing these bills. Because of these three developments, we do not have a final, closed book for 2006 as of this date.

Frank presented our column for the next Newsletter, which has a deadline of today, 2/16/07. In it, we projected the "2006 Estimated Budget vs. Actual" using the anticipated reposting of HOA expenses against Carriage Run, presuming that what we know today will stand. The bottom line for the HOA is that we are going to be over our projected expenses by about \$3,100 or 0.6%, if the above assumptions hold true. Given that the coding errors of \$3,550 must now be added to the Carriage run expenses, the total expenses for 2006 are \$60,406 and exceed the projected amount by \$2,561 or 5.0%.

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

Ron and AMI have agreed upon a new *chart of accounts*, as approved by the HOA Board. The January 2007 actual postings are still not available to us, so no analysis could be performed on the First Quarter 2007 to Date.

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

With Terry Williams' considerable help, Frank examined the FPL electric bills, which are issued separately for about a dozen locations, mapping and verifying their locations. Frank and Terry also clarified, to the extent possible, what each bill is actually charging us for. Only one meter seems to be performing functions that may be shared between the HOA and the common area under CDD control (pump 6), and that will be turned over to Bill Bates (Engineering Committee) for further review.

#### ***Next Meeting***

Our next Finance Committee meeting will tentatively be held on **Wednesday, March 21st at 10:00 am** in the Charleston Landing office.

FJI 02/16/07