

Finance Committee Meeting Minutes

Location: Charleston Pool Office

Date: Wednesday March 21, 2007

Time: 10:00 am – 11:30 am

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

End of Year 2006

The 2006 final budget, actuals and overrun analysis were discussed with the Board of Directors last Friday, and the 2006 Books, with these final numbers, were accepted and closed. The HOA was \$1673 over the expected budgeted amounts, mostly due to overruns in irrigation repairs during late 2006. Also note that only \$10,400 was taken out of working capital for the pool surveillance cameras, vs. \$16,516 we had budgeted to cover both the cameras and the pool card readers.

Budget for Year 2007 and Revised Chart of Accounts

The 2007 (R4) final budget was formally accepted by the BOD last Friday as well, in essentially the same form as we presented last month, as well as the separate Carriage Run budget for 2007. The revised Chart of accounts (for AMI to use in posting the bills) was also approved, which makes clarifications for CR vs. HOA expenses.

Cooper Creek Median

At the Friday BOD meeting, Frank (representing the FC) presented a discussion of the Cooper Creek median and gave our suggested position:

a) Tell TLC to do only work we can afford to pay (our \$1280 + Savannah's \$427 = \$1707) starting in April, eliminating any further overruns. We will charge off the first three months (\$2559) to Grounds discretionary fund (\$16K total funding).

b) Tell Savannah Preserve (SP) that they must come up with their fair share, in writing, to keep the median AS IS. Give them a month to decide (Terry says Rhonda of SP is going to their board to ask for the funds). Ric will follow up with SP in Terry's absence (he is out of the country).

Terry gave several “turn back” options -- if Manatee county takes it over, it will cost \$10-15K for them to restore the islands to their style; if TLC does the work, it results in about \$8K of costs to us... and the median will not look very attractive, be mowed monthly, etc.

The board then voted to restrict TLC from further work beyond March to what we currently pay and to give SP one month to agree in writing to support half of the median maintenance costs. If they decline, we can either continue with what we can afford and have budgeted for (\$1700 month, including SP's \$427) or the BOD can reconsider turning it back to the county.

Further correspondence from TLC indicated that they will try to curtail March's remaining work on the median as well, so that we will only be responsible for two months of \$853 overruns.

Installation of Flow Sensors on Pumps

The BOD wants to install flow sensors and valve shutoffs on the remaining irrigation pumps, after a successful trial on Tabbystone. These are felt to be part of the system that should have been original equipment, but were left out during the initial installation. Considering that aspect, we will treat them as part of the plant, and thus the expense will be treated as a capitalized expense rather than a maintenance item. The cost for modifying the 3 pumps is about \$6000.

Contracting Process

Finally, at the BOD meeting, Frank reiterated our offer to provide the formal process for contract evaluations, as a set of guideline to ***reconfirm*** and ***formalize*** the process, both for current and future chairpersons, who may have varying degrees of experience in the future with formal contract bidding and evaluation. The BOD accepted our offer under this premise, and Cheryl and Ron will work with the BOD when the next contracts are up for renewal.

Capital Replacement Study

Ron Murphy met with Sy Golden (the UP Engineering committee), Ron Oliver, Pat Neal, and several CDD and Neal representatives to iron out the specific information required to complete the Engineering study. As a byproduct of that study, we hope to determine which items need to be considered for our own capital replacement study. He remaining plans and requirements are due for turnover shortly.

Deleted:

Insurance Study

Ron will speak with the BOD at their regular monthly meeting to see if they have decided to formalize a committee to review and maintain tabs on our overall insurance coverage and exposure at UP. We will be happy to work with that committee from a financial viewpoint and with an eye toward capital replacement costs vs. insurance, but are happy to move that task to a formal committee for oversight.

Next Meeting

Our next Finance Committee meeting will tentatively be held on **Wednesday, April 18th at 10:00 am** in the Charleston Landing office.

FJI 03/22/07