

Finance Committee Meeting Minutes

Location: Charleston Pool Office

Date: Wednesday, December 13, 2007

Time: 10:30 am – 12:30 pm

Attendees:

Ron Murphy (chairman)

Jean Gregory (new UP Treasurer)

Frank Ingrassia (communications)

Ron Weismehl (RFPs, procedures)

Alasdair MacLauchlan (ad hoc Engineering Study)

Unable to attend:

Roy Sethna (Accounting)

Shannon Gerard (Contracts)

Status of getting coupons and letters out to Homeowners

Ron Murphy and Jean Gregory reviewed the current status of the 2007 coupon books – the final coupon “proofs” were presented by Jean. Apparently, AMI proceeds with this work immediately upon receiving the final budget. Also, the AMI letters which went out to all homeowners asking them to utilize auto-payments where possible, were also discussed. Ideally, the two items should have gone out in tandem. Better luck and control over this next year.

Status of the Line of Credit

Jean reported that the line of credit, approved by the HOA, was nearly in place, just awaiting a few signature cards from the new BOD members before being finalized.

Common/Carriage Run Grounds Contract question

Ron Weismehl is still working on this item, getting a final explanation for the difference in pricing between common grounds and maintenance free areas.

Review “Contingency Budget”

Ron Murphy led a discussion on the contingency budget, which is the 2007 budget with some items or categories earmarked for conservation. Simply put, last year we were surprised by a number of extraordinary expense items. This year, we are asking committee chairmen to control their spending, possibly saving 5% in some areas from the allotted budget. Then, in case of emergency, we can redistribute the contingency money without dipping into capital reserves or our line of credit. Ron will ask all of the committee chairmen, as well as the BOD members, to help us control costs, and conserve where we can, to avoid future large increases in the budget. We may also receive some money from Neal Communities for past services which were paid by HOA funds prior to turnover, when the CDD was actually the responsible party. That money should be tracked as income into the budget separately.

Review definition of new expense accounting lines

The group reviewed the current categories of accounting classification presently used in our budget, and will seek compliance from AMI in booking expenses to the appropriate categories in 2007, so that we can accurately track our costs. A few items require further identification from AMI, such as "Misc Admin" expenses, and the question arose as to where (and if) we change back homeowners to repair property (such as burned out lights) and how that is represented on the books. A new category for Security items (card readers, cameras) was unanimously approved.

Review Finance Committee Responsibility, Accountability & Authority

Ron Murphy presented his Operational Characteristics plan for the Finance Committee 2007, which he will present to the BOD for their approval at next week's meeting. This document defines the role, tasks and responsibilities of the Finance Committee, subject to the approval of the BOD.

Designation of Communications Liaison for FC:

Ron asked Frank Ingrassia to be the "Communications" person for the Finance Committee. His responsibilities are defined as follows:

(1) Develop a Communication Plan for the Finance Committee to provide appropriate financial information to the Community, the Board of Directors and the Committees. This will be an integrated communication plan which will incorporate the following communication modes:

- a. Postings on the UP Website
- b. Recaps in the UP Newsletter
- c. Presentations at Town Hall meetings
- d. Financial Meetings with the community
- e. Financial Letters to the community

(2) Work with Maryanne Shorin to get the Finance Committee integrated into the UP website and work on a user friendly Finance home page

(3) Provide any assistance to the BOD and Jan Hicks in the broader task of developing an integrated communication plan for the HOA.

Work in Progress:

1. Summarize the new integrated Grounds/Irrigation contract. Also, develop contingency plans for different scenarios within the 2007 budget (Shannon)
2. Status of the Capital Replacement Study with the Engineering Committee (Alasdair)
Alasdair will attend future Engineering Committee meetings on our behalf, and check on the Timers for all fountains.
3. Determine how best to communicate financial information to the community, including Town Hall meetings, the Newsletter and Website(s). (Frank)
Issues to resolve include:

- a. Publishing our minutes on the website, how often & how long
 - b. Working with Jan's communications team to enhance our website
4. Resolve the common grounds/carriage run maintenance pricing question (Ron W)
 5. Meet with AMI to discuss the new accounting line definition, budgets, invoice booking and payment process, and the procedure for invoice booking and payment (Ron M, Jean)
 6. Get BOD approval for all Finance Committee members to review all UP financial information, including sensitive data, such as delinquency. Begin at least some observational involvement with the CDD budget. (Jean)

Next Meeting:

Tentatively, the Finance Committee meets on the 3rd Wednesday of each month. Our next meeting will be on **January 17th at 10:30 am** in the Charleston Landing office.