

Finance Committee Minutes November 18, 2008.

Chairman Jim Susa called the Finance Committee meeting to order at 7:00 p.m. Committee members Alyssa Rhein and Jay Gerding were present and represented a quorum. Committee member Mary Chaffin was absent. Guests were Debbie Budd, Dale Henson, Jennie Oliver and George Erhardt. Gerrie Crawford from Stratford Management was also present. Board liaison John Lambert was also present.

Jay moved to approve the October 2008 minutes. Alyssa seconded the motion and it was unanimously approved.

The Committee then discussed the October 2008 financials. The financials show \$506,703 in the operating account at National Bank and \$879,557 in the various reserve accounts (inclusive of the \$26,282 in the settlement fund). During October the \$100,000 in US Treasury Notes matured and was not automatically reinvested because the maximum number of automatic reinvestments had occurred. The money was deposited by the government in the operating account at that time. This money was reinvested in US Treasury Notes in November. Net income for the year is \$131,303.70. Extraordinary expense in October included \$29,069 for pool re-plastering and \$14,685 for new pool filters and pumps. Alyssa moved to recommend approval of the October financials to the Board. Jay seconded the motion and it was unanimously approved.

The Committee then discussed the implementation of the Board resolution to move money from the operating account to the M & I money market account and the US Treasury Direct account to keep all funds either covered by FDIC insurance or by the credit of the United States. Gerrie informed the Committee that she transferred \$100,000 into M & I and that she transferred \$200,000 into the US Treasury Direct account in early November after all signature cards and other authorizations had been completed.

The Committee then discussed the cash flow for the completed fiscal year. After reviewing the amount contained in the operating account, and factoring in amounts to be transferred and prepaid assessments, it was determined that the Association had a surplus of \$92,000 in cash from operations in the fiscal year. This means that all the revenues of the Association exceeded all the expenses of the association, including capital items, by that amount for the fiscal year. The surplus will be rolled over to the upcoming fiscal year.

The Committee then discussed the annual audit and the retention of auditors. Gerrie was directed to inquire at three CPA firms for a bid for services. Gerrie reported that one firm declined to bid. Another firm stated they would bid, but after several weeks nothing had been received. The final firm did submit another bid with an explanation of what services would be provided for that amount. The Committee reviewed the bid and upon motion by Jay, seconded by Alyssa and unanimously approved, the Committee voted to recommend the firm of Mitchell & Roediger, CPAs to perform the audit and to prepare the Association's income tax return.

The Committee then discussed that the next meeting would be January 14, 2009 at the Windmill Park office at 7 p.m. When the November financial statements are completed, Gerrie will email them to the Committee for information only. No actions will be taken on the November statements until the January meeting, when they, and the December statements, and any other matters coming before the Committee will be addressed.

The Committee then asked Debbie Budd if she was interested in joining the Committee. After an affirmative acknowledgment, the Committee requested that she discuss her background in finance, accounting and business. After the discussion, Jay moved that the Committee recommend Debbie Budd to the Board for membership on the Committee. Alyssa seconded the motion and it was unanimously approved.

The Committee then asked Dale Henson if he was interested in joining the Committee. After an affirmative acknowledgment, the Committee requested that he discuss his background in finance, accounting and business. After the discussion, Jay moved that the Committee recommend Dale Henson to the Board for membership on the Committee. Alyssa seconded the motion and it was unanimously approved.

The meeting was adjourned at 7:24 p.m.