

**CONTINENTAL RANCH COMMUNITY ASSOCIATION
FINANCE COMMITTEE
MINUTES February 9, 2011**

The Finance Committee meeting was called to order by Carol Altmann-Chairperson at 6:30 PM on Wednesday, February 9, 2011 at the Windmill Park Office. Committee members Carol Altmann, Dale Henson, Lucas Baer, and Harlan Quinn were present. Dale De Men, Manager, and Aime Salinas, Accounting, represented the management company. Larry Lemieux, Board Treasurer was also present. A quorum was reached. Auditor, Todd Lundering CPA, was present as a guest.

Agenda of minutes were postponed to proceed with auditor Todd Lundering. Carol's list of questions was reviewed.

1. Bad Debt Expense- Todd said the amount appears to be sufficient for now. Accepted by Committee.
2. Refund Request of Prepaid Income Tax- Todd said since it is possible for HOA to owe at some point and because of filing date requirements, we should leave the amount to be available for now.
3. Accumulated Depreciation Item- since it is less than \$1000 it was decided the onetime per year is appropriate.
4. Budget Comparison Report- a very lengthy discussion followed. 1/12 of the actual income was requested. Separate other expenses- which are the Capital Improvement accounts were discussed. Including actual Reserve Funding monthly and New Capital items in the Operating Expense for current year has already been provided.
5. Debit Balance in Accounts Payable was definitely an error and has been corrected.
6. Modified accrual/cash accounting system will be further reviewed.

The Budget Comparison Report with Code- Aime will deduct the Other Expenses totals from the final totals on report, and will adjust income to 1/12 per month for a more logical comparison of Operating Income versus Expenses.

Action: Harlan Quinn moved to review the January Financials on the March 9, 2011 Finance Committee Meeting. Dale Henson seconded the motion. All in favor, motion approved unanimously.

The October 31, 2010 Audit Report was reviewed and discussed. We are in a good financial position and very few Adjusting Journal Entries were required to complete audit. Todd complemented Aime and Dale. Committee accepted audit.

Action: Carol Altmann moved to recommend the review of the Financial Statements for the Year Ended 10/31/2010 to BOD. Harlan Quinn seconded the motion. All in favor, motion approved unanimously.

Delinquency Rates- number of current residents in arrear discussed. Topic needs to be further reviewed as to trend.

Action: Lucas Baer moved to review on a monthly basis for next six months. Harlan Quinn seconded the motion. All in favor, motion approved unanimously.

The next meeting for Finance Committee is Wednesday, March 9, 2011 to review of reformatted January and February Financials. Study Session to review and discuss Financial Reports will be held on March 16, 2011.

There being no further business, Dale Henson/Harland Quinn moved to adjourn the meeting at 8:30 PM.

Carol Altmann
Chairman