

Minutes 1/16 RevA

Finance Committee Meeting Tuesday, January 15, 2019

9:30 AM Conference Room

Distributions: Previous Minutes, Financial Report, Draft Agenda, Draft Committee Roles and Responsibilities

Attendees: Sal Monaco (Chair), Nolan Zisman, David Sorkin, Dan Drobnis; Joseph Guiterrez (Treasurer/Board Liaison); HOAMCO staff Julie Navarro (General Manager), Mike Bullock (Facilities Manager), Stacy Maule (COO), Emily Spies (Director of Accounting); Excused Todd Handy, Fred Miller, Sandy MacGregor.

1. **Public Comment**—Barry Silver indicated interest in joining the Committee, and verbally outlined his qualifications; he will submit a written bio for the Board..
2. **Additions to/Adoption of Agenda—added items:**
 - Payment plans and implications for MIGS. Stacy offered to directly contact any ECIA members on any payment plan through HOAMCO web site to reaffirm that would leave them as non-MIGS if not paid in full by March 1—number expected to be very small.
 - Discussion of resurrecting a Finance Committee annual calendar—Committee members will review year's contents for February meeting.
3. **Approval of Minutes**

December 11, 2018—approved as distributed

4. **General Manager's Report**
 - Report on Status of R&R Projects—Julie will update Sal on latest 2019 projected expenditures completed at end of 2018.
 - Based on present projections and year-end results, ECIA retains a Replacement Reserve adequate for five years.

Pool Update—Mike reported:

- Only items essential to pool opening in May are being worked and demand almost full attention; these mostly include bathhouse interior and decking.
- A County Building Permit for the bathhouse is critical and will be sought this week.
- There is a perceived need to assure committed lifeguards of pay for a full season in the event of delayed opening
- Shortage of regular maintenance personnel—one working, one in hiring process, one opening recruiting

5. **Board Liaison's Report**

- Update on 2018 Audit—Auditor contract done
- Discussion of Board commitment to make Forensic Audit public. Situation complicated because Auditor prohibited posting because of personnel information, and HOAMCO was the client. Stacy offered to see whether Auditor could provide one-paragraph summary for release.

6. **Financial Reports**

Review of December 2018 Report and Bank Statements

- Proposed 2018 Reserve Transfers--\$150K of transfer postponed to about April to assure sufficient Operating cash margin

- Draft Trial Balance for Annual Audit—some minor corrections needed; FC will review update by Friday 1/18.
- **Motion 1** to recommend Board approval pending review of update by 1/18
- Review of Accounts Receivable and Collections—Compliments to Emily on greatly improved AR Report
- Discussion of additional tools for collection on long overdue accounts, particularly judgments and possible foreclosure. Recommendation for the Board to consider these additional collection tools in certain cases.

7. **Committee Roles and Responsibilities**

Discussion on proposed Board document. **Motion 2** to recommend that the Board rely on Bylaws provisions instead.

8. **Appointment of Barry Silver—Motion 3 to recommend to Board.**

9. **Next Meetings**

Finance Committee Regular Meeting Tuesday, February 12, 2018 at 9:30 AM.

Note – remaining regular meetings for 2019: Mar 12, Apr 9, May 14, Jun 11, Jul 9, Aug 13, Sep 10, Oct 15, Nov 12, Dec 10.

10. **Adjourn—12:10 PM**

Motions:

1. **The Finance Committee recommends that the Board approve the December 2018 Financial Report as the Trial Balance submittal for the Annual Audit, subject to review of minor corrections to be available by 1/18/2019. 4-0-0**
2. **The Finance Committee notes that the ECIA Bylaws and current committee charters contain adequate definition of the roles and responsibilities of Committees, as well as Board power to appoint and remove Committee members, and advises that an additional document is unnecessary and could be counter-productive. 4-0-0**
3. **The Finance Committee recommends that the Board appoint Barry Silver to the Committee. 4-0-0**