

MINUTES OF ECIA FINANCE COMMITTEE MEETING

Wednesday, October 7, 2009 9:30am ECIA Conference Room

The meeting was called to order at 9:30 AM by Chair Dan Drobnis. Present were members Pat Bell, Gisela Knight, Bob Gaines and Nolan Zisman as well as GM Bill Donohue, Liaison Ed Moreno and Board member Sandy MacGregor. Jean Stokes and Todd Handy were absent.

Item 1: The Agenda was amended to add a new Item 7: Review of Financial Statements.

Item 2/3: There being no one for Public Forum, the minutes of the Sept. 15, 2009, meeting were approved as amended (The paragraph on Late Payment Penalties in Item 7 was slightly modified).

Item 4: General Manager's Report: Bill has developed a detail cost analysis of a possible new Eldorado Community Services operation. The estimated cost is approximately \$118,000 (vs. an estimated annual cost of \$100,000 for ASI). Primary reason for the cost differences is the addition of 100 miles per day and the cost of a new vehicle (small pick-up) in the first year. Bill plans to present his data to the Board, along with a narrative on the added benefits/costs of having our own operation. The increased expense, if incurred, would have the effect of reducing the amount of net operating revenues that could be used as Capital Reserves. Bill will also recommend we take a look at the offerings of one or two other outside services. Bill also discovered that the amount cited in the 2008 Annual Report for the R&R Reserve was incorrect (due to data transposition in typing). Dan will make sure the Budget Message includes the correct number (currently at \$337,286).

Item 5: Sandy gave the Board Liaison Report. He mentioned that Security improvements are an important topic for the Board. The Finance Committee requests Board direction on whether to proceed with detailed estimates on each project identified in the Facilities and Grounds Identified Capital Projects dated 9/29/09, particularly those requested for 2010.

Item 6: The Final Draft of 2010 Operating Budget was reviewed.

Assessment Recommendations: \$300 for cash, \$315 for credit card.

Budget Message: The following recommendations were agreed to:

- The word "Operating" is to be deleted from the "Subject" header.
- Under 2010 Outlook, there should be a brief explanation on why 40 lots were used for the uncollected assessment allowance (e.g. "based on 2009 experiences...")
- Under 2010 Operating Expenses, there should be a brief description of the benefits from increased summer employees
- There should be a paragraph added to discuss a "managed drawdown" of the unallocated fund balance to eliminate what is viewed as a "surplus". This will require a rewording of the 2nd paragraph under 2011 Outlook that assumes..."no decision is made by the Board to tap a portion of the Unallocated Fund Balance".

Item 7: The September Financial Statement Review. It appears that the Association will finish FY 2009 with a very slight surplus.

Item 8: The FC members were in accord that we recommend the final draft budget be placed in the members-only portion of the ECIA web site on Monday, Nov. 2. The benefits would include getting more members to use the web site and to allow people more information by which to attend and participate in informed discussions at the Nov 7 budget hearing.

Items /9/10: There being no new business, the meeting was adjourned at 10:45 AM. The next meetings will be Monday, Oct. 19 at 7PM (Board Budget Workshop); and Sat. Nov 7 at 10AM

(Budget Hearing). The Committee will hold a brief meeting after the Budget Hearing in place of its regularly scheduled November meeting.