

Minutes Finance Committee Meeting Monday December 13, 2017
9:30 AM Conference Room

Distributions: Previous Minutes, Financial Report, Agenda

Attendees: Committee Members David Sorkin, Marti Zieg, Sal Monaco (chair), Dan Drobnis; Treasurer Joseph Guiterrez; Association Members Fred Miller, Todd Handy, Paul Fink

Absent: General Manager Isabel Ugarte, Committee Member Sandy MacGregor

1. **Public Comment--None**
2. **Additions to/Adoption of Agenda**

3. **Approval of Minutes**

November 13, 2017—Approved as distributed.

4. **General Manager's Report—Not available, postponed to January**

5. **Board Liaison/Treasurer Report—Treasurer Guiterrez reported:**

- Treasurer has received First National SF for November, and expects Alliance bank statement next month. These will be included with the monthly financials.
- Michael Franciosi of HOAMCO has promised indemnification status for 3rd parties handling ECIA funds, particularly HOAMCO's payroll subcontractor, but has not yet provided it.
- The GM is trying to arrange a meeting of all parties providing input to the Annual Report for 12/15.
- The RFP for a pool engineering study is out to 5 potential vendors, responses due by 12/31, will go to Facilities & Grounds Committee in January for evaluation.
- The Replacement Reserve analysis has not yet been corrected to separate Patio Irrigation system from the overall Patio item.

6. **Financial Reports**

- It appears that Unclaimed Property is still being shown in the Prepaid Assessments item, in violation of NM law and the Auditor's warning in 2/17.
- A write-off for Uncollectable Receivables has not yet been made despite the former Treasurer's direction in 4/17.
- Incorrect charges to Operating Contingency are still being shown.

7. **Report on Community Budget Forum 12/6/17**

- RR room was packed, some misinformation was corrected.
- The Board still appears comfortable with the budget as presented, including an annual assessment of \$525.
- The Finance Committee approved a recommendation that the Board adopt the 2018 Operating Budget and Replacement Reserve Expenditure Budget with the following three implementing motions:

1. **MOTION:** Adopt the 2018 Budget as presented to the Community on 12/6/17 for Recurring Operating Expenses of \$1,184,928, including a 2018 annual assessment of \$525, and the following additional items and transfers:

2. a) Non-Recurring Operating Project for an outside yearly update of Replacement Reserve items Not To Exceed (NTE) \$1600.

b) Non-Recurring Operating Project for pavement of Hike/Bike driveway and road aprons NTE \$30,000.

a. c) Transfer to the Replacement Reserve Fund of \$229,927 to include funds for possible pool major repairs or replacement.

b. d) Adopt a Replacement Reserve 2018 expenditure budget not to exceed (NTE) \$302,462 in accordance with detail submitted to the Finance Committee on 12/13/17 (included).

c. e) Adopt a Capital Reserve Budget of \$65,000.

for a total Operating & Reserve Transfer Budget of \$1,511,455, balanced by anticipated revenues of \$1,511,455. **Passed 4-0-0**

2. **MOTION:** Instruct the Association's bookkeeper to transfer an amount from the Operating Budget to the Capital Reserve Fund at the end of 2017 sufficient to bring the Capital Reserve Fund to a 2017 year-end balance of \$30,000. **Passed 4-0-0**

3. **MOTION:** Instruct the Association's bookkeeper to use the amount transferred at the end of 2017 from the Operating Budget to the Replacement Reserve to adjust any remaining 2017 Operating Budget surplus or deficit to \$0. **Passed 4-0-0**

8. New Members

MOTION: The Finance Committee recommends the Board appoint Fred Miller to the Finance Committee. **Passed 4-0-0**

MOTION: The Finance Committee recommends the Board appoint Todd Handy to the Finance Committee. **Passed 4-0-0**

9. Next Meetings

January 15, 2018 at 9:30 AM.

Adjourn—11:15

2018 Replacement List

Line Item	2018 R&R Description	Unit Purchase Price	Qty	Total Purchase Price	Year Installed	Useful Life	Ne Re
6.2	Kubota L3400 Tractor	21200	1	\$21,200	2007	11	20
6.4	New (Replacement) Truck		1	\$15,000	2015	4	20
1.1.1.2.2	Paint Exterior CC wood trim			\$7,500	2011	6	20
1.1.3.7	ID Card Printer	3000	1	\$3,100	2009	9	20
1.2.1.1	Depot Roof-Est	20000	1	\$20,000	1995	22	20

