

MINUTES OF ECIA FINANCE COMMITTEE MEETING

Wednesday, April 14, 2010 9:30am ECIA Conference Room

Call to Order/Attendance: The meeting was called to order by Chair, Dan Drobnis, at 9:30AM. Those also in attendance included members Pat Bell, Bob Gaines, Gisela Knight and Nolan Zisman; Board Liaison Todd Handy and GM Bill Donohue. The proposed agenda was amended to include "Goat Proposal" under New Business. There being no one for public input, the minutes of the March 10 meeting were approved as amended (change "QuikBooks" to "QuickBooks").

GM Report: Bill reported that good progress is being made in recovering from the bookkeeping errors from last year. RoseMarie is well along in reconciling the data bases of property owners and residents (only 12 mailed items returned at last mailing). Todd mentioned that included in this effort are adding a history of past transactions to each address in the Access data base (e.g. liens, permits, warnings, etc.), as well as pool, dog park passes, patio rentals, etc. to each resident/owner record. There is concern that many historical records, now stored in a fire-proof cabinet, need to be scanned and stored electronically. Bill reported that the water leak which has been consuming about 40,000 gallons per month in excess of "normal" has been found under the hall bathroom floor. He will have 3 plumbers bid on re-routing new lines between the ranch-house fixtures and the new main outside the building. This will happen as quickly as possible. A smaller leak has been found at the stables and is being dealt with. Replacing these lines is a 2011 R&R item that could be moved up to 2010. The Board has agreed to one private amplified music event this summer as a means of testing improved control recommendations submitted by the Facilities and Grounds Committee. Bill is in the process of hiring a new Community Services Officer. He will have to acquire a new truck for that individual and may also replace an existing vehicle that has failed.

Board Liaison and Financial Reports: Todd reported on both these agenda items.

- He distributed copies of the new spreadsheet that can be used to help assess actual vs. budget. This (along with the "conventional" statements) was well received by committee members. The next step will be to seasonalize logical line items for more accurate comparisons as the year progresses.
- The FC recommended that the CC buildings need to be added to the R&R schedule.
- There was discussion regarding additional information ideas, and the following were "tagged" for future consideration:
 - o A "brainstorming" session to identify additional data needs from

QuickBooks and/or Access.

- o Part-time payroll should be split out on the P&L; same for Community Services and contract labor.**

- o Reporting of transactions incurred under "Contingency" and "Reserves".**

- o The outside auditor should not be making any direct entries into QuickBooks.**

Follow up on FC and Bookkeeper financial recommendations: Staff has implemented several of the recommendations. All in-office procedures (not just those addressed by the recommendations) are being documented. Of the 25 listed all have been addressed except the following:

2. Bob Gaines suggested that this recommendation is not effective in safeguarding our check ordering process. This recommendation needs further discussion.

4. The QuickBooks reconciliation process has not yet been put in place.

5. and 6. Awaiting the seating of the new board members. A separate training session should be conducted (not part of a regular working session) and the FC should be invited to participate.

7. Not started; should be revisited at next FC meeting under New Business. Earliest starting time might be July. Recommendation amended to include "FC to ensure audit journal entries have been made each year and the ECIA Board has responded to the auditor's Management Letter".

8. Awaiting development of procedures.

10/11. In progress.

12. New insurance with \$100,000 coverage for theft will be effective 4/15.2010.

13. Not yet started. The recommendation was enhanced to establish and maintain a separate folder of documents needing to be brought to the attention of the accountant/auditor.

14/15: In progress.

16. In progress. The last sentence was amended to read "The Board should carefully review the audit report and Management Letter and the FC's comments, and formally adopt the annual audit and respond to the Management Letter.

17-18: In progress.

19. In progress. A suggestion to have separate rental procedures for employees vs. non-employees was suggested. This will be considered further at a future meeting.

20. In progress. It was suggested a password policy also be developed as part of this recommendation.

A new recommendation (#26) was developed - - to re-examine the FC Charter and ensure its scope is as intended.

The sample Personnel Forms were briefly discussed. These will be used to

help bring the existing forms and procedures up to date.

New Business: A proposal to retain the services of a goat service to perform weed control in the Galena Park “greenbelt” was unanimously approved by the FC for recommendation to the Board. The funding would come from Contingency, not from Capital Reserves.

The meeting was adjourned at 11:20 AM The next meeting is scheduled for Wednesday, May 12 at 9:30 AM.