

Minutes Finance Committee Meeting Monday April 16, 2018 9:30 AM Conference Room

Attendees: Members Fred Miller, David Sorkin, Marti Zieg, Sal Monaco (Chair), Sandy MacGregor, Dan Drobnis, Joseph Guterrez (Treasurer and Board Liaison); Staff Michael Armijo (Facilities Supervisor), Jennifer Rodriguez (Asst. General Manager), Emily Spies (HOAMCO Accounting, by phone); Guests Nolan Zisman (Facilities and Grounds Committee Chair), Ron Tucker (Moses, Dunn, Farmer & Tuthill) Absent. excused: Todd Handy Distributions (Electronic): Previous Minutes, Financial Report, Agenda

1. Public Comment—None.

2. Additions to/Adoption of Agenda—Agenda adopted as revised and distributed.

3. Approval of Minutes March 13, 2018—approved as distributed.

4. Capital Request for Multi-Purpose Field – Nolan Zisman described a Capital Request from the F&G Committee for Rejuvenation of the Multi-Purpose Athletic Field to be presented to the Board at their 4/19 Workshop with the following elements: a. Phase 1 for 2018 to eliminate holes, remove pests, and maintain the field; install a warning track and add fencing; provide bats and balls for pickup softball games; and relocate/install player benches. Rough Estimated Capital cost for materials of \$4,200 and yearly maintenance of \$3,200. b. Phase 2 for 2019-2020 to restore the softball portion of field; grade the field and install artificial turf; establish picnic areas; lay out a walking/jogging/par-course path around the Community Center grounds; and utilize field for soccer, softball and other activities. Rough Estimated Capital cost for materials of \$82,600. c. Phase 3 for 2021-2022 to complete restoration of the former soccer field; grade and install artificial turf beyond the softball outfield; complete walking/jogging/par-course path; and create cactus garden on SW edge of soccer field. Rough Estimated Capital Cost of \$165,200.

5. Presentation on New Collections Process – Ron Tucker of Moses, Dunn et al. Ron Tucker, as head of the proposed team at MDFT, answered questions on their proposal already recommended by the Finance Committee and presented to the Board. Topics discussed included:

- MDFT will charge \$50 for each file turned over to them for collection; estimated at 50-100 files in 2018 for \$2,500-\$5000 startup cost.

- Files will begin with new delinquencies for 2018; existing files, estimated at 34-36, from Carpenter-Hazelwood would be evaluated individually by the Treasurer prior to turnover.

- MDFT has worked with HOAMCO on collections for other HOAs.

- MDFT will provide a monthly summary of progress to the Finance Committee and Board.

The FC emphasized that information with individual names be provided only to the Board Treasurer and President.

- Costs for time on individual files, including time and court documents, will be billed to individual overdue accounts and paid to the ECIA and MDFT on a 50/50 basis as collected until all MDFT charges are collected, and then 100% to ECIA.

- The Treasurer will be informed of progress on any negotiated settlements or payment plans to present to the Board for approval.

6. General Manager's Report Report on Status of R&R 2018 Projects

- GM Isabel Ugarte was out on medical leave. Ass't. GM Jennifer and Maintenance Supervisor Mike presented information

- The Pool is expected to be ready on schedule. Decking has been resurfaced by staff and is ready for texture painting.

- A contract with Pool-Pro for a complete study has not been signed by either PP or the ECIA, and it is too late for study work until after the Pool is closed in September. This will leave the FC and Board with the same lack of specific information for budget development work in 2018 as in 2017.

- The cause and solution to backwash drainage cannot be started until action is taken to remove trees to the west of the pool. This work has been postponed until the Board takes formal action.

Hike/Bike Trail Maintenance

- No RFP has been issued, no bids solicited, no progress.
- Nolan Zisman said he is not happy with the results of last year's maintenance; Contractor AFJ says they met specification.
- The FC noted that timely completion of this work is a HOAMCO responsibility. Other Issues
- Recruiting pool lifeguards is a continuing challenge.
- AFJ has provided a proposal for parking lot surface maintenance that incorporates recommendations for restriping to reduce pool and dog park interference.

7. Board Liaison Report—no new issues or litigation.

8. Financial Report for March 31, 2018

- Replacement Reserves were properly debited for new truck cost. A spreadsheet for itemized RR costs will be provided in the future. Income will be accrued for the trade-in received for the old truck once advice is received from Auditor Thad Porch.

- Jennifer will investigate updating the spreadsheet drafted by Russell Winslow for RR items.
- The purchase amount of the three-year CD from Alliance for slightly higher interest was limited by the need to keep the total of all Alliance accounts below the FCIA insured amount of \$250K.

- Accrued interest on CDs is being shown on the CD amounts on the Balance Sheet.

- Allowance for Doubtful Accounts on the Balance Sheet is per the 2017 audit; the amount shown on the Income Statement is for 2018.

- The difference between the Sunflower Bank Statement and the HOAMCO financial report is one or more outstanding Sunflower checks.

- A small portion of Retained Earnings is being held under the Stable category. It still does not add correctly to \$150K. Emily is checking into it.

- A direct charge to Operating Contingency was a data entry error. Emily will correct for next month.

- Stable invoices accrued for Revenue were all for 2017, billed in 2018. No invoices have been issued in advance for 2018, contrary to Board direction.

- As of April 16, 2018 there were 293 new delinquent accounts for 2018.

9. Next Meetings Reminder re ECIA Volunteer Appreciation Event April 17, 5-7 PM Regular Finance Committee Meeting Monday, May 14, 2018 at 9:30 AM

10. Adjourn