

FINANCE COMMITTEE MEETING MINUTES

September 20, 2016

1 Roll Call

7:00 by Steve Denny

COMMITTEE MEMBERS

	Present	Absent
Steve Denny- Chairman (2017)	X	
Michelle Beattie, Secretary (2016)	X	
Don Otto - Vice Chairman (2016)	X	
Judy Fletcher (2017)	X	
Wyne Walkenhorst (2018)	X	

BOARD LIAISON & COMMITTEE REPRESENTATIVES

	Present	Absent
Faye Johnson - BOD	X	
Skip Raleigh - L&P	X	

STAFF

	Present	Absent
Brian Devost - General Manager	X	
Tonya Killough - Controller	X	

2 Approval of Minutes

Motion to accept August 2016 minutes as presented - Motion passed

3 Approval of Agenda

Motion to approve agenda as amended adding new business items - a. By-law review and b. RFP for annual audit - Motion passed

4 Review of Board of Director minutes

No action items submitted in August for Board approval.

5 Financial Report review

- a. Balance Sheet - Controller presented the balance sheet as of August 31, 2016. Committee reviewed and discussed, no issues. Controller will separate cash reserve accounts (dredge, emergency, assessment) on the balance sheet and provide the committee with an a/r aging at the next meeting.
- b. Statement of Cash Flow - Controller presented a statement of Cash Flow for the month ended August 31, 2016. Committee reviewed and discussed statement as presented. Negative cash flow in August not abnormal as receipts slow from amenity, boat and dock fees and quarterly pre-payment of insurance premium was paid and will be expensed over the next 3 months.
- c. Month Income Statement- Controller presented income statement for the month ended August 31, 2016. Committee reviewed and discussed statement as presented. No significant variances to report.
- d. YTD Income Statement- Controller presented income statement for the 8 months ended August 31, 2016. Committee reviewed and discussed statement as presented. No significant or unexplainable variances noted. Committee requested COGS % be added to this report.
- e. Month Departmental Income Statement- Controller presented income statement by department for the month ended August 31, 2016. Committee reviewed and discussed statement as presented. New management continues to make efficiency improvements, ie. time card reporting, credit card automation and fuel usage tracking. The automation has created time savings and improved accountability.
- f. YTD Departmental Income Statement- Controller presented income statement by department for the 8 months ended August 31, 2016. Committee reviewed and discussed statement as presented. No significant or unexplainable variances noted.
- g. Capital Expenditures - No significant expenditures in the month of August.

6	New Business		
a.	By-law review -Article XIV Powers and Duties of the Board of Directors Section 3 of the CA by-laws reads: In order to maintain financial stability of the Community Association and ensure adequate funding is provided for major expenses the Board of Directors will be required to maintain and continue to fund the following three (3) reserves not to be commingled. It will be the responsibility of the public accountant of the Community Association to notify the Board and Membership if any rule defined below is not followed. The three mandatory funds are: Dredging Reserve, Emergency Reserve & Assessment Reserve. The committee had lengthy discussion surrounding whether this by-law is being adequately followed and the role of the external auditors in reviewing and validating the CAs process for making this annual determination. It was the opinion of the committee to have the GM contact auditors to get clarification on their level of examination of the CA by-laws during their audit. GM will report back to the committee on his findings and the committee will proceed accordingly.		
b.	Audit RFP - After a lengthy discussion the committee has decided to table pursuing putting out to bid the annual audit of the CA. Considering we are nearing year end, this time consuming process would not yield significant benefit to the CA to justify allocating staff or committee resources to this process at this transitional time. However, the committee is going to make sure the engagement agreement for the 2016 audit is clearly understood and the scope of the work to be done clearly communicated.		
7	Old Business - NONE		
	Motion to adjourn		
	Motion passed at 9:10pm		