

Finance Committee Meeting

Minutes March 10, 2008

The meeting was called to order by Chairman Jim Soll at 2:00pm in the Conference Room of the TEPOA office.

Committee members present: Chairman Jim Soll, Co-Chairman Jim Strassburg, Mary Greene, Peter Humleker, Bob Bethel, Dave Tornbom, Jim Wright, Richard Peters, and Charlotte Venekamp. Members Art Olson and Jack Rathwell were absent.

Board members present: Liaison and Board Treasurer Sue Johnstone, Ray Baker, and Bob Pillsbury.

Guest(s) present: Ed Staley and John Boucher.

Staff present: General Manager Duane Krause, Accountant David Hines and Administrative Assistant Deborah Levitan, who recorded the minutes.

Mary Greene moved to approve the minutes of the last meeting with changes. 2nd by Jim Strassburg. The motion carried unanimously.

OLD BUSINESS

O-01 – 2009 Budget and Reserve Plan Recommendation. A workshop was held on February 29, 2008. Jim Wright moved to recommend to the Board that the five recommendations from the Sub-committee workshop, with the addition of Manager Krause's report on General Operations, be approved as follows: 1) The Capital Projects allocation be reduced by \$1.00; 2) Allocate the \$1.00 from Capital Projects to Street Maintenance; 3) Increase allocation to Street Maintenance by an additional \$1.00 to a total monthly allocation of \$6.00; 4) Increase total assessment to \$92.00; and, 5) increase allocation to Reserves Accounts to \$19.01. 2nd by Bob Bethel. The motion carried unanimously. There was discussion about raising various golf fees that will be taken to the Golf Course Committee for review. Sue Johnstone prepared and distributed comparisons of different states' rules regarding Reserves for HOAs.

O-02 – Auditor Selection. Chairman Jim Soll distributed a list of potential candidates to conduct the annual TEPOA audits and highlighted the benefits and disadvantages of each. Bob Bethel moved that the committee recommend to the Board that TEPOA continue to have annual audits rather than substituting a Financial Review program. 2nd by Peter Humleker. The motion carried unanimously.

OTHER BUSINESS

Guests Ed Staley and John Boucher were allowed to present information about street maintenance and repair before New Business was discussed. They reported that Terracon has strongly advised TE to act on their recommendations for street repair as soon as possible. Manager Krause elaborated on budget considerations regarding street maintenance.

NEW BUSINESS

N-01 – Annual In-House Financial Review. Sue Johnstone presented changes in the wording of Resolution 0306. Jim Wright moved that the committee recommend to the Board that the changes to the Resolution be adopted. 2nd by Mary Greene. The motion carried unanimously. This will be item N-07 at the Board meeting March 11, 2008.

N-02 – Operations Expense to Reserves. Manager Krause provided a worksheet with recommendations for moving some expenditures from Operations to Major Repair Reserves. Mary Greene moved that the committee recommend to the Board that the four (4) items following be paid for out of the Major Repair and Replacement Reserve Funds: 1) Golf Course pump repair, \$3,924.51; 2) RV gate repair, \$1,309.96; 3) Water damage repair, \$1,169.49; and, 4) Health Department kitchen compliance, \$1,496.14. 2nd by Bob Bethel. The motion carried unanimously. Treasurer and Board Liaison Sue Johnstone will request that this item be put on the agenda for the April 11, 2008, BOD meeting.

OTHER BUSINESS

Accountant David Hines mentioned that due to the 2008 Leap Year, some problems were encountered with our accounting software program in February, 2008. No new information on investments; Accountant Hines is watching interest rates and renewing CDs for shortest term until rates go up.

Jim Wright moved to adjourn, 2nd by Bob Bethel. Motion carried unanimously. The meeting adjourned at 3:53pm.

Respectfully submitted,
Deborah Levitan, TEPOA Administrative Assistant