

University Park Homeowners Association
Finance Committee
May 14, 2020
Committee Meeting Minutes

The Regular Meeting of the Committee was held at 12:00 PM on May 14, 2020.

Present were members Bill Lockhorn, Dick Crouch, John Fricke, Bob Allen, Dave Heagerty, Steve Cerjan, and Lars Lundholm. Also in attendance as guests were staff members Curtis Nickerson, Ron Tobin, Bev Latine and Jennifer Everingham. A number of residents also attended.

The meeting was called to order and it was confirmed that a quorum was present.

The first order of business was a review of prior meeting minutes. After motions and discussion and a unanimous vote it was:

RESOLVED, the February 2020 meeting minutes were presented for review and approved.

The next order of business was a review of the Finance Committee Direction statement dated 3/31/20. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee will proceed in the direction defines – consistent with its mission as approved by the HOA Board.

Steve Cerjan, in an excellent presentation, reported on the unaudited 2020 Operations Income Statement numbers through April. The numbers through April are acceptable.

Bev Latine reported on bad debt and receivables. They are well within acceptable parameters.

The next order of business was a review of the Finance Committee 2020 Reserve Spend plan and future direction guiding our reserve analysis. After an excellent presentation by Lars Lundholm we agreed to continue the process to analyze reserves (focus adjusted replacement cost and useful life) by category based on the workbooks Lars has compiled.

The next order of business was a review of the outstanding Reserve Spend requests. After motions and discussion and a unanimous vote it was:

RESOLVED, that Kenwood, Highgate, Action Security and Wilton Crescent requests be recommended for approval. The Entry Walls request will be recommended for declination,

The next order of business was a review of the portfolio holdings by John Fricke and a Portfolio management strategy plan dated 4/27/20. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee will proceed with the strategy as outlined and consistent with the Investments Policy.

The next order of business was a review of unaudited Balance Sheet at 4/30/20 by Dick Crouch. The balance sheet entries are acceptable.

The next order of business was a review of the 2019 audit. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee recommends acceptance of the audit as presented. An interview of the auditor by the HOA Board should be scheduled prior to Board approval.

The next order of business was a review of the proposal we add pollution coverage to our insurance portfolio at a \$5,000,000 limit. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee recommend to the HOA Board we acquire the pollution cover and establish a three year term.

We discussed the HOA web site enhancement and agreed that the proposed \$5,000 expense was consistent with the funds set for Marketing in the Operations 2020 budget.

We discussed the possible acquisition of Tract Seven. While the Finance Committee holds no opinion at this point regarding acquisition, it is our projection that funds can be made available without an immediate assessment.

We discussed the lift station test and agreed that we would address this after discussion with the infrastructure committee.

The next order of business was a review of the PPP loan by PBM. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee recommend to the HOA Board PBM accept the PPP loan which has now been received and we focus on tracking expenditures to maintain full compliance with all loan mandates.

The next order of business was a review of the PBM / UPCA contract. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee recommend to the HOA Board that the PBM/UPCAI contract be accepted as drafted.

The next order of business was a review of next meeting dates. We have tentatively scheduled the next meeting for 6/11/20 at 10:00 AM. This meeting will be a workshop. The next full meeting will be after quarterly results have been received.

The next order of business was a discussion of meeting adjournment. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee meeting be adjourned.

William B. Lockhorn, Secretary