

University Park Homeowners Association
Finance Committee
October 13, 2020
Committee Meeting Minutes
Draft #1

The Regular Meeting of the Committee was held at 10:00 AM on October 13, 2020.

Present via Zoom were members Bill Lockhorn, Dick Crouch, John Fricke, Dave Heagerty, Steve Cerjan, Cathie Schaffer, and Lars Lundholm. Also in attendance as guests were staff members Curtis Nickerson, Ron Tobin, Bev Latine, John Fetsick and Jennifer Everingham. A number of residents also attended and their attendance is sincerely appreciated.

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

July meeting minutes were affirmed. They were reviewed shortly after they were drafted. Those minutes have been posted to the web site.

Steve Cerjan, in an excellent presentation, reported on the unaudited 2020 Operations Income Statement numbers through September. A consensus was reached that the numbers through September are acceptable and slightly better than expected.

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

The reserve spend numbers through September were reviewed and a consensus was reached that the numbers are better than expected at the start of the year.

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 the 22 specific items presented and the Virginia Water Tree removal proposals were approved to be recommended to the UPCA Board.

The next order of business was a review of the portfolio holdings by John Fricke. Proposed investments were discussed. After motions and discussion and a unanimous vote it was:

RESOLVED, that the Finance Committee will recommend the proposed investments to the UPCA Board.

The next order of business was a review of the budget process. A motion to move pond skimming from Community to neighborhoods was tabled pending further review. Operations budget recommendations were due to Bev Latine by 10/12/20. In a presentation to the Chair Council Dick Crouch asked each neighborhood to opt in or opt out of participation in their neighborhood's Reserve Schedule. Those that opt in will review, comment, and change certain portions of their Reserve Schedule. Those that opt out will have their Reserve Schedule prepared by the Finance Committee. In years past reserve schedules were prepared by the Controller under the Supervision of the Board. The Finance Committee continues to work on Reserve Schedule for the neighborhoods and hope to have the 2021 schedules out by 10/21/20.

The next order of business was a review of unaudited Balance Sheet at 9/30/20 by Dick Crouch. The balance sheet statistics are acceptable.

The next order of business was a discussion regarding the 25% maximum and 10% minimum guideline (percent of operating expense) for neighborhoods in their operating budget. The guidelines were affirmed. Exceptions will be made for small neighborhoods and neighborhoods that are not maintenance free.

The next order of business was affirmation of our auditor for 2020. After motions and discussion and a unanimous vote it was:

RESOLVED, the Board decision that the firm of Mechinger and Tyack will continue in 2020 as our auditor is affirmed.

The next order of business was the continuance of the Grosvenor fountain as a Community expense. After motions and discussion and a unanimous vote it was:

RESOLVED, it was decided that the Finance Committee will recommend to the UPCA Board that the Grosvenor fountain expense no longer be carried as a Community expense after all 2020 Operations budget dollars are exhausted.

The next order of business was a discussion regarding insured UPCA property appraised values and its impact on our insurance programs and premiums. This issue will continue to be investigated.

The next meeting date and time was discussed. The next meeting will be a workshop on 11/12/20 at 3:30 PM via ZOOM.

Without further business to be brought before the Committee the meeting was adjourned after motions and a unanimous vote.

William B. Lockhorn, Secretary