

Finance Committee Meeting Minutes

January 23, 2015

Draft

Committee informational meeting was convened at 7PM in the Sea Winds Clubhouse.

Attendees:

Doug Loudon – Sea Winds Director and President

Peter Weir – Sea Winds Director and Treasurer, Finance Committee Chair

Jane Hartman – Sea Winds Director and Rental Committee Chair

Jane Palmer – Finance Committee Member

Mike Hughes – Owner (added to committee)

Joe and Eleanor Wood – Owner

John Peak – Owner

Gary Thompson – Sea Winds Condominium Association Manager

Richard Day – Sea Winds Bookkeeper/Accountant

Meeting was called and committee membership was expanded (from previously designated owners) to include former Sea Winds Association Treasurer Mike Hughes.

Introduction of issues of issues regarding reserves. Committee discussed how past projects were paid from operating, but were credited as reserves, so reserves shortage may not be as high as financials indicate. Reclassification of these expenses is one of the items the auditors are reviewing and transfers will occur after auditor recommendation and Board of Directors (BOD) review.

The statements of the books for each of the months of the second half of fiscal 2014 were noted as having been incorrect by a substantive margin and without the knowledge of the owners or Board members. An example was circulated to last year's Treasurer and Bookkeeper but no comment or explanation was offered.

Items for 2015-2016 budget:

Office staffing discussed. Rental share for certain labor activities may need adjustment. Rental Committee chair J. Hartman has aggregated data to provide recommendations for next budget.

Payoff of BB&T loan will reduce budget demand in the next budget. 5 payments will be due in FY 2015-2016 and this needs to be recognized in that budget.

All Assessments are fully paid except problem units (2, 22, 77). Budget allocation for non-paying units may be reduced for FY 2015-2016 with recent (within last year) transfer of titles for Units 2 and 22 to banks from non paying owners.

Condo Manager will be developing list of changes to many contracted budget items for the FY 2015-2016.

Rental Budget will be included in the owner ballot notice. It is recognized that income and expense is variable due to variation in bookings.

Finance Committee Meeting Minutes

January 23, 2015

Draft

Schedule FY 2015-2016 budget will be to conduct another Finance Committee meeting to finalize recommendations to the BOD. Meeting estimated for next 2-4 weeks. Though not required nor previously performed (Committee and CAM/Accountant developed budget and provided to owners in the past), the FY 2015-2016 Budget will be distributed to the BOD prior to distributing to owners with their Proxies for the next Annual Meeting. Any documented BOD concurrence or approval to be determined.

Proxies with Budget to be distributed to owners by March 14, 2015 to support March 28, 2015 Annual Meeting schedule.

Other Finance Committee Items:

Registration Fee was discussed. Issues with renter parking passes were brought up as a concern that the Sea office isn't aware of all visitors in the complex and outside agencies need to ensure this is performed. Item referred to Rental Committee.

Why rental contributions to association operating budget weren't made in FY 2013-2014 is to be investigated. This affects current low cash in operating account. Treasurer and Bookkeeper/Accountant to resolve.

Meeting adjourned at 10:20 PM.