

Gibson's Grant Homeowners Association
Finance Committee Meeting
June 29, 2020
10 AM at Tom Beery's patio

Members present: Chair Jamie Kinsel, Tom Beery, Tom Daly, Art Ebersberger
Member absent: Bill Wood

The Committee reviewed the May 2020 Balance Sheet and Income/Expense Comparison to Budget figures. No significant bottom line expense savings are evident to date.

Tom Beery took members through his Draft Cash Management Policy. The Committee agreed to recommend its adoption to the Board. See attached.

At the February HOA Board of Directors meeting the Board approved the motion to invest up to \$200,000 of the reserve funds currently held in a money market account into a CD ladder. Tom Beery will look into the opportunities now being offered at local banks.

Sentry advises that the CPA audit of 2019 figures should take place in July. Tom Beery would like the auditor's opinion as to whether or not common area land and buildings should now be listed and buildings depreciated on the balance sheet. A second question would be if it would be advisable to reset the reserve balance to actual balances held in the account.

Tom Daly took members through the current accepted reserve expenditure plan (alternate) and reserve funding plan. Stephen Breski from Reserve Advisors will be at Gibson's Grant on the morning of July 2nd to gather information to update the plans. Jamie and Tom Daly plan to be there along with Todd W. of Sentry. The two shoreline bulkheads will be inspected. The Committee recommends that the Board ask Sentry to determine the current status of development bonds being held at QAC. Other than roads and curbs what further improvements are now guaranteed by the developer? Did a QAC engineer determine the bulkhead efforts by the pier were sufficient? Tom also questioned reserve account 9175 - \$24,075 labeled Reserve – Reserve Study. Apparently this amount was budgeted separately from the reserve funding plan in 2019 for capital improvements that did not take place as funds were not available. Does the Board want to leave it in place and relabel the account Reserve – Capital Improvements or eliminate it to closer match the reserve balance funds?

Sentry's three year management contract expires this year. They have agreed to offer the Board a one year extension due to COVID 19 complicating bid solicitations at this time.

Tom Daly would like to add a review of Sentry's resale package to a future Committee agenda.

ANNOUNCED AFTER MEETING:

Elm Street remitted \$5,000 in June thus meeting their contribution commitment for the first two quarters of 2020.