

BUDGET & FINANCE MEETING

JULY 25,2018

ATTENDEES: Frank Brown, Larry Perrone, John O'Conner, Gene Ringsdorf, John Viola(Chairman), Mary Decker, Dick Keiling, John Bailey, Steve Phillips, Nate Doty

- Meeting minutes from 6-27-2018 approved
- Resolution Update- It was agreed that the resolutions need to have dates that are consistent with the other committees.
- Reserve Study- Aug 3rd Additional discussions on further scrubbing of the fixed assets lists.
- The Financials and letters were issued on July 24th.
- Steve Phillips did a full review of the June financials. He noted the fixed assets dropped by \$1M from last year attributed to audit adjustments and fixed assets lists updated and corrections.
- Larry and Frank to review the bank reconciliations monthly.
- A discussion regarding the accruing of the \$100k incentive for Matt Orr company to the books. It is being accrued on a 8 month basis.
- GM gave a reserve study update. The changes discussed so far were added to the fixed assets list on July 13th. GM IW working on a excel spreadsheet for Upcoming Big Ticket projects
- June narrative reflects Legal Fees will be far over budget for the month and year. GaM will do a year end forcast for legal.
- A discussion took place regarding the General Admin overages. Larry Perrone questioned why we are still incurring costs for a contractor in the finance department. Finance Director advised the fees are being charged to the Forensic audit account and the department is down 1 person so the help is needed. Cross training was discussed and the committee recommended the contractor expense be eliminated and if a permanent hire is required that the request be made to the BOD.

- Larry Perrone also raised the costs being incurred for IT Contractor and why he is still being used if the software evaluations are completed? The Finance Director indicated the expense is being controlled and decreasing.
- The GM was asked if he could change the process for the SOFTWARE EVALUATION WHAT WOULD HE CHANGED. The GM indicated he would spend more time reviewing the Municipality software in use.
- Golf Invoicing was reviewed and the Finance Director will meet with the Golf team to get the invoicing process improved.
- Discussions on the cash flow procedures for the Yacht Club and Beach Club. Matt Orr is making the deposits directly to the bank and it is reviewed daily by the Finance Director.
- The group agreed that once it is clear there will be a bonus payable to the Matt Orr Company an accrual will be made to the books.
- Larry Perrone updated the committee on the recommendation to be made to the Board on the changes to the OPVFD MOU.
- Finance Director reported that the Year End Audit is done and the costs is about \$30k. The Forensic incurred \$40k for May and about \$20k in June. The 2017 year end audit was about \$50k because of the deep dive completed by the Auditors. The auditors made no suggested changes to the deep dive changes made last year. The Auditors suggested we add \$500k to our bad debt reserve. The finance director in conjunction with the Treasurer felt \$300k was more appropriate.
- Nate Doty discussed the 401K program and our current administrator can no longer manager our programs. The current firm is no longer qualified based on our needs. A RFP for administrators of the program has been issued to include record keeping. Nate indicated we currently have 27 funds to choose from but the funds were not being evaluated for fees. The new administrator will do yearly fees evaluations.

Respectfully Submitted

Larry Perrone