

Finance Committee Meeting Minutes

4pm, Tuesday, March 21, 2023
KCCA Clubhouse Meeting Room

Present: Mary Delamater (chair), Faramarz Khozouiee (co-Treasurer), George Patton, Gloria Aleksich, Nancy Hardesty, Michelle Faber.

Guests: KCCA bookkeeper Michelle Evans

- Insurance: Mike Ceccanti has been in contact with our current insurance broker and two other possible brokers to see what they need from us to give us quotes, and Michelle E and Michelle F have been working with the office to get the information that these brokers have told Mike they need.

We have what we need for our current broker, and Michelle E will get that off to him. There is still some info we need to gather for the other two, plus they won't be able to get quotes at the same time as our broker, so we will work on gathering data and try to have it ready for them so they can get quotes as soon as our broker is done.

- Questions re: December and January financials: At the last meeting we had several questions re: the January financials, plus a resident (and former Finance committee member) had raised various questions/concerns re: the December financials.

Michelle E was going to review these issues and consult with CAP as needed, but because of more pressing issues was unable to. We will put this on the agenda for the next meeting.

- Clarify which board members are Finance Committee members: Currently Mary Delamater, Jim Minor, and Mike Ceccanti have been approved by the board as Finance Committee members, but that puts us

one over our charter limit of 2 board members. Plus, Faramarz Khozouiee has been approved by the board as co-Treasurer but not approved by the board as a Finance Committee member. We decided that it would make the most sense for Mary and Faramarz to be the official board members on the committee, and will notify the board and seek their approval for Faramarz at the next BOD meeting. Thanks for your service, Jim and Mike!

- Follow up on money that operating owes to reserves and vice versa: There are some financial adjustments that we need to ask the board to approve. They are as follows:
 - Move \$118K from reserves to operating. The CPA has flagged this as a historical discrepancy that needs to be corrected by actually cutting a check from reserves to operating. Faramarz has gone through our financials to try to figure out what happened. It seems to have occurred sometime in 2018 or 2019, but it's unclear exactly how this came about. Michelle E says there are some archived records that she can research further in hopes of learning how this came about. In the meantime, Faramarz will move at the board at the next BOD meeting that we make the correction advised by the CPA.
 - Move \$43K from operating to reserves. This seems to be from one of the adjusting journal entries from the 2021 audit – CAP indicates that something was mischaracterized as a fixed asset. Both Faramarz and Michelle E had some questions, so Faramarz will follow up with CAP to get more info, hopefully in time make a motion at the next BOD meeting.
 - Move \$8K from operating to reserves. This is the revenue in excess of operating expenses from the 2021 audit.
- Possible CDs: Faramarz noted that we have some money at US Bank not earning interest, and that they are advertising the following CDs: 7 months at 4.35%; 11 months at 4.5%; 18 months at 4.75%. Faramarz will recommend at the next BOD meeting that we move 20K into the 7

month CD, 30K in to the 11 month CD, and 30K into the 18 month CD.

- Items paid from reserves: There have been several unbudgeted reserve items to start the year. Michelle F is working on a list to keep track of them, as well as to track the budgeted reserve items. We reviewed the unbudgeted items, and will try to gather some more information.
- Next meeting: 4pm, Tuesday, April 4, Clubhouse Meeting room.

Minutes prepared by chair Mary Delamater.