

**MEETING OF THE FINANCE COMMITTEE  
MONTEREY DUNES COLONY ASSOCIATION  
MINUTES OF THE JULY 17, 2015 MEETING**

**Present**

Ted Adams, Committee Chair  
Art Testani, Member  
Bob Dickinson, Member  
Donna Briskin, Member  
Bill McGowan, Prospective Member  
Tom Bugary, Secretary and General Manager  
Susie Heavin, Office Manager and Bookkeeper

**Absent**

Ted Swanson, Member

**Welcome**

Ted Adams, committee chair, called the meeting to order at 3:00 p.m. on May 15, 2015. He then welcomed Bill McGowan, a prospective committee member.

**Minutes**

It was M/S/C to approve the minutes of the May 15, 2015 meeting as written.

**Review of MDCA and Water Co. financials**

The committee reviewed the complete 2014-15 fiscal year. Tom stated that the several unbudgeted, board-approved projects created a large deficit in the operating budget; however, because the maintenance workers were busy on special projects, several reserve projects were not completed and the reserve budget was left with a large surplus. The net result is that the Colony ended FY 2014-15 with approximately \$2.5M in our cash accounts.

**Review bank statements**

All bank statements were reviewed without comment. The Colony recently purchased four (4) \$300K CDARS in a laddering scheme- one maturing in 2016 (year 1), one in 2017 (year 2), one in 2018 (year 3), and one in 2020 (year 5). The Colony had an existing CDARS that will mature next month for approximately \$300K; after discussion it was decided that the \$300K in the CDARS would be added to the \$300K of Colony funds in the Water Account and it would be renewed for 6 months and then renewed for 3 years so that it will mature in 2019 (year 4). Upon maturity, all CDARS will renew for 5 years (unless there is a need to cash one in), that way we will have a CDARS maturing every year and we will retain a fair amount of liquidity.

## **Old business**

### **Progress Report – New Auditor**

John Bellitto, CPA, has taken a copy of our QuickBook files and has accessed our website and will physically be at the Colony on July 28, 2015 to get the rest of the information he needs to conduct the audit.

### **Flood Insurance Budget Impact**

The committee agreed to ask the Board to approve a short-term loan from the MDCA reserve account to the MDCA operating account to finance a FEMA flood insurance policy from 8/1/15 to 8/1/16 for all the homes at the Colony. The loan would be repaid in 10 months beginning in September and fully paid within this fiscal year. The financial impact to the Association would be minimal.

### **Security Camera Impact**

The committee agreed to ask the Board to approve a short-term loan from the water reserve account to the MDCA operating account to finance the camera system. The loans would be repaid in 10 months beginning in September and fully paid within this fiscal year. The financial impact to the Association would be minimal.

### **Metrics**

Bob brought up a subject which has been on previous agendas – Metrics. Metrics are helpful in identifying trends and disruptions. Bob stated that he thought there should be some kind of metric for those people who rent their unit and how many days their unit is rented. Donna responded that she is part of the owner-renter committee and that the committee will be researching that very issue. It was decided to wait and see what the owner-renter committee's outcome was before the finance committee discussed it further.

## **New business**

### **General Manager Laptop Computer**

Tom informed the committee that he needed a new laptop computer because his current laptop was heat-damaged. He stated that he would be purchasing another one from in the near future.

## **Adjournment**

The meeting was adjourned at 4:00 p.m. The next meeting is scheduled for September 18, 2015 at 3:00 p.m.

## **Respectfully Submitted**

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Thomas J. Bugary CMCA, CCAM  
General Manager and Secretary