



Sunset Village, Inc., 3401 Gandy Blvd., Pinellas Park, FL 33781

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A Resident-Owned 55+ Community

<https://www.sunsetpalms.org>

Finance Committee Meeting

Monday, March 13th at 10:00 am

In the Clubhouse Library and via Zoom

Join Zoom Meeting

<https://us06web.zoom.us/j/87439797228?pwd=Q1ZOZ2tVNHHMNTThkK3hubTQyR0NOUT09>

Meeting ID: 874 3979 7228

Passcode: 301280

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Committee Attendees: Maggie Stokes, Gary Thrasher, Jan McCoy Roberta Maynard, Richard Thomas, Larry Smith, Karen Harding, Bill Hickey absent for cause

Residents in attendance: Royce Pauley in person, Via Zoom: Sharon Anderson

Introduction of Committee Members – members went around the table introducing themselves and sharing their backgrounds.

Appointment of Secretary - Maggie made a motion for Jan McCoy to serve in the role of secretary for the Finance Committee. Seconded by Roberta Maynard, all were in favor. Motion carried.

An overview of our banks, various accounts and their use was provided by Maggie Stokes to the committee. The information was reviewed and discussed.

Bank of OZK – local operating low-interest-bearing checking account was used as main acct. at one time. Currently using Popular Bank operating account instead. Second account at Bank of OZK – social club account is stand-alone account but falls under the board of directors umbrella with the Executive Committee as signature authority on the account. The account is under its own account number.

Popular Bank – holds reserves and operating funds.

Edward Jones – There are two accounts, insured bank deposit account and reserve account. \$2M of funds were transferred to Edward Jones in January 2023. \$400,000.00 was held in an interest bearing savings account and will remain readily available. The remaining funds (\$1,600,000.00) were invested in the amount of \$200,000.00 each in a layered CD program with mature rates of every three months at various interest rates. Our money currently flows from the various accounts through the Popular Bank operating account, then flows to Edward Jones operating account. We would like reserve money to go directly to Edward Jones vs. Popular Bank.

The committee will propose to the board of directors to authorize an automated, on-going transfer of excess funds from Popular Bank to Edward Jones Investment Savings account to optimize interest earnings. The committee already has authorization to transfer funds but will ask for approval for automation of transfer.

Review of all Certificates of deposit investment accounts held through Edward Jones, and interest projections were conducted. Two CDs totaling \$400,000.00 are maturing in April. The committee decided to renew the CDs for a 12-month period. Our CD program is structured such that \$400,000.00 comes up for renewal every three months. This will make cash readily available if needed.

Motion: Larry Smith made a motion to renew the investment of the two Edward Jones \$200,000.00 CDs (total \$400,000.00 - maturing in April 2023) for a 12 month period. Motion was seconded by Roberta Maynard. Motion carried unanimously.

Discussion: Bank of Ozark operating/checking account currently has a balance of \$120,890.53 which is a minimal interest-bearing account. That balance can be brought to a minimum of \$1,000.00. The remaining balance should be transferred to Edward Jones where it can earn interest.

Motion: A motion was made by Larry Smith to move \$120,000.00 from Bank of OZK operating/checking account to Edward Jones Investment Savings account; seconded by Roberta Maynard; all were in favor. Motion carried.

Motion: A motion was made by Roberta Maynard to invest a total of \$200,000.00 from Edward Jones Investment Savings into a 12-month CD (includes the Bank of OZK funds transfer of \$120,000.00). Motion seconded by Larry Smith: All were in favor. Motion carried.

The committee discussed the reserve study process at a high level. A study is due every three years. Funds held in reserve, based on the study, can be changed based on new studies. Excess holding of funds is not allowed. We have fully funded reserves. \$10,000.00 and over expenses are considered a reserve item. Anything under is categorized as a maintenance expense.

Members were asked to gain access to OneSource, Resource Property's data management tool.

The committee would like to be able to meet at least 4 days before the monthly board meeting and have proper data to review. Data is not currently available from RPM to accomplish this. This will be addressed for recommendation to the board to adjust the timing of their monthly meetings.

Motion Discussed but not completed: Larry Smith proposed a motion to recommend to the board of directors they move the monthly board of directors meetings to later in the month to facilitate time for receipt of monthly financials and to perform analysis prior to the meeting.

The committee recognized the need to research the by-laws to understand the feasibility of making such a motion to the board of directors. Jan McCoy will follow up after researching.

The committee agreed to the basic construct of future meetings to include: review of the ledger, actuals to budget, variances, investment updates, budget creation (later in the year – due before the start of the annual membership meeting notice process begins) among other work.

Adjournment: Motion was made to adjourn the meeting by Larry Smith, seconded by Karen Haring; motion passed unanimously. Meeting adjourned at 11:40PM.

The next meeting will be April 14, 2023, at 10:00 AM in the Board Conference room (Maint. Bldg.)

Respectfully submitted,

Jan McCoy