



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

Minutes

Monday, April 24, at 10:00 am

In the Clubhouse Library and via Zoom

Join Zoom Meeting

<https://us06web.zoom.us/j/87439797228?pwd=Q1ZOZ2tVNHHhMNTThkK3hubTQyR0NOUT09>

Meeting ID: 874 3979 7228

Passcode: 301280

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**Committee Attendees:** Maggie Stokes, Committee Chair; Gary Thrasher, Committee Co-chair; Jan McCoy, Committee Secretary; Roberta Maynard, Larry Smith, Karen Harding, Bill Hickey, Richard Thomas LCAM

**Residents in attendance:** Zoom – Dee Giordano

**Call to Order:** Meeting was called to order at 10:02 AM

**Proof of Notice:** Meeting notice was posted on Fri., April 21, 2023, at 6:15 PM

**Approval of Minutes:** Roberta Maynard motioned to accept the March 13, 2023, meeting minutes as presented. Karen Harding seconded the motion. All were in favor. The minutes were accepted.

**Agenda:**

Discussion: The committee would like to standardize the monthly meeting to the Monday before the board meeting. This will allow receipt of data the previous week and time to prepare for the Finance Committee meeting. This change also facilitates committee input to the monthly financial/treasury report for presentation at the board of directors meeting.

## **Update of investments held at Edward Jones**

We invested \$200,000.00 in CDs through Edward Jones as approved by the board of directors (at 5.3% on 3/30).

Two existing CD's matured mid-month. Income received for the three month period was approx. \$6,000.00. The CDs were re-invested thru American National Bank at 4.8% on 4/13/23. The second CD was purchased on 4/18/23 at Wells Fargo at 4.8%. The transaction process went very smoothly in updating the CDs that matured.

Investment Interest Income – We anticipate approx. \$75,000 in interest this year. Rates are locked in for the term.

## **Update on the progress of the 2022 audit**

The committee will be recommending an audit annually. It is voted on by the membership. 2022 is in process and 2023 has been approved. We are currently under contract with Bashor & Legendre LLP for the 2022 audit.

## **Reserve study discussion**

We have a proposal, received from Reserve Advisors, LLC, for consideration by the board for an updated reserve study. Our current study is four years old. Discussion regarding establishing a proper vetting and RFQ process ensued. The Finance Committee would like to solidify a process for future use. Bill Hickey will assist.

## **March 2023 financial statements**

Interest income from Edward Jones was not included in the budget. We've earned \$15,000 to date. We've had two new share conversions this year. Each conversion represent a loss of monthly revenue that was planned for in the budget. Conversions have not traditionally been budgeted for. Of 520 units, 57 residents are 723 renters (non-shareholders). We have 14 available lots for consideration for new manufactured home installations with 12 lots in various stages of "in-process." Two lot installs are complete and represent new share sales accounted for in earlier reporting totaling 28 as reported on 1/1/2023.

We currently have two existing units which may be unsalvageable and may need to be hauled out. This effort was not budgeted for either.

There was discussion regarding the continuation of subletting, transients living in the park, properties coming up for auction and open lot sales process. Maggie will create a sub-let report for presentation at the next meeting. Discussion of removing share incentives took place. The committee feels it is time to remove the incentives.

We had unexpected expenses for tree removal. Additional trees impacting sewer lines have since been identified. There may be future additional expenses incurred. We made the final payment on the road project and paid an engineering fee on the catch basins. The roadway committee is continuing to look at putting in 3 more catch basins in the front of the park. They are researching engineering design and build firms. Bart Diebold, city manager, contact information will be shared by Gary Thrasher. The city recommended surveyors to conduct our perimeter survey. We can use the city's experience to suggest design and build contractors for the catch basin design.

The committee suggested we do insulation & mold inspection simultaneously when working to update the roof and A/C units for the clubhouse. The roof of the laundry room will also be looked at. This was planned for as part of our existing reserve study.

Maggie and Jan will reach out to Edward Jones to determine how to validate our funds have been invested directly with the respective banks as reported by Edward Jones. The reports received from Edward Jones, with assurance the banks are FDIC insured, is not satisfactory to some committee members. It was also requested Edward Jones do an in-person membership presentation late January as an annual recap.

### **Accounts Receivable**

Richard, Maggie, and Jan meet weekly to manage delinquencies. The bulk of these issues are non-payment of monthly rental fees, errors in 723 conversions regarding payment of rent vs. maintenance fees.

### **Review of historical financial statements in preparation for the budgeting process - utility costs**

Our water costs and cost of lawn service were discussed. Rich will have Ron read the main water meters every 2 or 3 days to ensure we capture leaks as proactively as possible.

Next Meeting: The next meeting will be Monday, May 15 at 10:00 AM in the board conference room which is just prior to the May Board Meeting currently scheduled for May 17<sup>th</sup> at 10:00 AM.

### **Adjournment**

A motion to adjourn was made by Gary Thrasher; seconded by Bill Hickey. All were in favor. The meeting adjourned at 12:25 PM

Respectfully submitted,

Jan McCoy