

GLA Finance Committee Meeting
Wednesday April 27, 2016 (6:30 – 9:00 pm)
Committee Meeting Minutes
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Board Members Present: Rudy Parker-Committee Chairman, Charlene Murphy, Charlotte Mizzi, Dan Kehoe, Ed Dobrowski, Kevin Newby

Landowners Present: Tim Murphy, Ia Williams, Tim Brocket, Sally Muto, Donna Andersen, Leo Keeler, Regina Wunsch, Claudette Dirkers, Debbie Blais, Clare Parker, Fran and Vern Nye

Also Present: Micah Hardin of ATS, Accounting & Tax Solutions Office

Meeting called to order 6:30 PM.

Micah Hardin introduced himself as the bookkeeper at ATS. He has a public accounting degree and MBA. Regina will provide the starting number to determine how much is in unallocated savings.

1. Reviewing financial Reports Q1 Jan - April

Rudy pointed out a new format on the P & L Budget Performance Cash BOD. There is a new column added “Received % of Budget.” This column shows what has been received as of the current date.

Rudy explained that in 2015 if a landowner paid in full the dates were adjusted and it would show up as current income. In 2016 the dates are not being adjusted if a landowner pays in full, instead this new column “Received” will show the full amount received.

Discussion included the need to compare the collection rate in 2016 with 2015.

2. Reviewing Snowplowing expenses

Regina objected to a statement on the “Ten Year Overview of Snow Removal Costs” handout which seemed to imply that she had changed the reporting of snow removal costs in 2014 that caused information to be hidden. Discussion revealed there was some difference in the way snow plow employees recorded the number of hours they plowed in 2014. Kevin, who was trained on use of the plow in 2014, stated he was told to turn in a total number of hours plowed and sanded. It was not broken down into areas of NG, SG and HiSG, as had been done before 2014.

Regina explained that the breakdown is still available if Micah runs the report showing the ‘Class’ which will show NG, SG and Hi SG.

Charlotte apologized to Regina, on behalf of the board, for the inaccurate statement in the report.

3. Reviewing comments of GLA finances by Regina Wunsch to BOD, email March 21

Reports presented at February BOD meeting were in a different format. Some board members expressed confusion with the reports and 3 abstained from approving them. The reports have been corrected.

Discussion of the need to create a one page synopsis of the most important information to be mentioned by the Treasurer when the reports are reviewed at a BOD meeting, to include: % paid in, % paid out, % collection rate, mention any out of the ordinary income or expenses.

4. Reviewing comments on GLA finances by Regina Wunsch to Finance committee, email April 7

Regina pointed out the need for someone on the board to be sure to check each entry every month to be sure they are correctly entered in QuickBooks. Assessments and payments received credited to correct account and checks written match invoices. Regina suggested Dennis has the background to do this task.

Action Item: Ask Dennis if he is willing to be trained to do the job of checking monthly entries in QB.

5. Review Finance Committee meeting with Accountant on April 22.

a. Micah received instructions from Regina on how to recalculate the interest correctly on those accounts that had past due amounts in the old QuickBooks and were transferred to the new QB. This will enable the production of correct statements for those past due accounts so liens can be filed and collections pursued in the future when the Collection Procedure is finalized.

b. Micah added the new column “Received % of Budget” discussed at the beginning of the meeting.

c. Discussed quarterly vs monthly reports. No decision to change to quarterly reports at this time.

d. Discussed simplifying the books. No major decisions at this time.

6. Update on mailing Collection Procedure to landowners

The Collection Procedure approved at the April 11 BOD will be mailed as part of the Spring Newsletter by May 25. The landowners will have a 30-day comment period before the procedures are finalized. The revised Collection Procedure does not include a 5% penalty and the interest rate is 12% or the highest rate allowed by

law. Reason: Rick Landers, the collection attorney, stated a judge will not uphold the 5% penalty and a judge will uphold a 12% interest rate on contractor liens. The GLA road work is like a contractor's lien. Group discussion included the 12% interim interest rate approved by the board at the April 11 BOD. Landowners will vote YES or NO on the covenant change for the 12% interest rate at a future date. Attorneys Alanah Griffith and Rick Landers have given verbal approval for the 12% interim interest rate being used before a vote to change covenant 11.06. The board is waiting for written approval from the attorney(s). In the meantime the Finance Committee is working on the GLA's draft Demand letter and will place liens on those accounts that do not yet have one. Dan Kehoe made clear that he interprets the 12% Interim Interest Rate passed at the last Board Meeting to be retroactive.

7. Signing of Confidentiality Agreement by members of the Finance Committee

The confidentiality agreement needs to be modified to apply to members of the Finance Committee.

Action Item: Dan volunteered to work on the confidentiality agreement.

8. Continue discussion to establish procedures for long term delinquent accounts. (2 years and over)

a. **Panel to assist BOD with collections.** Landowners wanted landowners on a panel to provide oversight to prevent "deals" made by board members with past due accounts. Jerry Ladewig volunteered to be on this panel. Debbie Blais declined an invitation to be on the panel because she could not condone a 12% interim interest rate that is retroactive. Charlotte Mizzi and Ed Dobrowski volunteered to serve on the panel. The panel will work with the Finance Committee to make phone calls to past due accounts and report back to the Committee. Discussed need to establish criteria for hardship outlined by Alanah Griffith on Feb 20 meeting: Provide 3 months of bank statements and last year's tax return, look at other assets. Discussed MT law that requires an attorney to represent a corporation in small claims court.

9. Levying assessment on businesses operating within GLA

Tabled due to the time.

Meeting Adjourned 9:00 pm

10. Next finance committee meeting

June 1, 2016, 6:30 pm, Liberty Hall, 6:30 pm