

**TAMARACK TRAILS
FINANCE COMMITTEE MEETING MINUTES
WEDNESDAY, MARCH 15, 2023**

In Attendance: Committee Members: Tom Ferris, George Meyers, Dave Larson, Bill Probst, Jane Vaske, Larry White (Tamarack Treasurer); Board Liaison: George Jesien.

1. Meeting Minutes Approval

The minutes from the February 2023 meeting were approved as written.

2. Unaudited January 2023 Financial Report

Comments regarding the Unaudited January 2023 Financial Report:

- a. Account #55000, Office Expense – Expense of \$2,656.27 was high due to Stacey’s new computer.
- b. Account #54500, Liability & WC Insurance – Negative expense was due to a worker’s compensation refund of \$2,460.00.
- c. Account #63300, Landscape Contractors – Expense of \$8,123.50 was Boley Tree annual pruning of large trees.
- d. Account #63400, Landscape Supplies/Plants – Expense of \$1,466.94 was Avant Gardening annual flower order.
- e. Account #73100, Dwellings-Chimney Cap/Other – Expense of \$8,250.00 represents a 50% deposit on chimney cap work on the homes for this year.

Based on the 2021 audit report and the Unaudited January 2023 income statements, the Reserve Fund Balance is estimated to be approximately \$660,500, an increase of \$56,500 from the December 31, 2022, balance. The balance consists of the US Bank investment balance of \$528,500 and cash and other net assets estimated as \$132,000. However, approved transfers into the reserve fund from the operating fund of \$67,100 and the unspent carryover of 2022 budgeted spending for unit chimney caps and the swimming pool amounting to \$131,100, reduce this amount to \$596,500. The February 28, 2023, US Bank investment balance was reported as \$515,200, a decrease of \$13,300 from the January 31, 2023, balance.

Related to the reserve fund, the 30-year spreadsheet used to develop the 2023 reserve budget showed that the minimum reserve balance as of December 31, 2022, should have been \$538,400. While the January 31, 2023, balance is above the minimum balance as of December 31, 2022, this balance does not reflect most of the budgeted 2023 Reserve Fund spending including Asphalt costs of \$184,000. At the request of George Meyer, the 30-year reserve spreadsheet was recalculated using an inflation rate of 3.0% rather than 2.5%. A comparison sheet is attached.

3. Water/Sewer Service Line Financing Update

Updated the entire Finance Committee regarding the status of the Water/Sewer service line financing discussions from the February Maintenance Committee, Finance Committee, and Board meetings.

4. Cash and Investment Issues

a. Tamarack Cash and Investment Accounts

See the attached schedule showing cash and investment account end-of-month balances going back to December 2019.

b. Transfer from Cash to Edward Jones Money Market Account

At our February 15, 2023, Finance Committee meeting, the Finance Committee passed a motion recommending to the Board that given that we have excess cash in our checking account, not earning interest, that we invest an appropriate amount, up to \$100,000, into our Edward Jones Money Market account. This transfer was approved by the Board at its February meeting. Based on our current level of excess cash, it was determined that \$100,000 is the appropriate amount to transfer. Larry reported that he, Dean Ryerson, and Stacey Haberman would go to Edward Jones on Thursday, March 16th to make the transfer as well as complete the paperwork necessary for Stacey and Dean to have authorization to transact business in the Edward Jones accounts. Larry went to have his name removed from those having authorization to transact business due to a recommendation of our auditors.

c. Edward Jones Treasury Bills

At our February 2023 Finance Committee meeting, we passed a motion recommending to the Board the 3-month treasury bills in Edward Jones that matured on March 2, 2023, should be reinvested at Edward Jones in 6-month treasury bills. The Board approved this recommendation. Larry reported that the matured treasury bills were reinvested on March 2nd.

5. Association Manager's Report

Stacey was not able to attend today's meeting as she attended the CAI annual conference in Brookfield. Nevertheless, we discussed the following item under this agenda item.

At its March meeting, the Maintenance Committee discussed the need to replace the garage doors on Tamarack's maintenance buildings. We received three quotes for the replacement of the garage doors. The Maintenance Committee voted to recommend that we accept the bid from R&R Doors of \$5,214 to replace the garage doors on the Tamarack maintenance buildings. The R&R bid included an automatic door opener and remote costing \$520. It is questionable whether we need an automatic door opener which may reduce the price to \$4,694.

In response to the recommendation of the Maintenance Committee, the Finance Committee recommends that even though the cost is below the \$7,000 reserve fund spending threshold, that it be charged to Reserve Fund account #70608, Association Buildings – Windows/Doors. The Finance Committee also recommends that the garage doors be financed by undesignated operating funds and that the Board approve a transfer of up to \$5,214 from the Operating Fund to the Reserve Fund.

Action Item: The Finance Committee recommends to the Board that it authorize the transfer of up to \$5,214 of undesignated operating funds to the Reserve Fund Account #70608, Association Buildings, Windows/Doors to finance the replacement of garage doors on the Tamarack maintenance buildings.

6. Other

Next Meeting – April 19, 2023 @ 4pm: We intend to ask US Bank if someone can attend our April meeting and speak to us about our reserve investments and the investment market. George Meyer suggested that we put together a list of questions for the US Bank representative in advance of the meeting. Members of the Finance Committee were asked to get back to Tom by April 1st with a list of suggested questions.

APPROVED