

**TAMARACK TRAILS  
FINANCE COMMITTEE MEETING MINUTES  
WEDNESDAY, MAY 17, 2023**

**In Attendance:** Committee Members: Tom Ferris, George Meyer, Dave Larson, Jane Vaske, Larry White (Tamarack Treasurer); Absent: Bill Probst; Board Liaison: George Jesien; Association Manager: Stacey Haberman; Guests: Janet Hirsch, Jayne Meyer, James Steinbach.

**1. 2022 Audit Presentation (Jordan Dittmer, Wegner CPAs)**

- a. Jordan Dittmer of Wegner CPAs met with us to discuss the overall audit results including financial ratios and totals (see attached), the draft audit report, and to answer any questions from the Finance Committee members. We discussed Jordan's recommendations for how best to track transfers during the year and for taking an annual inventory of equipment, furniture, and fixtures.
- b. A revised 2022 net budget savings schedule was handed out taking into account the 2022 audit results. Depending on how much the follow-up clubhouse chimney work will cost, net 2022 budget savings amounts to just under \$28,000. The Finance Committee will discuss this at its June meeting.
- c. Since 2022 is the last year of the contract with Wegner CPAs to perform Tamarack's annual audit, Stacey is starting the process to contract with an auditor for 2023-2025.

**2. Meeting Minutes Approval**

The minutes from the April 19, 2023, regularly scheduled meeting and April 21, 2023, special meeting were approved as written.

**3. Unaudited March 2023 Financial Report**

Comments regarding the Unaudited March 2023 Financial Report:

- a. Account #42500, Reserve Fund Interest Income – Relates to Old National Contingent Fund and Edward Jones investments which auditor classified in Operating Funds, so may be moved from Reserve Fund Income Statement to Operating Fund Income Statement.
- b. Account #55000, Office Expense – Year-to-date amount is high due to laptop purchased for Stacey.
- c. Other accounts appear to be reasonable when compared to 2022.
- d. Jean is in the process of recording the 2022 audit entries, so these statements do not reflect the audit results.

We had a discussion of item #3a and whether the Edward Jones investments should be transferred to the reserve fund since they represent excess operating earnings over the years. We left this issue for future meetings or the 2024 budget.

Based on the 2022 audit report and the Unaudited March 2023 income statements, the Reserve Fund Balance is estimated to be approximately \$720,900, an increase of \$47,400 from the February 28, 2023, balance. The balance consists of the US Bank investment balance of

\$523,800 and cash and other net assets estimated as \$197,100. 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 \$656,900. The April 30, 2023, US Bank balance was \$527,500. The April 30, 2023, Edward Jones balance was \$329,245.

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. By the end of 2023, the minimum balance should be \$551,900. While the March 31, 2023, balance is above the minimum balance as of December 31, 2023, this balance does not reflect most of the budgeted 2023 Reserve Fund spending including Asphalt costs of \$184,000.

#### **4. Tamarack Investments**

##### **a. US Bank Reserve Investment Mix of Assets Guidelines**

In response to the discussion at our last meeting of the asset mix for our Reserve Fund account at US Bank, we asked Robert Beggs of US Bank to update Tamarack's investment guidelines based on our 60/40 split but with a +/-10 range. These guidelines are from Tamarack's Accounting Policies and Procedures Manual setting forth Tamarack's current guidelines for the Reserve Fund investment account. The updated guidelines are attached. The Finance Committee passed a motion to recommend that the Board approve the attached document as its new guidelines.

**Action Item: The Finance Committee recommends to the Board that the attached percentage mix of assets be approved as Tamarack's guidelines for the Reserve Investment account.**

##### **b. Edward Jones T-Bills Reinvestment**

The 6-month treasury bills with a maturity value of \$138,000 are due to mature on June 1, 2023. After a discussion, the Finance Committee agreed to recommend to the Board that the \$138,000 should be reinvested half in 3-month and half in 6-month treasury bills or CDs, whichever is more advantageous at the time.

**Action Item: The Finance Committee recommends to the Board that the 6-month treasury bills in Edward Jones that mature on June 1, 2023, should be reinvested half in 3-month and half in 6-month treasury bills or CDs, whichever is more advantageous at the time.**

#### **5. Association Manager's Report**

Stacey discussed the current status of the swimming pool. Currently, we are planning on Badger Pools to make a temporary fix to the cracks at the start of the deep end to get us through this season. Unfortunately, there will be no guarantee. The next step is to get options and cost estimates for making permanent repairs for 2024.

**6. Other**

Next Meeting – June 21, 2023 @ 3pm.

We asked for volunteers to help on the 2024 budget. Currently, we plan on meeting on Mondays between 1:30-3:30 from July 31<sup>st</sup>-August 28<sup>th</sup>, as well as September 11<sup>th</sup>. Currently volunteers include Tom Ferris, Larry White, George Meyer, George Jesien, and Prudy Stewart.

APPROVED