

**TAMARACK TRAILS  
FINANCE COMMITTEE MEETING MINUTES  
WEDNESDAY, JULY 19, 2023**

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

**1. Property Insurance Update (Louis Perry, Rural Mutual Insurance)**

Louis Perry of Rural Mutual met with us to talk about insurance policy renewal issues. Louis informed us that the new declaration page with the new insurance premiums is not yet available. He did say that it should be available by the end of July. Louis informed us that the rates will be unchanged, but with the policy inflation guard that the coverage amounts will increase by 7%. This should result in a \$4,000-\$5,000 increase in premiums. Louis reviewed a sample of condos and everything looks good. Next year his review will include all Tamarack buildings.

We discussed whether the Commercial Crime coverage was necessary when we already have basic coverage of \$50,000. If we eliminate this extra coverage, we will save almost \$8,000. Even if we eliminate the Commercial Crime coverage, we may need (a) Abuse and Molestation, and (b) Employment Related Practices coverage.

Finally, we discussed increasing Umbrella Liability coverage from \$10 million to \$15 million. This would result in a premium increase of approximately \$2,000.

With these potential changes, preliminary expectations are that premiums will remain unchanged.

Due to two budget committee meetings the third week in August, we were planning on canceling the August Finance Committee meeting. Since we need a decision on the insurance before September 1<sup>st</sup>, we will hold a Zoom meeting on August 16<sup>th</sup> to come up with a recommendation to the Board on renewed insurance coverage.

**2. Meeting Minutes Approval**

The minutes from the June 21, 2023, meeting minutes were approved as written.

**3. Unaudited June 2023 Financial Report**

The June 2023 Financial Report was not yet available at the time of this meeting. The report will be sent out to everyone once it is available. At the end of June, the balances in the US Bank investment account and Edward Jones account are as follows

- a. US Bank: \$541,500, increase of \$20,800 from end of May.
- b. Edward Jones: \$331,300, increase of \$900 from end of May.

#### **4. Edward Jones Investments**

##### **a. Reinvest Maturing T-Bills and CDs**

US Treasury Bills with a matured value of \$67,000 will mature on 8/31/2023. CDs with a matured value of \$69,000 will mature on 9/5/2023. Since we did not have the June financial report yet, we were unable to make a decision on how to reinvest the T-bills and CDs that will mature at the end of August or early September. Since we will schedule a Zoom meeting on August 16<sup>th</sup> to discuss the insurance renewal, we will also discuss and come up with a recommendation to the Board regarding the reinvestment of investments with Edward Jones.

##### **b. Operating Funds or Reserve Funds**

At the May and June meetings, we briefly discussed whether the Edward Jones investments should be transferred to the reserve fund since they represent excess operating earnings over the years. The 2022 audit report classified the investments in Edward Jones as operating funds. Two issues to be decided are:

- i. How much operating cash is needed? According to the Tamarack Trails Accounting Policies and Procedures Manual, the current target for the operating fund is one month of general operating expenses. In June, one suggestion was to set the target for the operating fund operating cash at two months of general operating expenses. Based on the 2023 operating budget that amount is just under \$200,000.
- ii. The second issue is whether the Edward Jones investments should be in the operating fund or reserve fund.

We will also defer a decision on these two issues until the Zoom meeting on August 16<sup>th</sup>.

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

Stacey discussed the following topics:

- a. Asphalt and related concrete work on Oak Creek was originally to be started in mid or late July, but has been delayed. Stacey will send out a notice once we have a better idea of when Poblocki (asphalt) and Affordable Concrete (concrete) will be available to do this work.
- b. Stacey gave an update on the wood rot issue at 9 Mountain Ash. Heins Contracting's initial cost estimate is just under \$9,300. We expect that there will be additional costs. Once we know the cost, then we need to determine how much Tamarack is responsible for and how much the owner will be responsible for. It appears that 17 Mountain Ash has the same situation.
- c. Swimming pool - The temporary fix to the cracks at the start of the deep end to get us through this season appear to still be working. There has been an issue recently with the pH indicator alarm going off. We are working with Badger Pools to address the problem. In the meantime, Stacey and Rollie are manually adjusting the chemicals.
- d. Work on decks has been delayed due to post wood rot problems. We cannot replace the deck boards where the posts have wood rot, because the posts may not be able to safely

support the deck boards, especially when we are using heavier composite boards. In addition, when we replace the decks, we have to modify the railings because the railing boards need to be closer together. Several contractors are looking at some decks and will provide us with quotes.

**6. Other**

The plan was to not hold a meeting in August due to 2 budget committee meetings that week. However, as discussed above, we will now schedule a Zoom meeting at 3pm on August 16<sup>th</sup>. The next in-person meeting will on September 20, 2023, at 3pm when we will discuss the draft 2024 budget.

APPROVED