

**APPROVED**  
**TAMARACK TRAILS**  
**FINANCE COMMITTEE MEETING MINUTES**  
**WEDNESDAY, May 15, 2024**

**In Attendance:** Committee Members: Tom Ferris, Larry White (Zoom), George Meyer, Denison Tucker, Dave Larson (Tamarack Treasurer), Jane Vaske, Bill Probst; Board Liaison: George Jesien; Guest Speakers: Keith Findley, Janet Hirsch; Also, 3 residents attended in person.

**1. 2023 Audit Presentation (Jordan Dittmer, Wegner CPAs)**

- 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. Jordan thanked Jean and Stacey for their hard work on the audit. He let us know that they will once again be issuing an unmodified opinion. Wegner will finalize the audit report once they get a signed management representation letter and a notice that the Board has approved the audit to be finalized.

**2. Meeting Minutes Approval**

The April 17, 2024, meeting minutes were approved as written.

**3. Unaudited December 2023 Financial Reports**

**a. Comments and Questions:**

Two issues were discussed regarding the March financial statements:

- i. The investment of excess cash amounting to \$250k was completed in early April and, therefore, has not been reflected in the March Financial Statements. As a reminder, the \$250k was invested in a \$246k CD @ 5.3% and a \$4k CD @ 5.25%. The investment was broken up this way due to the FDIC. As of April 30, 2024, Tamarack's investment in Edward Jones amounts to just under \$595k.
- ii. The operating cash and investment balance as of March 31, 2024, was just under \$260,000: operating cash was just over \$101,000, the contingency fund was just under \$26,000, and the Edward Jones money market account was just under \$132,000. Tamarack's current operating cash and investment target is \$100,000. While we could make a transfer now, a decision was made to not do it at this time for two reasons:
  1. The audit adjustments and reversing entries have not been reflected in the financial statements yet.

2. Historically, the highest spending months are May through September.

**b. Reserve Fund Balance**

Based on the 2022 audit report and the Unaudited March 2024 income statements, the March 31, 2024, Reserve Fund Balance is estimated to be almost \$1,183,000, an increase of \$63,000 from the February 29, 2024, balance. The reserve balance as of March 31, 2024, consists of the US Bank investment balance of \$595,000, Edward Jones investments of \$212,000, and cash and other net assets estimated as \$376,000. The US Bank investment balance as of March 31, 2024, reflects an increase of about \$13,000 from the February 29, 2024, balance. However, the US Bank investment balance was \$573,500 as of April 30, 2024, a decrease of \$21,500 from the balance as of March 31, 2024.

The estimated reserve fund balance of almost \$1,183,000 as of March 31, 2024, compares favorably to the self-imposed minimum reserve balance as of December 31, 2023, of \$551,900 and the self-imposed minimum reserve balance as of December 31, 2024, of \$565,700.

**4. Proposal for Prioritizing Energy Efficiency & Renewable Energy**

The Board of Directors referred the policy proposal for Prioritizing Energy Efficiency & Renewable Energy drafted by Keith Findley to the Maintenance, Finance, and Amenities Committees for review and comment. Maintenance has reviewed the policy, but rejected the policy at their April meeting, and again at their May meeting. James Steinbach requested that Finance and Amenities review the policy as soon as possible, so that the Board can have a resolution to act on at the May 28th meeting; or at the latest, the June 25th meeting. The draft policy was sent out in advance and the meeting packet included the policy proposal with suggested modifications. The Finance Committee discussed the policy proposal as modified by committee members. After a discussion, the Finance Committee agreed to recommend to the Board that it approve the policy statement as modified by the Finance Committee. The committee, however, didn't feel comfortable approving the implementation list and agreed to recommend that the Board should task a group to develop an implementation system based on what is currently being done by staff and which will be most efficient and to develop a list of top priorities. The committee also agreed to recommend to the Board that it pursue an independent energy audit. The motion was passed with Larry White abstaining.

**Action Item: The Finance Committee recommends to the Board that it:**

- 1. Approve the attached policy statement for Prioritizing Energy Efficiency & Renewable Energy as drafted by Keith Findley and modified by the Finance Committee.**
- 2. Task to a group:**
  - a. To develop a system to implement the policy statement that is based on what is currently being done by staff and will be most efficient for staff to follow.**
  - b. To develop a list of top priorities.**
- 3. Pursue an independent energy audit.**

## **5. Swimming Pool Replacement Funding**

The meeting packet included a new proposed funding schedule that just includes loans of between \$200k and \$400k. It was reported that the pool work group has identified the following funding related issues:

- a. Attorney's opinion regarding collateral options.
- b. Financial institution options for any loans or lines of credit.
- c. Amount, term, timing of loans or line of credit, and other financial parameters.
- d. How to manage US Bank and Edward Jones investments during pool replacement.

It was reported that a letter has been drafted to send to Tamarack's attorney seeking a legal opinion as to whether a loan or line of credit that is backed by assessments versus using common assets as collateral is allowable under Tamarack's restated declarations.

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

Stacey reported on the following:

- a. The 2011 Colorado truck was involved in an accident. The other driver has admitted they were at fault. The truck is still drivable, but due to the amount of damage and age of the truck, Stacey expected that the truck would be considered a total loss by the insurance company.
- b. The 2024 painting budget was approved for \$87,000. We received three bids all over \$100,000. Stacey talked with Victor, who was our painter last year and he lowered his bid to \$85,000.
- c. Stacey is looking for a contractor to do our concrete work. We are unsure if Affordable, who did our concrete work last year, will be able to do the work this year.
- d. Stacey needs someone to help her with the paperwork for switching our service level at US Bank from their Private Wealth Management division to the Wealth Management Division. Dave Larson volunteered to assist her. When Stacey gets

in touch with Chris Heying of US Bank, she will also inquire about the possibility of him being able to meet with the Finance Committee at our June meeting to discuss:

- i. Expected market for remainder of 2024.
- ii. How successful our investments have been when compared to the market.
- iii. Based on where we are at with the pool, what suggestions he has for managing the US Bank investments.

7. **Other**

Next Meeting – June 19, 2024 @ 3pm