

Finance Committee Minutes of July 16, 2024

The Finance Committee was called to order at 7:01 PM by Roddy Dean (Morven Woods). In remote attendance were Jeff Kretsch (Oakridge), Allison Powell (Foxfield), Dave Barrie (Oatlands), Ash Dean (Rokeby) and Bob Griesbach (Welbourne) attended by phone (no video). Catherine Neeley and Chris Rodgers from PMP also attended

On a motion from Jeff, duly seconded by Allison, the agenda was approved by a vote of 6-0.

On a motion from Jeff, duly seconded by Allison, the minutes of the June 18, 2024 meeting were approved 6-0.

Catherine updated the Committee about the audit, it is completed and signed and returned to Goldklang Group. She also stated that Goldklang and PMP are ready to start the 2023 audit when the Board approves Goldklang for that task. Roddy and Chris led a discussion about how to report CD interest going forward. On a motion by Ash, seconded by Jeff, the committee agreed by a vote of 5-1 to Direct PMP staff to make the change necessary so that Generally Accepted Accounting Principles (GAAP) were followed. That is, that PMP (Chris) will no longer report gain or loss on CD's, only on debt obligations, with those being U. S. Treasury notes.

Chris presented the Balance Sheet, Comparison Income Statement, The Proforma Statement, the Detailed Income Statement, and bank reconciliations. There was a question about a \$40 return check fee. Chris explained that fee is passed to the homeowner by adding it to the homeowner account. When the homeowner pays, that fee comes back to CountrySide with a positive addition to the fee account.

The committee also reviewed the Investment Spreadsheet. On a motion from Allison, seconded by Ash, the committee agreed by a vote of 6-0 to reinvest \$100,000 CD from Townhome reserves, \$100,000 from Pipestem reserves and \$75,000 from the operating account into CD's that have the best rate with a 4th quarter 2025 maturity. That term was picked to fill in the maturity ladder that has been established.

The committee reviewed the aging report and noted that the numbers are going down (past due balances). The delinquency ratio is 2.65%, which is below the 3% recommended by the audit.

The committee reviewed a prior owner "write-off" of \$1,058.22. These are none accounts where the prior owner sold their home, but the settlement company did not get the correct amount to CountrySide and PMP did not catch the error. PMP offered to send letters in an effort to collect it, but due to the age of the accounts, the committee thought the result would be no payments. On a motion by Allison, with a 2nd from Jeff, the committee agreed by a vote of 5-1 to write off this small balance. Catherine has stated that due to a change in Virginia law, PMP is now better able to monitor this in the future.

The committee also reviewed accounts past due over \$2,000 and suggested a possible garnishment on account #70998. Catherine to get the attorney and discuss possibilities.

Dave Barrie excused himself from the meeting at this time.

The committee reviewed the existing payment plans and noted that all 10 are paying as agreed. (Down from 11 last month – one dropped off as paid in full).

Jeff will report to the NAC that the audit is complete and that it is time to start the budget process for 2025.

We were going to try to get CountrySide's insurance agent to the next meeting, but due to a couple of vacation plans, the committee agree to delay that until the September 17, 2024 meeting.

The next meeting of the Finance Committee will be August 20, 2024.

On a motion by Ash, seconded by Allison, the committee voted to adjourn at 8:20 PM.