

Finance Committee Meeting

4.15.2020

10:00am

Via Zoom

Meeting called by: Jack Keely **Finance Committee Chair**

Facilitator: Jack Keely **Minutes taken by:** Heather

Timekeeper: Kim Visser

Attendees: Jack Keely, Ken Kirk, Jim Lightfoot, Barbara Shoemaker, Steve Miller, Stephen Raab, Kim Visser, Bryan Romero, Linda Spingler

Please read: Agenda, Draft Reserve Policy, YTD February 2020 Financial Report

Minutes

Agenda item: 2020 YTD February Reporting – 20 Minutes **Presenter:** Linda Spingler

Discussion:

Linda presented the 2020 YTD February financial reporting package.

Conclusions:

Finance Committee had no questions or concerns regarding the financials. Auditor (Moss Adams) will report to Finance Committee by May 2020.

Agenda item: Review of Potential Cost Savings – 30 Minutes **Presenter:** Kim, Bryan and Linda

Discussion:

Lease for Unit C (Kim), Operations (Bryan), Administrative (Linda)

Conclusions: The Finance Committee asked Kim to check in to two options for the lower level

1. Sublet Unit C or Terminate Lease

Action items	Person responsible	Deadline
✓ Kim to begin discussions with William Greiner regarding termination of Unit C lease.	Kim Visser	n/a
✓ Linda will continue to monitor administrative and legal costs and adjust with staff and Board as needed	Linda Spingler	Ongoing
✓ Sewer Line Cleaning/Ops to Meet Again in May to discuss	Bryan Romero	May 2020

Agenda item: Approval of Reserve Policy – 15 Minutes **Presenter:** Kim

Discussion:

Linda Spingler created a “draft” Reserve Policy. Barbara Shoemaker also sent the Finance Committee a “draft” of her version. Jack Keely motioned to accept and approve Linda’s “draft reserve policy” and Barbara commented that she had concerns regarding the draft policy currently being presented to the Committee; Barbara believes the policy is now not specific enough after editing and is missing important details.

Conclusions:

Jack Keely called for a motion to Approve the Reserve Policy as presented to the Finance Committee and to recommend approve at the April 29th Board meeting. Barbara rejected the motion. Jim Lightfoot rejected the motion based on Barbara’s concerns. It was decided that Barbara and Kim will review the original “draft” Reserve Policy and revise to send to the Finance Committee for approval and recommendation to the Board of Directors for the upcoming Q2 Board Meeting.

Action items	Person responsible	Deadline
✓ Barbara and Kim will review “draft” Reserve Policy, revise for a final draft and present again via email next week to the Finance Committee for approval and recommendation to the Board of Directors	Barbara Shoemaker/Kim Visser- Weinmann	10:00 April 22

Agenda item: Investment Strategy – 15 Minutes **Presenter:** Jack Keely

Discussion:

Jack stated he was satisfied with the Vanguard investments and the Finance Committee was in agreement

Conclusions:

The Committee decided to continue using Vanguard for Co-op Investments.

Agenda item: Additional Items to be Discussed – 10 Minutes **Presenter:** Jack Keely

Discussion:

Jack Keely requested the Committee make a recommendation to the Board in April’s Board meeting. for approval to increase the rates July 1st for a 10% in water, 15% for sewer until it is recommended the rates increase is needed again.

Conclusions:

The Committee unanimously approved the rate increase beginning July 1st as presented.

Discussion:

Jack Keely opened a discussion regarding who is responsible for the GRT with Jacobs. The original document that was sent to the original Developer back in 2008 stated that Jacob’s charges GRT for rebatables only.

Conclusions:

Kim to obtain a revised definition regarding GRT from Jacobs Engineering

Discussion:

Jack Keely opened a discussion regarding sharing the Black and Veatch model with Board members so they can adjust as needed. Kim does not believe that sending the model to someone who is not on our server is a good idea, as it needs to with the Co-op server for confidentiality purposes. Linda proposed the Committee has one more working session regarding all questions and concerns regarding the rate model so the Committee members can be comfortable so we can confidently move forward with the rate study. Steve Raab suggested questions be brought to Linda’s attention beforehand so these will become agenda items to help clarify and close out all outstanding issues going forward.

Conclusions:

Document the decisions and rationale, the source, and how it was generated as a base model that were made when creating the rate study and why. The document can then be placed on the Board Only page as a PDF on the website for reference going forward.

Action items	Person responsible	Deadline
✓ Set up meeting to discuss, review and clarify rate model with the Finance Committee before 2021 budget planning meeting.	Linda	May
✓ Create document that explains how the base model was created for the Board Only section of website.	Bryan/Linda	TBD
