

**Regency Budget and Finance Committee  
December 20, 2016 Minutes**

Committee Members Present:

Vincent DeSimone, Committee Chair

Richard Ash,

Alan Datz,

Fred Gersten

Jerry Krzyzkowski

Bob Okin,

Mark Spinner,

Judy Russo

Edward Leski

Additionally Present:

Charlie Lerman, Board Member

The meeting was called to order at 2 PM on December 15, 2016

- 1) The previous November 17, 2016 meeting minutes were unanimously approved
- 2) Initial discussion concerned the funding of the Reserve Accounts for the 2017 Budget. There was no Kipcon report to review. There may be a need to increase the cash positions in the Reserve Fund for some items requiring immediate cash outlays from the replacement account during the transition period. Charlie Lerman explained the need to maintain a liquid cash position to meet those needs. The husbanding of funds prior to transition was then reviewed with the decision being taken to keep additional funds in cash or cash equivalents in lieu of making further investments with Morgan Stanley.
- 3) The ONS Engineering Report for the benefit of the HOA for the transition is currently under review by the transition committee.
- 4) The Finance Committee then went into Executive Session
- 5) The Finance Committee then discussed the suggestion to create a second Money Management account to work with the sections seven and eight (7 & 8) transition while continuing the relationship with Morgan Stanley Advisors for the continued funding for sections one through six (1- 6). Accordingly, the Reserve accounts for sections 1 through 6 will be isolated from the Reserve accounts for sections 7-8 as soon as practical. Subsequent to the entire Regency Transition (1-8) funding would then be joined through one Regency Reserve account. Even though the Reserve accounts would be initially separated, the Regency has one HOA and all sections are subject to the same requirements.
- 6) Charlie Lerman stated the Board is in favor of appointing a second Financial Advisor and requested members of the Sub investment Committee start the process. Richard Ash and Mark Spinner have agreed to start a search for a

Financial Advisor for sections 7& 8 to be presented to the HOA Board for their review and approval.

- 7) The Committee then discussed a review of HOA Contracts and their Insurance coverage and dates. Questions arose as to the Clubhouse cleaning expenses Charlie Lerman stated he will get a copy of that particular contract for review.
- 8) Vincent De Simone presented the Committee with an overview of the under and over budgeted YTD variances of actual to budgeted line items. The major line item variances continue to be Underfunded Toll Brother monthly payments and a Favorable Snow variance.
- 9) Jerry Krzyzkowski asked when the timing differences (accrued) for the financial statement presentation will be ready. Vince explained that he contacted Ida Porfirio via email. At the October 20, 2016 meeting, Ida said she would start the accrued method with the New Year.
- 10) Vincent De Simone suggested, and the Committee agreed, to cancel January 2017 and February 2017 Committee meetings, unless there was a need to meet. Thus the next meeting will be March 17, 2017 to review the HOA Audited Financial Statements and other items TBD.
- 11) The Meeting adjourned at 4 PM.