

GLA Finance Committee Meeting
Wednesday June 1, 2016 (6:30 – 9:00 pm)
Committee Meeting Minutes

Board Members Present: Rudy P.-Committee Chairman, Charlene M., Charlotte M., Dennis R.

Landowners Present: Tim B., Leo K., Regina W., Claudette D., Debbie B.

Meeting called to order 6:34 PM.

1. **Update on recalculation of incorrect interest from old QuickBooks by the accountant.** The accountant, working with Regina, has recalculated three of the past due accounts. The changes in the total amount owed are small, between \$5 and \$25 dollars. The difference will be greater with accounts that have been in arrears longer. There are 10 more accounts to be recalculated that do not yet have liens. 10 new liens will be filed with the corrected amounts. The older past due accounts have liens and will be recalculated. These old liens will be “perfected,” refiled and brought up to date before collections letters are sent out. **A Question of what has been spent on the accountant and are we over budget because of this recalculation work?** Answer: The accountant budget is \$7200 per year. Divided by 12 that is about \$600 per month. From Jan – April \$2,565.79 was spent. That is \$165.79 over budget.
2. **Review of letter from Accounting and Tax Solutions.** Regina will review the three accounts that have been recalculated and will continue to work with Julie on remaining recalculations. The letter addressed concern of the backup of changes to the QuickBooks file between Rudy and Julie. The QB file is stored on DropBox and shared between Rudy and Julie/Micah. Discussion concluded that Micah should make entries of landowner address changes and new owners. Labels and member lists will still be produced by Rudy from the QB file.
3. **Update on Collections.** Year to date, Jan – April 2016, \$12,000 in past due money has been collected. About \$5,000 of this \$12,000 was from the sale of 3 properties. To compare, \$14,000 was collected in all of 2015. There is one new payment plan in place.
4. **Signing Confidentiality Agreement by members of the Finance Committee/Panel.** Copies of the draft Finance Committee Member Confidentiality Agreement were distributed. A few edits were suggested. Landowners were encouraged to review the draft and offer further suggestions. EDITS: change “proprietary” information to “personal” information and strike; ~~“New personnel acquisition plans, or other business information.”~~
5. **Continue discussion to establish procedures for dealing with long term delinquent accounts (2 years and over)** Copies of the Outline of GLA Collection Procedure were distributed. This document was included in the May 25 newsletter mailing for 30-day comment by landowners. Edits were noted and will be sent to the board as part of the 30-day input. Landowners are encouraged to send further edits to the board by June 25.

A discussion of 12% interest vs. 15% interest. Clarification that the board’s vote to use 12% simple interest or the greatest amount allowed by law was meant to be retroactive. 18% interest as stated in covenant 11.06 is not in alignment with MT State law. Compounded interest is also not allowed. Landowners present expressed concern that to ‘give away’ interest rewards the delinquent landowners. A suggestion that the 15% interest rate be levied on all accounts and only change it to 12% if a landowner goes to court. Rudy estimates that of the \$267,507 in past due money, the interest is about \$73,932 at 18% interest, \$49,288 at 12% interest rate. All amounts are at simple interest. 18% is not allowed. The difference between 18% and 12% is \$24,644. The collection attorney, Rick Landers advised that 12% is supported by the courts.

6. **Donations for extra gravel. Thank you!**
 - a. Tim B. 2 loads (SG)
 - b. Dennis R. 1 load (SG)
 - c. SpecTec 4 loads for Hercules (SG)
 - d. Walter & Regina W. 1 load for Polaris (SG)
 - e. Thomas B. 2 loads (NG)
 - f. Byron K. 1 load (SG)

Action Item: Rudy send invoices and Thank You cards for the gravel donations.

- 7. Cover Sheet to accompany Treasurers Report** to give important information at a glance.
- a. % of \$\$\$ collected on the quarterly invoices, split out by land and dwelling assessment (our budget is based on a 85.54% collection rate for land assessments and a 86.36% collection rate for dwelling assessments)
 - b. Deposits of \$\$\$ amount YTD using current % rate of collection based on quarterly invoices
 - c. % Of budget spend, compared to % of budget collected YTD
 - d. Out of the ordinary income or expenses
 - e. \$\$\$ Amount collected on past due assessments
 - f. \$\$\$ Amount collected of the current years budget
 - g. \$\$\$ Amount of unallocated savings (change from previous month)
 - h. Add a report on any Fund money spent, such as emergency road work, snow plow purchase, etc
 - i. \$\$\$ Amount of allocated savings
 - j. Run a delinquent report each quarter to see who is behind for that quarter

Action Items: Rudy ask Micah to input the budget in quarters into QB. Move \$40K of unallocated savings; 20K to SG Road Fund and \$20K to NG Road Fund. Run a delinquent report each quarter to see who has not made that quarterly payment. Ask Micah to correct the blurb at the bottom of the statements. An old blurb was included on the recent statements.

Additional topics discussed after agenda was completed. Tim B. pointed out that SG 28 is not listed in the Articles of Incorporation. And the lot, SG23-A and lot, NG 14-A are not under the GLA covenants. Tim wants the board to ask the GLA attorney if he is required to remove confidential GLA meeting minutes that he posted on his public Forum website.

Action Item: The board will discuss these issues at the next BOD meeting on June 13.

Meeting Adjourned 9:00 pm

Next finance committee meeting: Wed. July 27, 2016, 6:30-9:00 pm, Liberty Hall.