

The Oceanage Association, Inc.
Finance Committee Meeting
July 24, 2025
Meeting Minutes

Attendance:

Committee Members Present:

Michael Crowley (272) – Chair
David Burka (186/187)
Jody Dreyfuss (107/108)
Ed Paneque (164)

Property Manager Present:

Sean Arena

Agenda:

- 1) Financial statement results for June 2025
- 2) Presentation and discussion of a 2025 reforecast
- 3) Discussion of a draft Spending Authorization Policy

Discussion:

1) Financial statement results for June 2025:

a. Balance Sheet:

i. Operating Cash Accts

1. The operating cash balance at 6/30/2025 was \$160,538. For information purposes, the balance in Assessments Received in Advance was \$214,740 at 6/30/2025.

ii. Reserve Cash Accounts

1. The total in our Reserve checking and savings accounts was \$859,099 at 6/30/2025. The 3rd quarter 2025 funding of \$100,000 will occur prior to July 31, 2025.

b. Statement of Revenues and Expenses:

- i. Account 8050 Insurance, as expected, is \$11,665 favorable to the budget
- ii. Salaries and benefits – although payroll expenses are unfavorable to budget, Health/Life Ins/Retirement is favorable to budget. As a category, Salaries & benefits are \$1,295 favorable to budget
- iii. Account 8220 Maintenance supplies is \$1,225 unfavorable to budget due to required purchases related to the summer maintenance checklist
- iv. Account 8240 Pool supplies is \$2,604 unfavorable to budget due to the required replacement of a pool pump
- v. Account 8525 Contingency expense relates to the continued improvements to security at the guardhouse. These improvements include the installation of a license plate reader as well as other security improvements

2) Presentation and discussion of the 2025 Reforecast:

- a. Ed Paneque prepared a reforecast of the Association's operations for the remainder of 2025 and led a discussion of the projections
 - i. All Income accounts were projected based on the 6/30/2025 year-to-date totals recognizing that Other Income for June year-to-date totals include a one-time revenue recognition of \$8,525 related to the Broward County bond returned to the association during the 1st half of 2025
 - ii. Insurance expense was projected to continue being favorable to budget by approximately \$11,000 per month resulting in a total of approximately \$83,000 favorable to budget for the year
 1. All other Administration accounts were projected based on 6/30/2025 year-to-date totals
 - iii. Payroll and benefits were projected based on 6/30/2025 year-to-date totals resulting in payroll/benefits projected to be favorable to budget for 2025
 - iv. Although Roof repairs for the year have been running favorable to budget, total roof repairs for the year were projected at budget levels
 1. All other Maintenance and repair accounts were projected at budgetary levels
 - v. All Contractual accounts were projected at budgetary levels
 - vi. Water and sewer is projected to be favorable to budget based on 6/30/2025 year-to-date totals. The 2nd half of 2025 is projected at budgetary levels
 1. All other Utility accounts are projected at budgetary levels
 - vii. Contingency expense was projected at approximately \$130,000 based on 6/30/2025 year-to-date totals plus an additional \$6,000 to complete the guardhouse security related improvements, \$78,000 related to required property repairs identified by the Building Committee and an additional \$20,000 related to potential unknown repairs.
 1. It was mentioned that some of these required repairs may relate to the Association's Reserve account and will be considered when these costs are incurred
 - viii. Total Income for 2025 is reforecast to be an approximate \$80,000 surplus

3) Discussion of draft Spending Authorization Policy

- a. Mike Crowley led a discussion of a draft version of a Spending Authorization Policy. The draft version was prepared 1 ½ years ago by Ed Paneque and Ed Nappa based on a previous version prepared by members of the Finance Committee. Some of the key items discussed included:
 - i. The Committee agreed on the first 2 sections of the draft policy, i.e., Purpose and Guidelines
 - ii. Under the 3rd section, Required Authorization, a discussion ensued related to Item 3.c. related to expenditures requiring the approval of the President, Treasurer and one other Board member

1. Amongst other suggestions, it was recommended to change the word "Expenditures" to "Obligations" as well as to include a range (i.e., above, and below) of authorized expenditures.
- iii. Under Item 3.d. it was recommended to change the phrase "non-recurring expenditures" to "contracts" and to include the word "majority" as related to the Board of Directors' approval (i.e., a majority of the Board of Directors).
- iv. Under Item 3.f. it was recommended to further define the phrase "Major purchases" to include a dollar amount.
- v. It was noted that although he had to leave the meeting early, Ed Nappa had submitted a request for specific items to be considered for inclusion in the policy. However, since the request was not readily available during the meeting, the request would be followed up for consideration.
- vi. It was recommended that the final draft of the Spending Authorization Policy be approved by the Board of Directors
 1. It was also recommended that the Board approved Spending Authorization Policy be signed individually by each member of the Board of Directors.