

**The Oceanage
Finance Committee Meeting Minutes
February 21, 2025**

Attendance:

Committee Members Present:

- Ed Paneque (#164) – Chair
- Mike Crowley (#272) - Treasurer
- Jody Dreyfuss (#107/108)
- David Burka (#186/187)

President Present:

- Ed Nappa (#209)

Property Manager Present:

- Sean Arena

Agenda:

- 1) Introduction/Opening Remarks
- 2) Review January 2025 Financials
- 3) Operating Cash Balance & Replenishment Special Assessment

Discussion:

- 1) Ed P gave an update on a) chart of account clean up and revisions to make 2025 and future reporting more streamlined, b) 2025 Budget was uploaded to Quickbooks and c) 2024 first draft of audit report had been received and was under review. While the report will have some clean up as is typical, no major issues were noted by the auditors.
- 2) Mike C. led the review of financial activity:
 - a) Due to/from Operating Reserve account of (\$8,929) is due to items reclassified to operations that were originally coded to the Reserve.
 - b) Operating Cash at 131 was approx. \$368K, which includes \$492K of Assessments Rec'd in Advance and collections for Feb/Mar expenses, resulting in "effective" cash balance of negative \$124K.
 - c) Overall January Operating P&L is over budget (unfavorable) by \$3,118. Major variances will be discussed below.
 - d) Dock Income is unfavorable (\$825) due to not slips renewing.
 - e) Legal favorable \$1,500 as no legal expenses were incurred.
 - f) Dock Expenses unfavorable (\$4k) as unexpected dock repairs were necessary. We will be over budget for the year and will monitor spending and usage of our contingency line.
 - g) Misc Repairs over budget (\$1,334). Will investigate further and monitor spending needs

- h) Fire Extinguishers over budget (\$2,219) due to replacements required as a result of inspection findings. Inspection was budgeted for later in the year, so this should be mostly timing. However, remaining budget doesn't leave too much room.
 - i) Water/Sewer under/favorable budget (\$4k). Will continue to monitor usage, rates and timing of monthly budgeted amounts.
 - j) Contingency favorable \$8K as no amounts were coded against this account.
- 3) Ed P. led a discussion regarding the concern about the operating cash balance (i.e. positive cash balances due to assessment rec'd in advance) and the potential need for a cash replenishment special assessment. It was mentioned again that this situation has been occurring for many years. It was also mentioned that it has always been managed by the board and manager. A consensus on how to address was not met. The Finance Committee will not be recommending a Special Assessment at this time. Operating cash will continue to be monitored and managed as best as possible.
- 4) Spending Limit Authorization Policy was discussed briefly and will be revisited to attempt to craft appropriate language and policies that can be adhered to and improve spending controls.