

INFORMATION



April 07, 2021

Subject: 5501 Subcommittee Report – 03/23/21 Meeting on February 2021 Financial Records

BACKGROUND:

California legislature Assembly Bill #2912, effective January 1, 2019, created new civil code 5500/5501.

1. Civil Code 5500 Items Monthly Review Meeting Items
 - a. Current reconciliation of the association's operating accounts,
 - b. Current reconciliation of the association's reserve accounts,
 - c. Current year's actual operating revenues and expenses compared to budget,
 - d. Latest account statements prepared by the financial institutions for all accounts,
 - e. An income and expense statement for the association's operating and reserve accounts, and
 - f. Check register, monthly general ledger, and delinquent assessment receivable reports.

2. Civil Code Monthly CA5501 Report
 - a. A statement that subcommittee members have reviewed the items in (1) above,
 - b. A statement regarding any noteworthy findings, including any corrections to be made in a further review of the month and or subsequent months, and
 - c. Acknowledgment by subcommittee participants of their participation in the review.

REPORT:

- a. The subcommittee met on March 23, 2021 - from 3:00pm to 4:45pm and reviewed items in (1) above for February 2021 financial records.
 - a. The subcommittee reviewed January Financial Statements/Report. February Financials: [Financial Presentation](#)

- b. Investments Reconciliation for February separately reviewed by the Treasurer and the alternate board attendee (Courtney Murrell). Confirmation sent by the Treasurer to the GM, DFA, alternate Board attendee (Murrell) and the Chair and Vice-Chair of the Finance Committee. (**Attachment A**)

- c. The subcommittee reviewed the trial balance, General Ledger, check register and supporting reconciliations. Several check payments and reconciliations were reviewed noting no exceptions. The committee review \$10,000+ payments report. Reviewed reconciliation detail for Tri Counties Bank Accounts- General, Money Market, and Cash Receipts and tracked 4 randomly selected checks from check register to general ledger to bank statement. Reviewed back up for 4 checks from the check register.

- d. The subcommittee reviewed member delinquent accounts receivable reports. Note, the full Board is briefed in executive session monthly on this matter. Suggested to review in detail quarterly.

- e. Other discussion items included: Transfers made in March from Operating Tri Counties to Reserve and Development fund. Progress of selecting new accounting software. Capital Funds summary for February.

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- f. The subcommittee noted no adjustments necessary to the January 2021 financial statements. Items for follow-up at a future date include the following:

Old, remains outstanding:

1. Investment account reconciliation training
2. Written Treasury Policy
3. Written Collection Policy
4. January & February summary income and expense statements for operating and reserve accounts.

*Follow up review:

1. Revised Assessments Posted Report: (**Attachment B**)
2. Canada Ticket: Ticket Stock- Snowplay, DHS & XC (**Attachment C**)
3. LP Software: LPMS Case Management and Cameras (**Attachment D**)
4. Old ASO deposits on file: Sheryl Walker reviewed the list of old deposits and we have updated to show only active projects.

- g. Committee Attendees (Acknowledgment received via email confirmation for all listed below)

1. Steve Mahoney, Treasurer
2. Courtney Murrell, Secretary
3. Cathy Ravano, Finance Committee designee
4. Jim Colbert, Finance Committee designee
5. John Dundas, Finance Committee designee
6. Terry Watson, Finance Committee designee
7. Ed Melia, Finance Committee designee
8. David Mickaelian, General Manager
9. Todd Martyn-Jones, Director of Finance
10. Tom O'Neil, Controller
11. Tracy Pearson, Accounting Manager
12. Additional Finance Committee Applicants: Denise Gauny, Yunhee Yoo, Michael Rudolph

- h. Next 5501 Meeting – March 2021 Review is scheduled for April 27, 2021.
(Board – Treasurer and Roth)

Prepared by: **Tracy Pearson, Accounting Manager**

Board Agenda Meeting Date for Ratification: April 23, 2021

GM Approval for Agenda: