

Community Services Associates, Inc.
Finance Committee Meeting
May 14, 2019

On Tuesday, May 14, 2019, a regular meeting of the Community Services Associates, Inc., (CSA), Finance Committee, was held at the CSA Administration Building, 175 Greenwood Drive, Hilton Head Island, SC 29928.

Roll Call

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| Present: | Scott Calahan Lisa Laudermitlch Larry Movshin | John Farrenkopf Lee Ann Leahy Stu Rodman | David Herskovits Lee McCollum Michael Tucker |
| Absent: | Carolyn Adams Ray Warco | John McEnery | Richard Speer |
| Ex-Officio: | Mark Griffith | | |
| Staff: | Bret Martin Tracey McNeill | David Henderson | Hayes Williams |

Call to Order

The meeting was called to order by Stu Rodman, Chair, at 9:00 a.m., Eastern Time.

Ratify Approval of the March 19, 2019 Meeting Minutes

The March 19, 2019, Finance Committee meeting minutes were approved. Lee McCollum made the following motion, seconded by LeeAnn Leahy and unanimously carried:

“**RESOLVED**, the Community Services Associates, Inc., Finance Committee, approved the minutes of the March 19, 2019, meeting, as submitted”.

Financial Update

Acceptance of Unaudited YTD/March 2019 Financial Statements – Hayes Williams

- The YTD/March 2019 financial statements were reviewed.

The balance sheet as of March 31, 2019, was reviewed. Total assets, on an accrual basis, were \$23,659, a decrease of \$561 compared to the same period last year. A total fund balance of \$21,826 was reported, a decrease of \$494 over the same period last year.

The income statement as of March 31, 2019, YTD, was reviewed. Actual revenues over expenditures were \$5,225 resulting in a positive variance to budget of \$423.

The YTD/March 31, 2019 Financial Statements were approved. David HersHKovits made the following motion, seconded by Larry Movshin and unanimously carried:

“RESOLVED, the Community Services Associates, Inc., Finance Committee, approved the YTD/March 31 2019 Financial Statements, as submitted”.

New Business

Independent Audit RFP – Stu Rodman

- After discussion of the Audit RFP the committee decided to delay the RFP for another year. There was a discussion about a possible price reduction of the current audit due to the fact that CSA Staff prepared the financial statements and related footnotes for Elliot Davis.

Independent Audit Opinion Discussion – Stu Rodman

- Mr. Rodman inquired about the possibility of getting an Unqualified Opinion on the audited financial statements for CSA. A discussion followed, it was decided that management will make inquiries to Elliot Davis about what would be needed to receive an Unqualified Opinion.

Annual Report/SAS 114 Report – David HersHKovits

- Mr HersHKovits noted the SAS 114 report was included in the Committee package. There were no audit adjustments.

Status of 2018 Income Tax Returns – Hayes Williams

- Mr Williams reported that the deadline to file was extended to November. He will provide a copy of the return to Committee members when it is completed.

Investment of Excess Assessments –

- Approximately \$3,000,000 was invested with maturity in July, August and September to meet cash flow demands. The investments are in United States Treasury Notes in accordance with investment policy.

Old Business

Special Assessment Report

- Ms. LauderMilch and Mr Farrenkopf reported to the Committee on their April 2nd sub-Special Assessment sub-committee meeting. In order to apply credit to the 2020 Annual Assessment it was decided a cutoff date for special assessment expenditures be October 31, 2019. Lee Ann Leahy made a motion that the Finance Committee recommends to the CSA Board that previously collected Special Assessment (Hurricane Matthew) expenditures be evaluated as of October 31, 2019. Such unspent special assessment balances should be credited to each property, based upon a ratable calculation that

aligns to how the amounts were collected. Lee McCollum seconded and the motion passed unanimously.

“RESOLVED, the Community Services Associates, Inc., Finance Committee, recommends to the CSA Board that previously collected Special Assessment (Hurricane Matthew) expenditures be evaluated as of October 31, 2019. Such unspent special assessment balances should be credited to each property, based upon a ratable calculation that aligns to how the amounts were collected”.

Referendum Update/Payment Plans –Bret Martin

- Mr Martin outlined the payment plan options available to property owners for Annual Assessments.

Beach Trolley

- Supplemental Short Term Weekly Pass revenue designated for the Beach Trolley revenue as of April 30, 2019 was \$18,296 with related expenditures at \$13,821 for a net revenue of \$4,475.

Adjournment

With no further business to come before the Committee, Chair Rodman adjourned the meeting at 10:05 a.m.

Respectfully Submitted,


Stu Rodman
Chair