

MINUTES OF FINANCE COMMITTEE MEETING

APRIL 20, 2026

In attendance: Chairperson Stephanie Thomas, Cliff Bujold (via speaker phone), Mike Hatmaker, David Loendorf

March Income Statement from HBS

- Stephanie reported that HBS has made necessary corrections to their statement to bring it into alignment with the revised and approved 2026 budget

March Treasurer's Report

- HBS accountant Jennifer Burns inquired about the date of the motion to pass to revised budget. Looking back at board minutes, no record was noted of the motion. **ACTION:** Stephanie will **make a motion** at next board meeting to amend the March 19, 2026, minutes to note the unanimous vote to approve the revised 2026 budget

HBS Accounting System

- HBS prepares financial reports on a cash basis: when payment is received, it debits the bank account and credits income
- Observation: Historically, the Villas Assn. has used cash-basis accounting on a consistent basis matching revenues and expenses
- Villas by-laws require accounting following "*generally accepted accounting principles*" (GAAP) (*Article V, Section 5.1.1*) *GAAP accounting does not include cash basis.*
- **ACTION:** Rather than require HBS to modify their Villas accounting system, the Finance Committee will **make a motion** to the Board of Directors to amend the Villas by-laws to allow cash basis accounting

Maximize Interest Income

- Discussion about investing in Treasury Bills for higher rate of return and to lower tax exposure on interest earned
ACTION: Consider T-Bills in the future; HBS does not invest in Treasury Direct
- \$100,000 Certificate of Deposit will mature in June
ACTION: Determine best rate of interest offered in May; consider 9-month CD to ladder investment maturity
- Discussion on moving cash into hi-yield savings accounts
ACTION: Instruct HBS to move the following:
 - \$25,000 from First Citizens operational checking account into a Live Oak hi-yield saving account for operations
 - Close out the reserve money market account and open a Live Oak hi-yield saving account for the reserve