Meeting called to order at 7:05 pm by Chairman Andrew McDonald

Members Present: McDonald, Gathers, Glenos, Tonadon
Members Absent: Bilbrey, Gooz
BOD Liaison: Robert Duncan, CSCA Treasurer
New member Nader Tomadon was introduced and welcomed to the committee.

I. Approval of Agenda: MOTION Passed

II. Approval of October 20, 2011 Minutes: MOTION Passed (note that the committee did not meet in November or December of 2011)

III. Resident Open Forum: No residents in attendance

IV. Review of Financial Reports: Reviewed October and November 2011 financials

   a. Members noted no specific new trends or deviations from budget in these two months’ financial reports.
   b. Members acknowledged the need for efficiency and standardization in the preparation of the monthly financial reports. However, the committee is also interested in maximizing their usefulness in quickly identifying the most significant deviations from plan. To that end, we will continue to offer suggestions for streamlining and other potential enhancements.
   c. Members share some concerns articulated by the prior Board Treasurer/FAC liaison about inconsistency in the application of accrual accounting principles in the financial reports – specifically in the recording of assessment revenue. We understand that some changes may already have been implemented for 2012 and will defer any further comments on these issues until several of the 2012 reports have been reviewed.

V. Old Business:

   Members resumed a 2011 discussion of the draft Board Resolution concerning the investment policy for CSCA operating and reserve funds. The FAC in general finds the new draft to be a notable improvement over its 2003 predecessor. However, in light of the Association’s extremely straightforward investment objectives (maximum return with no risk of loss of principal), there is concern in the FAC that the document and some of the proposed processes are unduly complex – perhaps to the point of limiting their usefulness or the Board’s practical ability to demonstrate compliance.
Members noted with interest the suggestion that the FAC would be primarily responsible – subject to BOD review -- for the process of selecting and evaluating the work of the investment advisor. Members support the notion of regular performance evaluations for the investment advisor and would suggest establishing a maximum interval (e.g., 5 years) between solicitations of new proposals for this service. However, members would like further clarification of the expected respective roles of the FAC and the Treasurer in regard to these matters.

VI. New Business:
   a. Members expressed interest in the process for budgeting, accounting and tracking the actual costs of the specific phases of the Cameron Club renovation project that have been authorized to begin in 2012. Board liaison Duncan committed to secure an explanation for FAC members, including the scope of any role for the committee in this process.
   b. The committee reviewed and acknowledged the scheduled FAC meeting dates for 2012.

VII. Adjournment: MOTION: Passed at 7:39 pm