

March 2, 2007
Finance Committee meeting
9:00 A.M. Raintree Clubhouse

Attendees:
Tom Atkins
Tom Tucek
Bob Christian
Rachelle Vandiver

Insurance Review

Rachelle stated that the new deck on the clubhouse may require additional replacement cost coverage. Bob Smith (current insurance agent), has suggested a replacement value appraisal for the clubhouse and the maintenance building. Nolan Plymel is updating equipment information with serial number etc., to have a complete list of equipment assets.

Should the limit on employee dishonesty be raised to \$250,000 since that amount is accessible through the checking account?

Issues raised in the meeting for Rachelle to discuss in her meeting with Bob Smith (current insurance agent):

The language in the insurance policy lists the clubhouse, the addition to the clubhouse, and the pool house as individual line items, with individual limits. The addition to the clubhouse is part of the same structure as the clubhouse, and the pool house has a roof that connects to the clubhouse. The committee would like Rachelle to discuss this with Bob Smith to better understand why this is structured this way.

The value of the pool house is listed as \$38,200. This value seems to be rather low.

What is the additional cost to raising the employee dishonesty coverage to \$250,000?

What is the additional cost to raising the umbrella policy to \$2,000,000?

Raintree Lake Village is part of our association now, but is not mentioned in the policy. (It did not exist when this policy was written). Do we need to consider this in our new policy?

The coverage for the rental pontoon is difficult to decipher. The \$1,000 listed on the policy may be for liability or just replacement for the boat itself. If it is just replacement, we may consider dropping this, since it can be replaced for about \$5,500 - \$6,000. Is this based on sales? If this includes liability, then are we paying for this twice in the same policy?

Further explanation is requested for "Cross Liability" and "Designated Operations".

Excluded is "Punitive Damages". Do we have no coverage here, or is it covered in the D & O policy?

Loan Renewal

The loan balloons in May of 2007. Lee's Summit Bank has offered to renew the loan on a 36 month amortization at a fixed rate of 6 ½ %, with no fees. Other than the interest rate change, payments will continue as scheduled. Approximate balance in May 2007 will be

\$102,000. At our current rate of payments, it will take approximately 23 months until payoff.

All present agreed that we would shop the loan to other banks in the area.

The Finance Committee is in favor of paying off the loan.

2006 Audit

Don Blythe will be working with Rachelle this week to do the final review for taxes, etc. The Finance Committee will need to meet again in approximately two weeks to review these reports, in time for the annual meeting.

Questions for Don on property tax: Can previous years be adjusted if needed?
Should/could maintenance equipment be Cass County or Jackson County?

The meeting adjourned at 10:30