

MINUTES
FINANCE LIAISON COMMITTEE MEETING
JANUARY 28, 2020

The meeting was called to order at 10:00 AM by Chairman Scott McCausland. Members present were Jody Ashenhurst, Ben Bastianen, Barbara Hayler, Scott McCausland, and Jay Schachner. Resident observers were Joan Bliss, Marcel Frenkel, Dave Haeckel, Glenda Lichter, and Minna Taylor. CEO Nadia Geigler, CFO Dan Churchill, and InformationTechnology Director Akintunde Littlejohn (LJ) represented The Admiral at the Lake.

Minutes of the October 15, 2019 meeting were approved.

Dan reviewed the 2019 annual financial report. Net results were - \$115.9K (-\$52.3K from operations, - \$63.6K from non-operations). Independent Living capacity was at 94.4% (187 apartments occupied of 198 available). He noted that these results were anticipated and are manageable. He also noted that we are meeting our bond covenants with a cushion.

Ben added that bond interest is our major expense, but that the bonds are not callable until 2025. He suggested that with current interest rates so low, we should consider another refinancing, even though new issues of these bonds no longer are tax exempt. Reinstatement of the exemption is under consideration in Congress, although no action has been taken as yet.

LJ summarized our IT operations. As Cyber security is a primary concern, Admiral operational functions currently are outsourced to four separate vendors for four separate services. Additionally we have an in-house local secondary server, with daily cloud-based backup. Staff access is on a need-to-know basis. Passwords are changed every 90 days. We have a \$3M Cyber liability insurance policy. It requires specific controls, with which we are in compliance.

Scott asked if Kendal has suggestions for specific controls. Dan said they do, and that they are about the same as ours.

LJ reported that the residents' network now is cloud based.

Barbara asked what would happen in the event of a data breach. LJ said we have a Breach Committee with specific response procedures.

Minna and Glenda asked who would step in if for any reason LJ were unavailable. He said his backup is at Kendal. In addition, he soon will have an assistant here at The Admiral.

Our next regular meeting is scheduled for 10:00 AM on Tuesday, April 28, 2020.*

Scott adjourned this meeting at 11:55 AM.

Jay Schachner
Secretary

* The COVID-19 pandemic having joined us, the next meeting has been rescheduled for 10:00 AM on Tuesday, May 5, 2020. It will be a video conference held remotely on Zoom.

