

Finance Committee - BEM Third Party Financial Support Company, Transition Ad Hoc Committee Update with Proposed Go Forward Plan. – 12/31/23

There has been a lot of acrimony between members of the Board in terms of determining next steps on Third Party Financial Support Company leaving the BEM Board with no consensus on the path forward. BEM members have been disappointed in the lack of cooperation by the Board leaving a question of trust in the members minds. This document is designed to understand where we are at, take the emotion out of it and determine the best logical path forward.

Status of Key Accomplishments to Date:

- The Transition team, which was formed at the November Board meeting, has made a lot of progress understanding the transition issues. The original goal was to have a decision made by the end of the year but there have been delays in getting information from BEM and some from Haven which has slowed the process. The team is still gathering payroll info from BEM and they need to work more with Haven which they should have wrapped up by the end of January.
- The Transition Ad Hoc committee has been charged with looking into our past relationship with Haven to see if it may be possible to stay with them or recommend moving to another company. The committee was also asked to compare Haven with bids from other companies for financial management only. Our findings are as follows regarding Haven:
 - We found communication issues on both sides that contributed to the falling out between both entities. Going forward, if Haven is still our service provider, we suggest that BEM's interface with Haven would be with a Treasurer elected by the Board in the January meeting and Deborah Kopp, who has proven to be a great resource for that role. Haven has said that, if this is a financial support contract only, Heidi would no longer be on the account.
 - Haven's Financial system, Vantaca, has two potential showstopping concerns for us which we don't yet know, if it can do what we want. We are in the process of getting final info to see if it is acceptable.
 - Potential lack of three-digit billing which is required for our water bills
 - Potential lack of a dashboard that will get us the financial data we need on a real time basis.
 - We believe we will have all the answers to these questions by mid January.
 - Haven has agreed to support us until May 31st, if we want that. The contract would need to be renewed if we want to continue after May 31st.

- The Transition Ad Hoc Committee and the Finance Committee have not yet seen all of the bidding information from the other providers. We would like get that information and provide a recommendation to the Board which is in our Charter

Key Timeline Events Before We Can Make an Informed Decision:

- Get finance support only bid from Haven - January 15
- Determine, if Haven is a viable future provider for financial only - End of January ●
- Get all information from Haven's systems to get our books in order - End of January ●
- Vote in a new BEM Treasurer and get them up to speed on what is going on - End of January.
- Evaluate competitive bids and provide a recommendation - February Board Meeting assume mid Feb.
- Time to bring on a new company, if it is not Haven - assume 60+ days from mid February vote which would mean end of April.

Recommended Path Forward:

- The Board continues to use Haven in our transition to working with a finance support contract until Mid-February at a minimum, when an informed decision about a third-party company can be made by the Board.
- Although the membership is not required to be involved in the Board vote on the third-party service provider, in the spirit of openness, the Finance Committee plans to provide the Board and the members with a summary of vendor pros and cons and the Finance committee recommendation to the Board and all members at least a week before the proposed February meeting. In this way, members may bring any valid questions to the February meeting before the vote.
- If Haven is the accepted service provider, we can continue with them with the new contract and contacts. If they are not the approved provider, after the February meeting we will notify Haven we would like to terminate our contract and work with Haven to begin the transition to the new company.

Summary:

The process of moving to a third-party management company has been an eye-opening experience in which we now know what we need. It has taken many hours for the Board members to get to this point to put a focus on a financial service provider to meet BEMA's needs. We believe the plan above, if followed, will provide the Board and our members with the best path forward.

This was drafted by committee member(s) and may not represent the opinions of the entire Board