

Finance Committee Minutes
March 17, 2022
SROA Board Room

Members Present: In person: Clark Pederson, Gerhard Beenen; members present via zoom: Brad Banta, Luis Bayol, Gerhard Beenen, Brian Dunham, Veronica Jacknow, Keith Mobley and Corey Wright

Alternate Members Present: Michael Applegate

Staff Present: Joe Healy, James Lewis

Gerhard Beenen called the meeting to order at 9:00 a.m.

Approve Minutes from February 17, 2022

The Committee unanimously approved the Finance Committee minutes of February 17, 2022 with corrections.

Review of February 22, 2022 SROA Board Actions

There were no comments on the February 22, 2022 Board Action items.

Approve February 28, 2022 Unaudited Financial Statements

For the month ended February 28, 2022, there was a net operating surplus of \$126,331 which was \$122,727 better than budget. Operating revenues were over budget by \$110,940 due to Recreation Plus Program (RPP) sales and a settlement payment related to the Caldera expansion settlement. Materials and services were under budget by \$16,289 due to timing of invoices and lower operating expenses. February's legal invoice had not been received at the time these reports were generated. Non-operating income was over budget by \$16,942 due to an adjustment in recording interest income on investments.

For the two months ended February 28, 2022, there was a net operating surplus of \$32,189 which was \$176,846 better than budget. Operating revenue were \$136,163 ahead of budget due to the above-mentioned reasons. As of the end of February RPP and MPP sales were at 94.1% and 32.1% of their respective goals. Material and services were under budget by \$36,422 through the first two months. As of February 28, 2022, there was a combined operating and non-operating surplus of \$484,620.

Total assets as of February 28, 2022 were \$37,820,702. Cash and investments totaled \$15,007,981 an increase of \$451,949 from January. As February 28, 2022, investments included \$6,552,321 US Treasuries and \$5,250,388 First Interstate Banks CDARS program. There is \$330,000 in prepaid insurance due to be refunded from cancelled policies. 60% of homeowners have prepaid their 2022 maintenance dues which is in alignment of recent history.

Cash Flow Update

As of February 28, 2022 there was \$15,007,981 in total cash and investments of which \$5,542,914 in the operating fund.

Event Coordinator Position

Assistant General Manager Keith Kessar presented managements request to rehire the Event Coordinator position to assist our Event Manager with upcoming events. With a significant number of events coming up over the rest of 2022, additional staffing is needed to facilitate the events. There was a discussion on room rental rates charged to both Sunriver owners and nonowners. It was consensus of the Committee that SROA should be making a profit on nonowner functions. The Finance Committee requested that management present adjusted pricing for nonowners to the admission model workgroup.

2022 Recreation Staffing

James Lewis presented a proposal to increase seasonal wages for p/t and f/t Recreation staff in effort to boost recruitment for the summer season. James and Recreation Director Leigh Anne Dennis reviewed the current hiring challenges including the location of Sunriver, competition for seasonal labor and the recent increase in fuel prices. Management feels that this proposal gives Sunriver the best opportunity to open recreation facilities fully and realize revenue goals for MPP, RPP and gate admission. After a lengthy discussion, the Committee unanimously approved recommendation of managements proposal to the Board of Director's.

By unanimous approval, the meeting was adjourned at 10:52 a.m.

The next Finance Committee meeting is set for April 14, 2022 at 9 a.m.

Submitted by Joe Healy