

Finance Committee Minutes
July 14, 2022
SROA Board Room

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

Staff Present: Joe Healy, James Lewis

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

Approve Minutes from June 16, 2022

The Committee unanimously approved the Finance Committee minutes of June 16, 2022 with no corrections.

Review of June 18, 2022 SROA Board Actions

There were no comments on the June 18, 2022 Board Action items.

December 31, 2021 Audited Financial Statements

Gerhard Beenen presented a summary of the audited statements for the period ended December 31, 2021. There were no adjustments from the statements presented to the auditors and SROA received a clean opinion.

Approve June 30, 2022 Unaudited Financial Statements

For the month ended June 30, 2022, there was a net operating surplus of \$76,345 which was \$122,185 better than budget. Operating revenues were over budget by \$15,995 mainly due to Recreation Plus Plan sales. Salaries and burden were under budget by \$82,411 due to open full-time positions in Public Works (3), Recreation (2) and Natural Resources departments (1) along with several p/t positions open in Recreation. Material & services were under budget by \$17,812 due to timing of month end close and savings in operating expenditures. June's legal invoices had not been posted as of this report date.

Through the first six months of 2022, there was a net operating surplus of \$342,596 which was \$515,053 better than budget. Operating revenues were \$230,951 ahead of budget due to RPP, Scene advertising, compliance fines and the Caldera expansion settlement payment. As of the end of June, net RPP sales totaled \$2,224,776 which is \$168k over the 2022 annual budget. RPP and MPP sales are 108.1% and 77.5% of their annual budget respectively. Materials and services were under budget by \$131,937 due to timing of invoices, operating equipment/supply delays and fire station roof not needing to be cleared of snow. A majority of these savings will continue through year-end. In June there was a \$136,832 spent on road and tunnel projects. Through the first half of 2022, there was a combined operating and non-operating surplus of \$1,003,395 which was \$627,558 better than budget.

Total assets as of June 30, 2022 were \$36,248,111. Cash and investments totaled \$14,335,914 a decrease of \$284,793 from May. As of June 30, 2022, investments included \$11,024,471 in US Treasuries and \$1,000,022 in First Interstate Banks CDARS program. In the beginning of July an additional \$500,000 180-day T-Bill was purchased. Two public works vehicles were placed into service in June. The annual RV/storage space invoices were also mailed out in June.

2nd Quarter Capital Transfer

The Committee unanimously approved the 2nd Quarter Capital transfer of \$611,602.91

Cash Flow Update

As of June 30, 2022, there was \$14,335,914 in total cash and investments of which \$3,600,205 was in the operating fund.

Capital Planning

The Committee discussed reserve and new capital planning including options on establishing a separate fundi for new capital and also setting a specific approved amount for each year capital expenditure to ensure the association stays on track for the 70-100% funding goal prior to 2042.

Owner Contact Information

Gerhard Beenen discussed the need for better electronic contact information from owners. After discussion, Joe Healy is to send out an email to all owners that currently receive annual billing information via regular mail and request they switch to electronic communication.

By unanimous approval, the meeting was adjourned at 10:05 a.m.

The next Finance Committee meeting is set for August 18, 2022 at 9 a.m.

Submitted by Joe Healy