

Finance Committee Minutes
May 18, 2023
SROA Board Room

Members Present: In person: Michael Applegate, Gerhard Beenen, Clark Pederson, Corey Wright; Via zoom: Brad Banta, Luis Bayol, Juliana Hayes, Keith Mobley

Staff Present: Joe Healy, James Lewis

Clark Pederson called the meeting to order at 9:00 a.m.

Approve Minutes from April 13, 2023

The Committee unanimously approved the Finance Committee minutes of April 13, 2023, with corrections.

Review of April 15, 2023 SROA Board Actions

There were no comments on the April 15, 2023 Board Action Items.

Approve April 30, 2023 Unaudited Financial Statements

For the month ended April 30, 2023, there was a net operating surplus of \$28,743 which was \$73,298 better than the budget. Operating revenues were less than the budget by \$3,467. Positive variance in interest income was offset by Recreations Plus Program sales and shortfalls in advertising and community development fees. Community Development fees and advertising revenue are both better than budget year-to-date. There are eight less homes in the Recreation Plus Program at the same point in 2022. Salaries and burden were under budget by a combined \$42,540 due to open f/t and p/t positions in the recreation and communication departments. Material & services were under budget by \$25,631 due to timing of contract services and billings for landscape maintenance. All legal invoices through April have been received.

Through the first four months of 2023, there was a net operating surplus of \$22,797 which was \$171,192 better than budget. Operating revenues were over budget by \$92,285 mainly due to the Caldera expansion payment, interest income and settlement with architects on the owner's pool DEQ fine. Salaries & burden were under budget by a combined \$75,072. \$222,187 has been earned in interest income. Year-to-date material and services were less than budget by \$6,404 mainly due to timing of contract services and billing for landscape maintenances. As of April 30, 2023, there was a combined operating and non-operating surplus of \$979,198.

Total assets as of April 30, 2023, were \$39,538,403. Cash and investments totaled \$17,646,066, a decrease of \$417,516 from March. As of the end of April there was \$16,618,831 invested in US Treasuries with durations between 90-day and 2-year and average yield of 4.5%. Receivables for maintenance fund and RPP plans were \$139,546 and \$322,559 respectively with \$90,000 in reserve for uncollectible. The second payment for RPP's is due June 1st. Retail inventory increased by \$11,167 in preparation for the upcoming summer season. Construction in progress items included work on the new public works yard and plastering of the indoor pool.

Cash Flow Update

As of April 30, 2023, there was \$17,646,066 in total cash and investments of which \$5,745,274 was in the operating fund.

Delinquency Policy

The Committee reviewed a red-lined version of the current delinquency policy to include fines and other charges imposed by the magistrate. The Committee unanimously approved the policy with one change from the draft presented the prior month moving the location of the phrase “to the owner’s address on file”.

The meeting adjourned at 9:45AM

The next Finance Committee meeting is set for June 15th at 9AM

Submitted by Joe Healy