

Finance Committee Minutes
August 17, 2023
SROA Board Room

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

Alternate Members Present: Betsey Nelson, Steve Murray

Staff Present: Joe Healy, James Lewis

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

Approve Minutes from July 13, 2023

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

Review of July 15, 2023 SROA Board Actions

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

Approve July 31, 2023 Unaudited Financial Statements

For the month ended July 31, 2023, there was a net operating surplus of \$39,991 which was \$15,435 better than the budget. Operating revenues were over budget by \$51,374. The positive variance was mainly related to SHARC gate admissions, interest income and an assessed fine for unauthorized tree removal. Salaries and burden were over budget by a combined \$11,145 mainly due to a fully staffed recreation department with p/t and f/t positions. Materials & services were over budget by \$18,145 for the month due to a long month-end close and legal fees associated with four owner accounts in different stages of collections.

Through the first seven months of 2023, there was a net operating surplus of \$147,152 which was \$366,628 better than budgeted. Operating revenues were over budget by \$144,796 mainly due to a Caldera expansion payment, interest income, and positive variances in design review and park reservations. Year-to-date MPP and RPP revenues are at 95.0% and 99.8% of their respective annual goal. Salaries & burden were under budget by a combined \$150,317 due to open f/t and p/t positions in the first half of the year. \$392,855 has been earned in interest income year-to-date in the operating and reserve accounts. The ladder fuel grant reimbursing SROA expenditures of \$173,262 was received in July. As of July 31, 2023, there was a combined operating and non-operating surplus of \$1,424,236 which was \$623,601 better than budget.

Total assets as of July 31, 2023, were \$38,251,547. Cash and investments totaled \$16,729,784, a decrease of \$36,923 from June. As of the end of July there was \$15,929,379 invested in US Treasuries with durations between 90-day and 2-year and average yield of 4.56%. Receivables for owner's fees (maintenance fund, storage space, fines) and RPP payment plans were \$139,027 and \$160,808 respectively with \$90,000 in reserve for uncollectible accounts against owners' receivables. The third and final installment for the RPP cards was due August 1st. Construction in Progress included design work on the public works yard and IT equipment.

Cash Flow Update

As of July 31, 2023, there was \$16,729,784 in total cash and investments of which \$3,931,930 was in the operating fund.

2024 Budget Schedule

The Committee received the 2024 budget calendar. Clark Pederson commented on the importance of attending the September 14th Board work session for the department head presentation on budget opportunities and challenges either in person or on YouTube.

The meeting adjourned at 9:55AM

The next Finance Committee meeting is set for September 14, 2023 at 9AM

Submitted by Joe Healy