

Finance Committee Minutes
August 15, 2024
SROA Board Room

Members Present: In person: Michael Applegate, Brad Banta, Gerhard Beenen, Mark Murray, Clark Pederson via zoom: Don Costa, Veronica Jacknow, Keith Mobley, Corey Wright

Alternate Members Present: Steve Murray

Staff Present: James Lewis, via zoom: Joe Healy

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

Approve Minutes from July 18, 2024

The Committee unanimously approved the Finance Committee minutes of July 18, 2024 with corrections.

Review of July 20, 2024 SROA Board Actions

There were no comments on the July 20, 2024 SROA Board Actions Items.

Approve July 31, 2024 Unaudited Financial Statements

For the month ended July 31, 2024, there was a net operating surplus of \$155,981 which was \$38,943 better than the budget. Operating revenues were over budget by \$4,875. Salaries and burden were under budget by a combined \$11,172 due to savings in burden. Materials and services were over budget by \$18,385 due to the timing of month-end close.

For the first seven months of 2024, there was a net surplus of \$118,169 which was \$152,603 better than the budget. Operating revenues were over budget by \$22,934 mainly due to SHARC admissions, Scene advertising and ladder fuel compliance fines. There have been thirty-four less RPP passes sold in 2024 compared to the same time frame as 2023. Salaries and burden were under budget by a combined \$192,802 through the first seven months of 2024 mainly due to open f/t positions in public works and recreation. Materials and services were over budget by \$24,097 due to sanding cinder/deicer, pool chemicals fuel and building supplies. Legal fees were over budget by \$55,281 through the first seven months.

As of this report date 162 homes have been converted to bulk fiber and transitioned to SROA's master billing account.

As of July 31, 2024, there was a combined operating and non-operating surplus of \$1,523,608 which was \$219,985 better than budget.

Total assets as of July 31, 2024, were \$39,685,927. Cash and investments totaled \$17,437,142, a decrease of \$324,292 from June. As of July 31, 2024, there was \$16,938,034 invested in Federated Hermes Government Obligations Fund and US Treasuries with durations between 90-day and 5-years with an annual yield of 5.09%. Construction in progress items included public works building, SHARC/Admin office design, and SHARC boiler. Annual storage space billings were processed in July.

Cash Flow Update

As of July 31, 2024 there was \$17,437,142 in total cash and investments of which \$3,649,171 was in the operating fund.

Reserve Investments

The Committee unanimously recommended to the Board of Director's authorizing SROA Controller to purchase up to \$2.5 million in U.S. Treasuries with maturities more than 2 years and up to 5 years.

Administration Building Remodel

The Committee unanimously recommended to the Board of Directors the authorization of \$575,000 for the total project cost of the SROA administration building remodel. This includes total costs as previously authorized and incurred under the 2024 budget and additional funds to be included in the 2025 budget.

The meeting adjourned at 10:35AM

The next Finance Committee meeting is set for September 19, 2024 at 9AM

Submitted by Joe Healy