FINANCE COMMITTEE MEETING MINUTES

February 20 and February 26, 2018

Motion made and carried to approve the attached Agenda for Feb. 20, which includes list of participants.

Motion made and carried to approve the Minutes for January 16, 2018 meeting.

Heather Malone gave the General Manager report. The website can now be used to pay assessments. The mower has been purchased and the new skimmer pipe has been installed. Specifications for the new roofing project at the clubhouse will be presented to the bidding contractors. The Botz & Deal auditors are scheduled to begin February 26-28, 2018.

Doug Johnston applied for the open Committee position and he attended and presented his resume. Motion made and carried to appoint Doug Johnston to the Committee.

Amanda Wells presented financial reports for the month of December 2017 and the year ending December 31, 2017, including a balance sheet, statement of cash flow, and an income statement which showed a net operating profit of $657,476 before depreciation, and shortfall of $70,281 after depreciation. Monthly accounts receivable aging reports, and allowance for doubtful accounts were presented. Procedures used to try and collect unpaid assessments were explained, including legal actions and the placements of liens on the real property .

A Summary sheet comparing the 2017 actual financials vs. the 2018 proposed budget was presented and discussed. This 2018 budget showed a $201,000 shortfall after depreciation. This proposed budget included additional expenses to third party contractors prepare the Duello silt pond area, and increased water patrol services on weekends. The Committee also reviewed a ten-year financial forecast. The Committee discussed the depreciation aspect of the budget, and encouraged the General Manager to consider cutting expenses to reduce the amount of the shortfall for the year after depreciation is figured in. The meeting was adjourned.

Subsequently a revised proposed Budget for 2018 was presented to each Committee member showing a positive $2,500 year end result after depreciation. An explanation of the changes to the budget was provided. A 2018 Capital Improvements Request was also presented to each Committee member. As of February 26, 2018 each Committee member had indicated his approval of these two documents.