

**SOUTH BAY COMMUNITY ASSOCIATION
FINANCE COMMITTEE MEETING
FEBRUARY 9, 2021
FINAL MINUTES**

1. The meeting was called to order at 1:01pm.
2. We had a quorum. Present at the meeting: Dan Darrow, Bill Dennis (joined at 1:15pm), Dave Jurca, Ed Knodle, Dan Quail (joined at 1:04 pm), and Chair Christine Spagle. Also in attendance: General Manager Mark Torres.
3. One addition was made to the agenda: status of Lewis lawsuit.
Motion to approve revised agenda by Knodle, 2nd by Jurca, carried 4-0
4. No changes to the January 5, 2021 minutes.
Motion to approve by Darrow, 2nd by Jurca, carried 4-0
5. New Business
 - a. January Treasurer's Report: questions from Darrow what's included in the \$60,000 accounts receivable: dues (current quarter not yet paid and prior delinquent dues), special assessments, compliance penalties & fees asserted. No other issues raised,
Motion to approve by Jurca, 2nd by Quail, carried 5-0
 - b. Financials: Current Month and YTD:
GM Torres reported the Special Assessment account currently has about \$55,000 with the expectation that by June 30, the end of the 5-year period for payment, it will have about \$63,000. PLA now has a zero balance due on their Special Assessment balance. The Capital Improvement account balance is \$12,000 and tapped for the down payment on the lighting project, pending the loan from Kitsap Bank. Reserves are just under \$200,000. Year-end operating surplus is projected at about \$250,000.
There are 7 delinquent Associate Members. The one Associate Member that asked for accommodation was contacted in January and has not responded. There are 34 Associate Members remaining, with a loss of 11.
Year to date income is down due to loss of Associate Members, the \$40 reduction in dues per lot 3rd quarter and no outside rentals due to Club closure.
There is a long-standing delinquent with a balance due of about \$1800 from prior quarters (the member has paid current quarter). GM Torres will prepare a "last chance letter" that will be review and then sent to the member. If no response then a recommendation to the Board will be made to file a lien.

Insurance Items: GM Torres has received package from CAU with a smaller increase in premium than initially anticipated. He has also received the package for employee health insurance and will be reviewing that shortly.

c. Reviews: Bill Dennis & Ed Knodle

There was a very slight discrepancy (10 cents) in the November review, and no discrepancies found in the December review.

d. Finance: Member Town Hall

The e-blast was discussed, and edits suggested: use “dues” rather than “assessments” generally, and “slow” rather than “stagnant” when addressing PLA home sales; include solicitation of questions from members that can be addressed at the Town Hall, and change the wording of the topic addressing the amendment to the master declaration since the Board has not yet voted on the matter.

e. Dave Jurca gave a status report on the Lewis lawsuit.

6. January GM Budget Report – see above

7. Old Business

a. 6/30/22 Draft Budget

Brief review of the draft budget. The committee members will be reviewing the draft, and line-item assignments were made. GM Torres will update the draft to reflect assignments and Spagle will send on to the committee members.

b. Status of HVAC/lighting project – finance impacts

We are awaiting maturity of the CD at Sound Bank and will then move those funds to Kitsap Bank to serve as security for the loan. GM Torres estimates the HVAC project will get underway in April. The lighting project should get started shortly, as the down payment has already been made.

8. Reserves – status of current year authorizations/expenditures

The spreadsheet was shared with the committee. We are on track to date with expenditures, and so far there are no unexpected, big-ticket items.

9. Finance Issues from Facilities Committee Meeting

None other than a brief discussion of the Club reopening.

10. Comments - none

11. Adjourn

Motion to adjourn by Knodle, 2nd by Quail, carried 6-0 at 1:18 pm

Next SBCA Finance Meeting: March 9, 2021