

BUDGET AND FINANCE ADVISORY COMMITTEE MEETING MINUTES

April 24, 2024

Attendees: Doug Parks (Chairman), Dick Keiling, Don Nederostek, Brian Reynolds, Don Bonafede, George Solyak, Collette Horn, Monica Rakowski (Board liaison), John Viola, Steve Phillips.

1. **Open Meeting:** D. Parks, called to order 9:00 am
2. **Pledge of Allegiance**
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3. **Approval of Meeting Agenda:** Motion to approve by D. Keiling, 2nd by C. Horn. Approved
4. **Approval of B&F Committee Meeting Minutes of 03-27-2024:** Motion to approve by D. Nederostek, 2nd G. Solyak. Minutes Approved
5. **Public Comments:** None
6. **Review of OPVFD Reserve Fund Contributions:** D. Parks advised that as of this morning he had not received the requested information from the Fire Department. In a previous meeting with OPVFD it was recommended that the OPVFD contribute the OP funding to their reserves monthly because this would increase interest earnings. J. Viola advised that this morning the information was received, and S. Philips reviewed the information. The review shows the OPVFD is now contributing the OP funding on a monthly basis to the OPVFD reserve fund.

In addition, there was a discussion on the OPFVD and OP memorandums of understanding. There are four MOUs that were developed over the years, and all are interconnected. B&F had extensively reviewed all of them more than a year ago. The review resulted in B&F recommendations to combine the four MOUs into one document. B&F also included what items/clauses were deemed to be the key items that should be included in the new MOU. The recommendations were sent to the OP BOD.

7. **Review of March 2024 financials:**
 - A. **Tennis:** D. Parks asked about the Service and Supply category showing under budget for the month and over budget for the YTD. J. Viola explained that it is a matter of timing for payment. This should be even out in April.
 - B. **Pickleball/Platform Tennis:** D. Parks asked about the Wage & Benefit amounts for these amenities. Each one for YTD shows a negative variance of 13K. J. Viola/S. Philips advised that the allocation should be reviewed to be better reflected in the new budget.
 - C. **Yacht Club:** D. Nederostek noted the rebate category on cost of goods sold. It was question if this amount was for the month or the year. J. Viola stated it is for the year. The amount of the rebates was questioned because in the Operating Results report it showed rebates of 19K, but in the Yacht Club Detail it shows 42K. J. Viola advised that 42K is the correct amount.

- D. **Yacht Club:** G. Solyak stated from the MOC reports that the month of August had no banquets scheduled. As Banquets are down YTD is this a concern? S. Phillips to review with MOC. (S. Phillips following the meeting via email stated that MOC was not concerned with the lack of banquets in August. This is normally a slow month.)
- E. **Aquatics:** Aquatics is favorable to budget by 101K. J. Viola credited Michelle for the strong performance.
- F. **Golf:** B&F thanks S. Phillips & J. Viola for providing the financial sheets with Golf Ops and Golf Maintenance separated out. Golf continues to have a strong performance. G. Solyak questioned the cart fee and greens fee categories as to how are the green fees, cart fees allocated. In addition, are the cart packages included in the cart fee category or the membership fee category? S. Phillips stated that the cart packages are in the cart fees category. B. Reynolds commented that with the golf computer program, Easy Links may be able to better define these categories. J. Viola and S. Phillips to review as to the allocation and if there is a better method.
- G. **Golf:** G. Solyak asked the status of the irrigation system. J. Viola advised that there are no major updates. The pumping stations are the primary concentration at this point, and it is fully expected that the work will start in November.
- H. **Parks & Rec:** G. Solyak stated the P&R is having a strong performance. Congrats to Debbie. G. Solyak questioned the Grant Category as there is 20K in the budget and there shows only 3K received in grants. J. Viola stated that in the past they were able to receive a state grant in that amount. This grant is no longer available from the state. The new budget does not have this grant in it.
- I. **Balance Sheet:** Regarding reserves on the balance sheet, D. Keiling asked what the balance is for the prior year surplus after the approved transfers are made to the 24/25 budget. The Balance Sheet reflects \$2.5M. J. Viola indicated \$900K would be utilized in the upcoming budget year. He further indicated the importance of completing a reserve review as a first step. This would be the DMA project to update all assets and reserve recommendations.

8. Other questions/comments:

- A. J. Viola advised that in the past the truck fleet was reviewed resulting in five trucks being eliminated. Currently there is a Sport Trac truck that is of 2005 vintage and needs extensive work. It does not seem to be a good business move to put money into the truck. The truck is a pool truck used by various departments. Nobie has investigated the purchase of a replacement vehicle. JV requested approval from B&F for the purchase of a new truck. B&F approved.
- B. B. Reynolds asked if S. Phillips will still prepare a detailed schedule of the Other Cost Categories for B&F. This was agreed at the previous meeting. It would be good to see a year-end report. J. Viola expressed his agreement with this report. S. Phillips to submit the report at year end.
- C. G. Solyak questioned the status of the guard rails for the North Entrance Bridge as advised by MSHA. J. Viola stated the cost is approximately 40K. Is this a requirement by MSHA or a recommendation? J. Viola to investigate if it is required.

D. New members: D. Parks advised that two individuals have expressed interest in joining the B&F committee to replace those members leaving. D. Parks would like to have the interested individuals meet with existing members to give them a good perspective of the committee function and work involved. All in agreement. D. Parks to set up the meetings.

9. Motion to adjourn: G. Solyak made motion; 2nd C. Horn; Motion passed. Meeting adjourned at 9:58am