Finance Committee Meeting Minutes
Monday, February 5, 2024
5:30 PM - 7:00 PM

1. Call to Order at 5:30 PM with a Quorum confirmed. In attendance were Committee Members David Bourcier (Chair), Geoff Quelch (Vice Chair), Jon Doyle, Mike Gulan, and Bob LeGare (BOD Liaison). Secretary Ken Barritt was absent from tonight's meeting. Member Gulan recorded Minutes for tonight's meeting. Also in attendance were non-Committee Members Geol Scheirman (Public Alliance), Teresa LeGare (resident), and Sharon Kenealy (resident).

2. There were no changes to the February 5 Agenda. The Agenda was unanimously approved following an initial recommendation for approval from Member Quelch, with a second recommendation from Member Doyle. There were no changes to the January 8, 2024 Minutes. The Minutes were unanimously approved following an initial recommendation for approval from Member Doyle, with a second recommendation from Member Quelch.

3. Community Comment and Discussion. There were no comments or questions.

4. Review of Financial Statements. December 2023 financials were reviewed in summary by Chair Bourcier. Summary comments include:
   a. General Fund
      i. Total revenues (actual) are about on budget for the year
      ii. Legal and Accounting (actual) expenses are under budget by about $25K
      iii. The ending Fund Balance is $484K
   b. Operating Fund
      i. Total revenues (actual) are about on budget for the year
      ii. Expenditures, some key items:
         1. Administrative (actual) are under budget by about $82K
         2. Utilities (actual) are under budget by about $79K
         3. Landscaping (actual) are under budget by about $111K
         4. OVERALL expenditures for the year were $325K less than originally budgeted
      iii. The ending Fund Balance is $2.778M
      BOD Liaison LeGare had a couple of questions regarding fees. Chair Bourcier addressed these questions.
   c. Debt Service Fund
      i. Total revenues (actual) exceeded budget by $28K
      ii. Total expenditures (actual) exceeded budget by $65K due primarily to the delay in the conversion of one tranche of debt from a taxable interest rate to a tax-exempt interest rate
      iii. The ending Fund Balance is $803K
   d. Capital Projects Fund
      i. Total revenues (actual) exceeded budget by $42K
      ii. Total expenditures (actual) were under budget by $820K, due primarily to the delay in the start of various capital projects.....most notably the Community Services Center
      iii. The ending Fund Balance is $1.725M

5. Community Services Center Update. Member Doyle provided the following summary comments:
   a. Ellipsis Construction has been contracted to provide an updated construction cost estimate. The

designers are “on hold” (except for potholing) until an updated construction cost estimate has been received and any potential modifications are implemented. The BOD approved amendments for civil engineering and the architect. Potholing was completed last week. The updated construction cost estimate was received on February 2nd, and the Community Services Center Committee will review same on February 7th and make its recommendations to the BOD.

It appears (initially) that construction costs have again increased due to inflation and the lapse of time in the commencement of this building project. There ensued a general discussion on the current status of the project, including potential increases in costs, timing of obtaining construction bids, design status, commencement of construction (this is currently undetermined), etc.

6. Status of Current Projects.
   a. Long Range Financial Model (LRFM). Member Quelch continues to work on this. It is the goal to have a more in-depth status report at the March 2024 Finance Committee meeting.
   b. Disbursement Tracking. BOD Liaison LeGare had nothing new to report.
   c. 2024 Budget Status. Chair Bourcier informed that CliftonLarsonAllen (CLA) has submitted the 2024 budget to the State of Colorado (as required by law), along with the BOD resolution. We have asked CLA to create a more efficient “time phasing” of revenues and expenditures in the 2024 budget (presented monthly) as opposed to “level loading” (straight-lining).
   d. Combination of Operating and General Funds. Chair Bourcier offered a PowerPoint presentation of the recommendation (to be presented to the BOD on February 13th) to combine these two funds (to be effective January 2025) into one fund. The current two-fund concept originated in 2018 when two CPA firms were involved. With CLA now solely providing accounting services, it is deemed no longer necessary to have these two funds. Having one fund will result in more efficient accounting and better transparency for residents. The goal is to (1) have the BOD approve this by the end of 1Q 2024, and (2) have the new template become part of the 2025 budgeting process.
   e. Board Report. Chair Bourcier had nothing new to report.

7. New Business. There was none.

8. Adjournment - There being no further business, the meeting was adjourned at 6:36 PM (MST).

The next regular monthly Finance Committee meeting is March 4, 2024, from 5:30 PM to 7:00 PM (MST).

David Bourcier
David Bourcier (Mar 6, 2024 15:40 MST)

2023-02-05 Finance Committee Minutes

Final Audit Report 2024-03-06

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