

## **BUDGET & FINANCE MEETING MINUTES**

### **MS Teams Meeting**

**11/25/2020**

Attendees: Dick Keiling (Chairman), Brian Reynolds, George Solyak, Tom Piatti, and Don Nederostek  
Non-Committee: Doug Parks (Liaison), John Viola, and Steve Phillips

Meeting called to order at 9:07 AM

No Public Comments

Minutes from 10/28/20 & 11/11/20 were approved

We moved the proposed Kayak storage facility presentation to our 12/21/20 B&F meeting. In addition, the GM will include capital proposal topics involving Admin. interior and Robin Hood and Bainbridge Park spending. The GM will also present cost savings associated with vehicle reductions including auction proceeds.

John V. and Steve P. provided a PPP update. OPA is permitted to utilize the EZ Form for submitting its information. The reporting date is 10 months from our 24-week utilization period. This puts it at an approximate due date in the June 2021 time frame. Steve is receiving counsel from our attorney and other experts in this area through webinars and publications.

### **October Financials**

For the month we had a positive operating fund variance of \$134K composed of a \$25K favorable revenue variance and \$109K of expenses under budget. The YTD operating fund has a favorable variance of \$1,267K composed of a positive \$247K revenue variance and \$1,020K of expenses under budget.

Summarized at a top level this year's financials have \$1.1M of favorable PPP money for OPA (reported as revenue within General Admin.), \$.3M of favorable PPP money from Matt Ortt (reported as a reduction of costs), and approximately \$.1M of favorable grant money from Worcester County.

In general, delayed General Maintenance and some Public Work maintenance explains some of the positive variances we are seeing in the current month and YTD. YTD these two departments are \$367K below budget. The GM reviews postponed maintenance and schedules with department heads to ensure we stay on top of maintenance items.

The YTD \$30K positive Public Relations variance is due in part to lower marketing costs associated with reduced programs tied to COVID.

Pickleball continues to out-perform the other racket sports. Supplies are higher YTD for racket sports primarily due to COVID requirements. This is offset by some grant money we received in Racket Sports.

In Aquatics swim classes continue to fall well below budget. Steve mentioned we will see some increase in November through a deferred revenue adjustment from the balance sheet.

Strong green and cart fees contributed to a \$17K positive variance to budget for Combined Golf Ops. Likewise, the Clubhouse Grill was \$14K favorable to budget for the month.

We saw the final payment from Secrets hit Beach Parking in the month. YTD Beach Parking is unfavorable \$178K to budget.

The Reserve Summary and OPA Cash and Investments as of 10/31/20 were reviewed. Total cash and investments are \$12.5M. Overall our cash position is \$1.7M less than last year for the same period. This is primarily due to the timing of large project disbursements and a reduction of accounts payable.

### **Other Comments & Questions**

The GM mentioned a rise in Bulkhead costs can be expected in the new budget. Likewise, we will be including additional drainage money in the budget that was not part of our current year budget.

The 21/22 budget will be prepared in two parts. One as a normal budget year and the second will include summary pages taking into consideration difficult COVID assumptions. Needless to say, it will be a challenging budgeting process.

A question was raised on the possibility of reserving money for various legal actions. Given that the association does have some applicable insurance we agreed to revisit this at budget time.

Budget books will be available for pick up on 12/18 at the admin. building.

Our December B&F meeting is being moved to 12/21 at 9AM via MS Teams.

It was mentioned by two people that it would be better to meet in person for our 3-day budget review meeting the first week in January. Steve P. agreed to look into reserving the large room in the community center to support proper social distancing. We will revisit this at our 12/21 meeting depending on the current conditions and restrictions in place at the time. If we do meet in person we will arrange for a virtual tie in if anyone is uncomfortable attending an in-person meeting.

The meeting was adjourned at 10:24 AM.