

**OPA BUDGET AND FINANCE COMMITTEE**  
**MEETING MINUTES JANUARY 2020**

Wednesday, January 29, 2020

Attendees: Dick Keiling (Chairman), Bob Kessler, John O'Connor, Jeff Knepper, Brian Reynolds, George Solyak, Frank Brown; Non-Committee: Larry Perrone, John Viola, Doug Parks, Josh Davis

**Open Meeting-**

8:30AM Call to order by Chair

GM motioned to discuss issues re: lateness on the December finance reports. Chair agreed and opened floor to GM.

GM reported issues within Northstar (NS) are contributing to the delay, but there's more to it than just NS. 'Feeder' systems that provide data to NS are not working as needed requiring extra labor and review to generate final reports. Dept managers continue to sign off on all data/reports, we have high confidence in the accuracy of our reporting. However, NS implementation is to the point where customizations are likely required. Many issues still to resolve and support is needed to clarify problem areas, e.g., roll-up account linking, credit card processing (was fixed by eod), possible EU training concerns. NS open items list is available for review. GM is reaching out for volunteer IT support. Doug, Jeff, & Brian offered to assist. GM asked if other former twg members might be willing to help out? GM said BDK/Lansa support cut-off scheduled for 3/30, will need to know if NS is far enough along or must extend BDK contract? GM re-iterated that all dept managers are actively engaged with budgets, actuals, and keeping up with their numbers. Contract payments are still outstanding to Northstar and 3<sup>rd</sup>-party IT consultant which won't be paid until satisfactory completion of outstanding deliverables.

Chair noted that full NS system implementation schedule is approx. 4 months out and this is a perfect time to assess where we stand with deployment and plan accordingly. Jeff K noted that these kinds of issues are not uncommon to such a large enterprise deployment.

Chair expressed interest in how B&F could be more involved, helpful, contribute to production of the monthlies. Larry P and Frank B described bank reconciliation process wherein they have met with Steve P and Geraldine to quickly review a month's worth of payments (checks), deposits, ledger entries, etc, basically a 15 minute review. Welcome to participate in that review.

**Public Comments-**

Dick Nieman spoke re: pool coupon policy. He is concerned that OPA's handling of the old, outstanding pool coupons is not fair and may violate state and federal laws, i.e., no expiration date was printed on said cards. Suggests that OPA is sacrificing member trust and integrity in the organization over a small issue. GM noted that new guidelines regarding the handling of older passes were issued yesterday by OPA, hardcopy of policy shared with B&F and OPA member. Mr Nieman felt that he was not advised last year re: the expiration date policy on 2019 cards and wanted to bring up this issue prior to bod meeting as he would be out of country at that time. GM and others explained and reviewed policy with member. Ruth Ann Meyer, OPA M&A Supervisor joined to help explain certain intricacies of our card/coupon setup. Ultimately, new policy decision rests with the bod. GM asked for any B&F guidance on pool coupon policy, committee agreed that this is not a finance issue per se, PR dept should review and it is ultimately a gm/bod policy issue. GM and committee members agreed that from an accounting/finance perspective, the new policy re: management of pool coupons going forward is correct and proper. B&F recommended moving forward with the new policy, but consideration should be given to how we might incorporate/communicate an expiration date when prepaid coupons on cards are issued.

### **Approval of Minutes-**

Copy of prior meeting minutes (01/03/2020) distributed to members, call for any changes, none offered, minutes were approved as submitted.

### **Update on budget following BOD work session-**

GM reviewed last change to the 2020/21 assessment, \$981 to \$986. Necessary to include funding for equipment and monthly fees for redundant (backup) network services. While Comcast is providing Layer 1 (basic) connectivity to OPA facilities as part of their new contract, OPA wishes to utilize the new infrastructure to provide network load balancing and failover as previously planned. Steve Grabowski, OPA IT manager, later stepped in and provided the committee with a review of this effort and ongoing progress. Effect to the budget is approx. \$48K which brought the assessment back up to equal last years.

### **Discussion on planning for Reserve Workbook update-**

Previously, OPA hired the firm, DBA, to review our reserves; they identified/recommend funding sources, reviewed long-term policies and replacement planning. It was agreed that a DBA type review should be conducted every 5 years or sooner. OPA staff will be utilizing a General Replacement Reserve planning tool (spreadsheet). All agreed this tool is valuable and will assist OPA in monitoring reserves along with impact of new capital reserve fund. B&F recommends a review of this tool/data in the coming months and going forward said review should be aligned with the formal budget process at a minimum. GM suggested a quarterly review should be considered and could be accommodated. Schedule a review of tool/data for B&F.

**Tally on head count for the 2/6 Volunteer Party-** and the number is 9.

### **December Financials-**

December financial reports were delivered to committee. Summary included, POSITIVE operating fund variance for DECEMBER of \$35,659. POSITIVE YEAR-TO-DATE operating fund variance of \$623,016. Full report posted to OPA web site for review by membership. GM detailed tentative plan re: how any surplus from this current fiscal year will be applied to our operating deficit. Use \$250K for deficit reduction as planned, any remaining surplus could be applied to lower next years assessment or reduce operating deficit, tbd. GM introduced new review comparing actual v actual year to year. Detailed review of NET OPERATING BY DEPARTMENT spreadsheet comparing year to year numbers included comments re: revenue changes and cost savings. Moving forward, the actual v actual comparisons will take precedence.

### **Other Questions/Comments-**

- Separating Beach Club parking revenue from Aquatics (swim passes) is affecting comparisons. Ultimately, change is an effort to gain a better understanding of what it takes to run the pools. In the past it was determined too much parking revenue was allocated to Aquatics.
- While Ortt Company management of the F&B has been very positive on the revenue side, expense control across the organization is also very favorable, entire OPA team is very engaged.
- Suggestion was made to add a more concise Actual v Actual Summary to the monthly reports.
- Pickleball and possibly Tennis revenue is not appearing in current month., possibly cash box revenue is not collected on a regular basis or being rolled up somewhere else. GM will investigate.
- Larry P noted Balance Sheet/AP is higher due to ongoing capital project invoices being submitted.
- CDAR rates continue to be favorable against market, Union Bank notes coming due, should we stick with Union or shop around? B&F recommended continue maintaining two banks and stick with Union if good rates.

- It was noted that ongoing drainage improvements have been noticed by members and positive feedback heard by OPA staff. Efforts continue, it's a huge job but progress being made
- GM thanked B&F committee for their continued support, meeting was adjourned.

**Action Items-**

Arrange for B&F review of new Reserve Fund tool/data spreadsheet.

GM to schedule meeting re: NS Open Items list. (Thurs., 1/30, 2:30p, Admin Board Room)