

**SBCA FINANCE MEETING  
MAY 9, 2023  
APPROVED MINUTES**

1. Call to Order at 1:02PM
2. Determination of Quorum – A quorum was present: John Cacho, Dan Darrow, Dave Jurca, Ed Knodle, Chair Christine Spagle and ex-officio GM Mark Torres.
3. Approve Agenda -No changes to the agenda, approved unanimously.
4. Approve Meeting Minutes of April 11, 2023 – No changes to draft minutes, approved unanimously.
5. Old Business
  - a. Draft budget FYE 6/30/2024 and Budget Narrative  
Most current draft budget has only changes suggested at last Finance meeting: redirect “Tennis” maintenance expense (due to termination of the Tennis court lease 6/30/23) to Capital Improvement and increase Reserves by moving originally suggested Capital Improvement amounts to Reserves.  
Draft budget results in 6% increase in assessment to \$260 per quarter.  
Question re: Lounge income – TM Torres explained expense offsets to income and ongoing review/analysis of viability of the Lounge amenity.  
Discussion regarding issues members may raise regarding the budget and how to respond – these will be incorporated into the budget narrative that will be sent to members as part of the annual meeting packet.  
Dave Jurca moved Finance recommend the Board approve at the May 11 Board meeting the draft budget. 2<sup>nd</sup> by Ed Knodle, carried unanimously.  
Discussion regarding the roof and impact in Reserves/Rainy Day Fund.  
Roof replacement to begin mid-July and take up to 5 weeks.
  - b. Securing CD for HVAC loan – loan agreement precludes altering our securing CD (ie terminating the current securing CD and opening another account still securing the loan but with a higher interest rate). No further discussion/action.
6. New Business - None
7. GM Report
  - a. Financials -- no issues raised that weren't addressed during the budget discussion.
  - b. Delinquencies – Two members who are not working to resolve their issues with growing debt.  
A motion was made to recommend the Board approve referring Campbell and Johnson to the SBCA attorney for collection action. Carried unanimously.
  - c. Melinie continues to work to resolve all delinquent issues including current quarter delinquencies.

A question came up re: any LLC members and any difficulties in dealing with them (ie, who to contact if needed) and a suggestion was made and agreed to that if not easily resolved to refer to the SBCA attorney for action.

- d. Use Fees- In order to make it very clear what the use fee is change the language so that the percent discount by user group be used to determine cost. For example, if a non-reciprocal community group (which receives an 80% discount) uses the auditorium all day with a retail cost of \$1500, then the community group fee is  $\$1500 \times 20\%$  or \$300. Dave Jurca suggests that in future this sort of procedure be referred to the SBCA attorney to ensure appropriate language. GM Torres would like to have Finance and the Board approve the concept before sending to the attorney. The Finance committee members supported both altering the language and referring to the attorney.  
Spagle will request approval of the Board at the May 11 meeting.

8. Treasurer's Report - Brief discussion, no questions from the committee. We have sufficient funds to meet our obligations and are on track for a positive variance at the end of the FY, with those funds to be re-directed to Reserves per next year's draft budget.  
The Treasurer's report was accepted unanimously.

9. Issues from other committees -None

10. Comments: Status of back area landscape: postponed until the next FY.  
Microphones in auditorium: Mark working on securing better mics and working with a sound specialist to ensure our system is set for most effective use.

11. Adjourn at 2:35PM

Next SBCA Finance Meeting: June 6, 2023