

June 2023 Finance Committee Meeting

Call to order Thursday June 8 @ 5:15PM by Chair Paula Hepinstall via ZOOM

Attendees: Paula Hepinstall, Board Contact Terry Nibarger, Flint Hibler, Steve Danner, Michelle Sullivan, Lake Manager Jeff Ferguson, Board President Doug Winter, George Eshnaur, and Troy Lesan.

Agenda Discussion:

May 2023 Financial Documents Paula noted that Revenues have increased by 8% consistent with the 9% COL increase in dues & assessment but revenues vs. budget are short. Legal expense is also up.

Morgan Stanley Investment Account Terry Nibarger reported the value of our money market account was \$1,105,573, and it earned an average rate of 4.54%. The Net Gain for the month, after fees for May was \$8,225.71. Terry suggested moving \$500,000 from MM fund to FDIC insured accounts with similar interest rates. Committee concurred.

Audit Paula requests a financial audit be done in the first quarter of 2024, for fiscal 2023. She met with the audit department of UHY on Wednesday 5/31/23. Types of audits discussed: 1. Compilation – currently done on a monthly basis 2. Accountant Review – more analytical than a compilation. 3. Full Independent Audit. We are moving forward with a full independent audit – UHY is putting together pricing so we can get it into our 2024 budget.

Sale of lake owned lots – 7 lots have sold, 4 in May – total \$22,362 with one more sale pending

Sale of lot 717 – Members approved the sale at the special meeting. Prep work is being done on this lot with a goal of July 4 as a date of offering, first to membership, then a listing with REALTOR if needed. Strategic Planning is entertaining further discussion on the amenities voted on at the last FC meeting. Also, in regard to the possibility of jetty & boat docks, Jeff related that a party has volunteered grading work at the possible jetty location @ Beach One if VVA pays for his fuel. Potential follow-up cost to VVA will be for as many as 18 docks.

Annual Meeting date change – Members approved changing the annual meeting to October, but the language in the by-laws in the handbook needs to be passed, first thing, by a vote of members at the annual meeting. This includes Article VI, Section (1.) Annual Meeting dates & (2) Article 8, Section 1 Finance Committee - under committees – “The Lake Manager shall present a projection of needed capital expenditures. The committee shall meet no later than **Dec. 15th** (July 15th) with a budget ready for approval no later than the **February** (September) board meeting.

Campground Electrical – phase one complete at a cost of \$130,000. Special assessment collected are \$113,760. The remainder will come out of the campground budget. VVA will continue to monitor revenue and expenses for phase two.

Campground Septic Update – Jeff reported that State of Missouri continues to be involved in planning. Larger berm is anticipated @ lagoon with a large residential septic system also a possibility which might be less expensive.

Clubhouse Septic Update – After considering different locations, plans continue for construction at original site with a 15% increase in original cost estimates.

Lake Director Report – Jeff reported that recent rains have contributed to erosion @ Beach Two which will be an upcoming maintenance item for staff. Michelle questioned if the cost of road maintenance was being passed on to builders/contractors @ construction sites. Answer: yes those costs have been covered by increases in building permit costs.

Beach Renovation - "S" Lot 131- Realtor Nadine Parmenter recommends bringing in dirt for needed grade improvements on this S Lot. It was suggested that rather than VVA incurring this maintenance cost, asking price for lot should be lowered to 19,900 for the S-Lot

Credit and Debit Card payments – Have been moved from Card Connect (3.9%) to Zego (3% plus \$2.00). As of May 31, we've collected \$5,241 in revenue, and paid \$3,208 in expenses - \$2,033 profit. Other options were discussed & Jeff stressed that any of these must be compatible with the Condo Control system in place.

Update: working with USDA on additional revenue streams – Both Jeff and Steve Danner have been working on this with the consensus being that VVA would benefit from programs available for farming due to the fact that VVA is definitely a hay producer. Follow up in two weeks.

Other Business Clubhouse rental fees were discussed & will continue to be reviewed

Meeting Adjourned @ 6:50 PM. Minutes by Troy Lesan