

POA Finance Committee Meeting Minutes September 19, 2016

Members:

Present:

Regis Falinski (Chair)
Jay Goldman
Chuck Palmer
Marshall Sheets
Jim Braley
Jim Yahres
Jeff Stanley

Future Members:

Palmer Knight

Others:

Jayne Hagan, POA Director of Finance
Tony Galioto, POA Board Committee Liaison
Phil Anderson, POA Board Member
Jim Farinholt, POA Board Member
Dudley DeVore, POA Board Candidate
Paula Harris, POA Board Candidate

Not Present:

John Thompson, POA General Manager
Matt Lockwood, POA Financial Analyst
Ralph Ripley, Future Member

The September meeting of the Finance Committee was called to order at 9:00 am September 19, 2016, by Chairman Regis Falinski in the Conference Room at the POA Lodge.

A review of the August 15, 2016 regular meeting minutes noted no changes were necessary, and the minutes were approved. There was a brief discussion on whether it was necessary to duplicate summary financial information in the meeting minute notes, and the consensus was that since this information was provided in Jayne's financial package, it was not necessary.

Jayne Hagan reviewed the August financial results and her Summary of Operations is hereby included by reference.

Clubhouse revenues were down in all areas for August as well as covers in the Black Bear Pub, although Tony pointed out that August 2015 included a 5th weekend which distorts a direct year-over-year comparison. Jay inquired about turnover in Clubhouse staff, and Jayne agreed to add a turnover report to include Food & Beverage and all of POA to the Monthly Measurements reports.

Jayne reviewed a Clubhouse payroll report which was supplemented by a report prepared by Regis. After some discussion concerning hourly wages and the 18% service charge, it was decided to have a more detailed meeting with John Thompson and LeRoy Korunes as part of the budget review process.

Year-to-date property sales of 190 compare to 163 thru August 2015, and the 32 sale transactions in August were the most in any one month since October 2006.

A discussion ensued on the Capital Reserve Study report which Jayne had distributed at the August 15 Finance Committee meeting. The report was prepared under Generally Accepted Reserve Study Standards which differs from how Big Canoe POA has managed capital expenditures. There was agreement that the primary question is: What should the target level of our capital reserve fund be? Jayne is going to ask the consultants who prepared the report for a recommended reserve number.

Jayne distributed a report showing the 2017 Budget Assumptions & Significant Changes as well as the 2017 Preliminary Capital Budget report. These are both considered works-in-process as more

POA Finance Committee Meeting Minutes
September 19, 2016

information will be forthcoming and further discussions will be held during the budget review meetings scheduled in October.

The initial on-site design and engineering study for the Broadband Internet Project which consisted of two (2) ten (10) mile test areas has been completed, although the final report is not expected for another 6 to 8 weeks. This report is needed in order to estimate the total cost for the project including any related contingencies, and before any Request For Proposals (RFP's) can be sent to potential contractors.

There being no further business, the meeting was adjourned at 11:15 am.

Respectfully submitted,
Jeff Stanley