

LAKE RIDGE PARKS AND RECREATION ASSOCIATION, INC. (LRPRA)

FINANCE COMMITTEE MEETING MINUTES

August 25, 2020

Tall Oaks Community Center and virtually via ZOOM

Due to the COVID-19 pandemic, this meeting was conducted as an in-person/virtual hybrid meeting that had all committee members meeting virtually via ZOOM. Members of the community were offered the ability to join in, virtually using the software, ZOOM.

PRESENT: *Committee Members:* Brent Barnwell (Chair via ZOOM), Janet Foote (President via ZOOM), Michael Butler (Vice President via ZOOM), *Staff Members:* Ike Mutlu (COO/GM), Michael Yuenger (Director of Finance and IT), Rebecca Hale (Assistant Finance Director), Doug Milburn (Director of Administration and Human Resources) *Board Members:* Chris Berry (via ZOOM), Jason Devers (via ZOOM), Jean Lohier (via ZOOM)

OPEN MEETING: Mr. Barnwell opened the meeting at 7:00pm.

OPEN FORUM: There was no discussion at this time.

APPROVAL OF THE JUNE 30, 2020 MINUTES: Ms. Foote made a motion to approve the minutes. Mr. Stephens seconded the motion; the minutes were unanimously approved.

EMPLOYEE HEALTH INSURANCE PRESENTATION – IKE MUTLU: Mr. Mutlu presented on the topic of employee health and dental insurance in which five LRPRA employees are receiving 100% of coverage paid for by the Association. He presented on specifics of past, present, and future financial forecasts on the topic. After discussion from the committee it was voted upon on a 3-1 vote to present the topic to the Board of Directors at the 9/8/2020 Board meeting with a clear goal and objective of what management would like to be done.

2020 FINANCIAL REVIEW: Mr. Yuenger began discussion on the challenges of COVID-19 and how it may affect the budgets of the next fiscal year. He walked the committee through information on our approved budget. It was discussed by Mr. Yuenger that at this point, due to only approving the budget 6 weeks earlier, it is difficult to predict what will come throughout the year. He spoke about the continuing lack of revenue from recreation programs due to the pandemic, the question of pool operation in the next summer, and the fact that if recreation programs open later in the year it is likely they will only operate at 50% capacity to years past. Mr. Yuenger believes that insurance rates will rise this year due to predicted rate raises by our insurance companies. The recommendation is that we watch the expenses very closely and not authorize expenses when we do not have to. Mr. Mutlu discussed that he has made simple changes within the budget over the previous years and has saved significant amounts of money without much issue. At this point, cost savings will become more difficult, but decisions will continue to be made to remedy the situation. Mr. Stephens raised a question about government COVID relief funds, and it was stated by Mr. Yuenger that bank recommendation was for an HOA not to receive funds due to uncertainty of risk and repayment. Mr. Yuenger then expressed that our accountant has advised us not to cut expenditures for reserve items and that he believes with the current budget we can safely sustain what we are doing through this year. Ms. Foote commended the recreation and finance departments for its hard work on their budget and projections. She spoke about the lack of revenues that we will receive from not having recreation events due to the pandemic and reiterated earlier points made about how important it is to not defer reserve item expenditures. Mr. Mutlu addressed homeowner assessment delinquencies and said we have significantly reduced delinquencies in the last two years. The current climate has only affected our delinquency numbers in a small way and our staff are continuing to try to keep these numbers down.

OPEN FORUM: There was no discussion at this time.

ADJOURNMENT: Mr. Butler made a motion to adjourn the meeting at 8:11pm, Ms. Foote seconded the motion and it was unanimously approved.