



BEAR VALLEY SPRINGS ASSOCIATION
BOARD OF DIRECTOR SPECIAL BOARD MEETING
Joint Meeting with Finance Advisory Committee (FAC)
Annual Budget Review
Wednesday, March 27, 2019, 12:00 PM – 5:00 PM
Oak Tree Country Club
AGENDA

Open to All
Members

A. ANNOUNCEMENTS

1. Call to Order @ 12:00 PM
2. Roll Call
Board Members: President Larry Thompson, Treasurer Guy Munday, Director Monique Herbst
Director Butch Reyburn
FAC Members: David Lown, Monique Herbst, Porter Underwood, John Seaberg, Ben Graham,
Guy Munday
Staff Present: General Manager Cheramy Krueger, Controller Wesley Shryock, Administrative
Assistant Anita Bauer
3. Intent to Tape the Meeting
4. Board Comments/Announcements

B. ADMINISTRATIVE & PROCEDURAL MATTERS

Approval of Agenda for Special BOD/FAC Joint Meeting, March 27, 2019
Motion by GM to approve the 3/27/19 BOD/FAC Agenda.
2nd by MH
Motion Approved VOTE 4-0

C. MEMBER COMMENTS

D. BOARD BUSINESS / ACTION ITEMS

1.	Discussion of 2019-2020 Budget Packet CK reported to the community the mission of the budget presentation meetings, the budget direction memo and introduced the management team.
2.	Discussion of Budget Narrative Memo
3.	Review of the 2019-2020 BVSA Manager Budget Presentations
	<p>a) 12:00-2:00 – Debbie Papac (17, 19, 21, 28) Debbie Papac, Recreation Manager, presented her budget planning process and the contributions which lead to increases in her departments. Department 17: The tents for Cub Lake create a problem to payroll, labor and staff difficulties. She would like to hire via 1099 a set-up team to assemble the tents. The rest of her fee increases were for guests without member present. Continued discussion occurred regarding the fee amounts that will be disclosed to the membership in the annual supplemental for the 2019-2020 fiscal year. GM proposes the fee remain the same and not decrease it. MH recommends the same as proposed. GM said he is fine with that. MH asked if a line should be added for long-term vs. short-term campers. Debbie said there is a 2-week limit so it doesn't really apply. GM asked about dog licenses. GM said the BOD made a decision not to monitor state licenses. DP presented the increased revenue for Dept.17 this year by \$2,000. Fishing permits were increased. WS gave an answer to BG's question regarding the final budget comparison. DP proceeded to discretionary. That line is increasing. WS explained that</p>

	<p>non-discretionary is reduced. This is driven by water. The lake is full at the beginning of summer by the natural providence of water but later in the season potable and non-potable water will be utilized. DP the mileage and vehicle expenses are up due to a new truck. This was not a budgeted item last year. The range is utilizing an extra driver Monday, Wednesday and Friday for the range maintenance due to the BVSA vehicle being used for rounds to monitor all the amenities regularly. Payroll is the largest in this department. There was a mistake in their line items on their budget last year and certain lines were not feeding in to the department. That is why she is showing a higher amount than last year's projected numbers. WS explained the problem with compression due to the increase in minimum wage. Further discussion occurred regarding increases and decreases to fees and budget for Dept. 17. Department 19: Beginning with revenue. Increases are due to fee schedule increases in sports for both residents and non-residents. Sports league late fees were left out last year. Soccer is the lowest increase due to an increased registration and lower expenses in that sport. Sports leagues do not lose money and therefore are not subsidized except for employee payroll. Cost of goods is the same. Discretionary expenses has a portion of the truck, gas and auto maintenance expenses in this department due to some usage. They would like another surveillance camera added. Non-discretionary has water, electricity and insurance increases. Potable water was increased due to the proposed new rates. CK stated there is a 32% increase in insurance. She also stated the broker is pulsed regularly to watch for increases and the best rates for insurance. Payroll in this dept. is budgeted more for the increase in families using the sports programs. Department 21: Changes in this departments budget is due to an increase in lap swimmers which is utilizing more heat and electricity to keep the pool warm. She added a nominal fee to property owners due to winter use of the pool for lap swimming. Swim Team increased fees. Discretionary at the pool is an increase due to chemicals. Minor equipment and tools are under discretionary. Non-Discretionary includes an increase due to licenses, fees and subscriptions. Camera systems have fees. IBS system has a fee. Payroll has an increase for the swim coach travel to swim meets. Department 28: Tennis has very few changes. Revenue did not increase. Increases were made to fees for this next budget year. Guest fees with no member in attendance is an increase. Insurance caused an increase in non-discretionary.</p>
	<p>b) Break 1/2 hour</p>
	<p>c) 2:00-2:30 – Butch Bolterman (18) Reconvened at 2:36pm – Butch addressed the Committee and BOD regarding the EAC uses and expenses. Department 18: Fee schedule increased a significant amount last year. He stated the suppliers do not believe there will be any increases. The horse boarding fees for more expensive feed have been increased. Trending about the same as last year. PU asked what the occupancy rate is for the Mare Motel. BB answered he has 3 openings right now. No change in revenue. WS addressed the committee regarding the fees and determining process thereof. Discretionary is equipment repair and maintenance. This has shown to be a slight increase. LT asked about October outside services. Race internet, Tehachapi Pest Control and Septic services were the reason for increase. Non-discretionary increase was due to an increase in drug testing employees, electricity, and waste management propane. Noted again that phone and insurance have both increased.</p>
	<p>d) 2:30-3:00 – Duane Gore (16) - Duane addressed the Committee and BOD regarding the usage of the Oak Tree Golf Course and shop and the specific ways he serves the membership. Revenue was increased this year due to the increased fees and new tier fees of guests without member present. GM asked how the golf course might offset the IGM contract increase? GM asked how long it has been since we increased the cart</p>

	usage fees? BR said he would rather pay \$1.00 now instead of a \$5.00. The Committee and BOD discussed the cart fees and the increase necessary to cover expenses. GM is proposing the trail fee is increased to \$325.00. Vote was taken for increase Vote approved 6-2. Cost of goods has stayed about the same. Discretionary is down a bit due to no new equipment being purchased. Payroll has increased due to minimum wage increase. Men's league on Tuesday nights need double staff.
	e) 3:00-3:30 – Wesley Shryock (10) Department 10- Fee schedule is adding a credit card fee for payments other than assessments which are paid online to the bank directly. Increases are due to all vendor expenses increasing which directly affects us. Payroll is going down and restructuring and decreasing substantially. A projected savings of up to \$200k.
	f) 3:30-4:00 – Debbie Shryock (13) DS addressed the BOD. Fee schedule changes are new construction and new accessory structure fees. Revenue has stayed the same. She eliminated the ECC lunches and reduced the gas amount. The postage has been reduced. Non-discretionary has 2 increases. Insurance and the phone. Fee schedule has been recently changed in order to increase the percentage of people bringing their properties into compliance.
4.	2019-2020 Budget Development Joint Board of Directors and FAC Meeting – Thursday, March 28, 2019, 11:00 AM – 5:00 PM, Oak Tree Country Club.

E. ANNOUNCE UPCOMING JOINT BOARD / FINANCE COMMITTEE MEETINGS:

- Special Joint Meeting BOD/FAC, Thursday, March 28, 2019, 12:00 PM – 5:00 PM, at the Oak Tree Country Club

Follow-Ups: Finance Committee look at the fees specific to the Sports Leagues.

F. ADJOURN SPECIAL MEETING @4:02

Approved by the Board of Directors

Date: April 16, 2019

Signed: *Anita Bauer*

Anita Bauer

Secretary to the Board of Directors