



Finance Committee Report

August 15, 2020

Bobby Clevenger, Paul Cyphers, Committee Co-Chairman

treasurer@bigelkmeadows.org

Charter: The Finance Committee shall oversee the accounting of BEMA per the governing documents of the Association including oversight of financial transactions; accounting processes; financial reports; annual budgeting and capital planning; loans and investments; member inquiries related to BEMA finances; and evaluation of expenses and cost effective alternatives.

Members: Bobby Clevenger – Co-Chair, Paul Cyphers – Co-Chair, Scott Johnstone, Cathy Faughnan, Bob Forsberg, Selina Davis

Finance Committee Meetings/Actions

New GL policy was signed with Kinsale Insurance through Gallagher, our insurance broker. Costs were basically doubled from last year. Our prior carrier quit covering mountain areas and Kinsale provided the best coverages for the cost at \$8,446, including broker fees. The office was added to the coverage this year which attributed to some of the cost increase. Last year our cost was just under \$5,000 with broker fees. We will need to properly adjust this for next years budget.

A virtual meeting was held with Paul C., Bobby with Nicole and Amy from Barb Clausen's office related to how we recognize our trail balance transfers into QuickBooks and EMGrants in preparation for our forthcoming audit. A few items of note: The opening balance from the 2014 transfer should be zeroed out to retained earnings. There does not appear to be any reason to consolidate small projects with PW316. Ineligible and unallowable expenses are the same. An eligible expense that was not paid cannot go to unallowable expense. There were several other items talked about and we feel we can start getting this to resolution soon.

BEMA Assets need to be assessed and properly capitalized by year of service, which would include our dams as this will be needed for the audit.

We are looking into our water plant billing funds and have worked out a straw man to determine when we can plan to start replacing the equipment. More information is needed from Operations related to timing of replacement. This strawman will prove a good template to plug in all capital items versus our reserves.

UPDATE: Operations has provided a good source document for the water plant. More updates and revisions are in process.

Open Action Items:

1. Continuing the process of reconciling QB's with reconstruction expenditures and reimbursements in EM Grants.
2. Finish asset inventory for machinery and equipment. A physical review of all equipment's replacement timing to be completed by operations. (Water equipment has the priority)
3. Prepare for single audit with CPA.
4. Work with insurance broker on new GL policy Complete

Past Due Accounts

Continue communications with members about past due accounts.

Treasurer's Report

The Treasurer's Report for two months ending July 31, 2020 is attached. Our Bank accounts are strong. There are no concerns with expenses. All are tracking as expected.

Big Elk Meadows Association

PO Box 440, 29 Willow Drive, Lyons, Colorado 80540 303-835-7557