

SBCA Finance Committee Meeting
March 10, 2026
Minutes

1. Call to order at 12:58 pm

2. Determination of Quorum

A quorum was present: Present were John Cacho, Dan Darrow and Gil Skinner, Lori Macleod, J. Leach and Donna Colosky. Also present were President Carolyn Okeeffe, VP Christine Spagle, and GM Mark Torres.

3. Approve Agenda

Approved and carried unanimously.

4. Approve of last Committee Meeting Minutes

Approved and carried unanimously.

5. Treasurer's Report

March completes the third Quarter of the current fiscal.

Income

- March income \$12,077 typical of the last month of the quarter
- YTD Income \$729,784 versus Budget \$704,013– Variance of \$25,771 above Budget.
- Key Items above Budget:
 - Paying forward Assessments _ +\$6,656
 - More Associates (at 50) _ +\$12,000
 - Delinquency Collection _ +\$2,795
 - Facility Use Revenue _ +\$6,825

Expenses

- March expenses \$78,782
- YTD expenses \$580,628 below the \$639,210 Budget by \$58,581.
- We have a positive variance of \$84,819
- Lower expenses continue to reflect timing on Insurance Payments, Maintenance and lower Salary Costs. In particular, Total Payroll Expenses are \$25,987 below Budget.

Contributing \$14,360 to Reserves every month with a YTD investment of \$129,240

- Expenditure of \$15,305 in March for:
 - Final Concrete Repair Bill
 - Deposit for purchase of Lockers

Capital funds from the Maturing Kitsap CD were reinvested in a Wells Fargo CD thru our Edward Jones Account for 12 months at 3.75%.

- Looking to invest excess Reserve Cash in June once we complete 2026 Reserve Expenses and the Budget is approved by the Board and 2026_27 Reserve Expenses are finalized.

6. General Manager's Report

Remaining Reserve expenses for this year expected to be \$5,000 but we may not see the final Bill until next year. The Soils/Landscape Work is delayed until next year so as not to exceed planned Reserve Spending for this year.

200 members have not yet paid their assessment. According to the new requirements of RCW 64.90 Members who have not paid by April 1 should be issued a Delinquency Notice. The GM is deciding on next steps.

One Associate Member dropped out but a new Associate Member was added so we are still at the maximum of 50 members.

7. Old Business

- **Reserve Spending Update**

In March, we paid off the concrete work and a deposit for the lockers spending \$15,305.00.

The Committee reviewed the Reserve Spending Plan recommended by the Facilities Committee. It included moving up the resurfacing of the Parking Lot from 2029 to 2026 to take advantage of a favorable price of \$155,000 compares to a 2029 estimate of \$210,000. This has a minor impact on our reserve spending plan for the next 15 years.

2026_27 Expenditures recommended by the Facilities Committee total \$228,500 and include:

- Resurface Parking Lot ahead now instead of in 2029 at a lower price of \$155,000 instead of \$210,000

- Landscape Upgrade including soil mulch improvements & new planting for Front of SBCA for \$55,000
- Replace old, outdated Pool Pump Room Electric Panel for \$10,000
- Replace Pool Pump Room Water Heater as recommended by Plumbing Study for \$3000
- Complete new Reserve Study as required by statute for \$5,500
- Repair/Enhance Pool Drains to over humidity concerns with new Pool Drain System using Operating Funds as this is a new need and not in the Reserve Plan.

A Motion was made and approved by all to: Recommend to the Board that the Reserve Spending Plan for 2026_27 adopted by the Facilities Committee be approved

- **2026_27 Budget Preparation**

The Budget Proposal was reviewed and modified to increase the Assessment by \$25/quarter to \$350/quarter from \$325/quarter.

Key points are:

Income

- The dues increase of \$25/quarter represents a 7.5% dues increase
- We also expect an increase in Capital Contribution from Richmond Homes of \$25,475 over what we received this year.
- Other income is expected to be Flat
- **Income will increase 6.5% in total**

Expenses

- Insurance Costs are to rise 19%, or about \$12,000. What exactly will happen with Insurance is not well defined since our Insurers is not longer interested in insuring things like the Wood Shop, Kilns and Trails.
- Salaries are up by 2.5% but employee Health Care is up 17%
- Contract Maintenance is up about 30%
- The list goes on ... we see increases in most expense categories
- In addition, we will fund the upgrade on Pool Drains for \$20,000 as a critical investment to remove water causing humidity problems in that part of the Building
- The Rainy-Day Funds will be increased by \$73,000 to achieve get close to our Fund Target of \$200,000. We see this as an important move in these uncertain time with inflation and rising insurance costs.
- We will increase the contribution to the Reserve Fund from \$14,360 to \$ 15,860 to maintain the Full Funded Reserve Model.

- These expenses and fund additions will match Income and keep the SBCA Financial & Facility Condition in top notch condition.

A motion was made and approved (with one no vote) to: Recommend that the Board approve the proposed Budget which includes the increase of Assessments by \$25/quarter from \$325/quarter to \$350/quarter

8. New Business

None

9. Requests from Other Committees

None

Meeting ended at 2:26 pm

Next Finance Meeting: May 12, 2026