



FINANCE COMMITTEE MINUTES - DRAFT
May 19, 2026

Call to Order – The Finance Committee meeting was called to order at 8:30 a.m. by Chairperson Bernie Schneider

Establish Quorum – Quorum was established.

Chair	Bernie Schneider	Present
Board Liaison	Mark Holthouse	Absent
Committee Member	Bill Sanden	Present
Committee Member	Leroy Hoelting	Present
Committee Member	Lynn Kehler	Present

Jacob Wittrock and Trevor Walter attended by Zoom. Lisa Baker, Community Manager, was also present in person.

Approval of Meeting Minutes

Meeting Minutes from the April 21, 2026 - Finance Committee reviewed and unanimously approved.

Approval of Financial Statements

- April 2026 Financials were reviewed and approved, subject to several minor accounting adjustments discussed during the meeting.

Financial Discussion

- Reviewed April financial statements and current operating and reserve balances.
- Discussed projected revenue shortfalls related to lot assessment classifications between Red Rocks and KCE sections.
- Jake presented analysis showing the projected deficit was significantly less than initially anticipated after correcting assessment assumptions.
- Reviewed reserve fund balances, upcoming certificate of deposit maturities, and cash flow requirements for upcoming projects.
- Discussed prepaid insurance accounting methodology and monthly recognition of expenses.
- Reviewed builder escrow requirements and outstanding construction escrow deposits.
- Discussed delinquency fees, bad debt accounting, legal expense recognition, and proper expense period allocation.
- Reviewed interest earnings and reserve investment performance.

Assessment Allocation Review

- Committee reviewed discrepancies involving lot classifications between Red Rocks and KCE sections.
- Jake agreed to review AR/SYNC setup and coordinate with Amanda Johnson and the Accounts Receivable team to ensure proper section assignments and assessment allocations.
- Several revenue reclassifications were identified and will be corrected in future reporting.

Unfinished Business

- Committee discussed treatment of estimated tax accruals associated with the 2025 financial statements.
- Determined that no adjustments would be made until guidance is received from the auditors.
- Agreed that Lisa will serve as the primary point of contact for all auditor requests moving forward.

New Business

Accounting Adjustments

- Committee reviewed several accounting items requiring correction or clarification, including:
 - Assessment revenue classification adjustments.
 - Delinquency fee reconciliation.
 - Tax lien payment entries. Jake agreed to make the necessary adjustments before finalizing reports.

Delinquency and Collections

- Discussed collection efforts and delinquency fee reporting.
- Committee reviewed outstanding homeowner balances and opportunities to improve collections communication.
- Discussed coordinating additional outreach efforts to encourage timely assessment payments.

Garden of the Gods Service Agreement

- Committee received an update regarding ongoing negotiations with Garden of the Gods concerning shared service expenses and the MESA agreement.
- Initial discussions were reported as productive, with additional review and contract revisions still pending.

Vendor Contract Review

- Committee discussed the Republic Services agreement and recent rate increases.
- Additional review of contract language and escalation provisions will be completed

Action Items

Action Items

Jake

- Review AR/SYNC section setup with Kissing and Amanda Johnson.
- Reclassify assessment revenue for incorrectly assigned Red Rocks lots.
- Investigate delinquency fee discrepancies.
- Review legal expense posting dates and make corrections as needed.
- Adjust gate access fee revenue recognition methodology.
- Correct tax lien accounting entries.
- Complete minor financial statement adjustments discussed during the meeting.

Finance Committee

- Complete redline review of the Garden of the Gods agreement. - Bernie
- Review interest income and CD maturity schedules against budget projections.
- Provide tax schedule information for auditor review.
- Continue negotiations regarding MESA service agreement expenses.

Lisa

- Review Republic Services contract and recent rate increase.
- Coordinate all auditor communications and requests.
- Follow up regarding tax accrual questions with the audit team.
- Work with Dakota on assessment collection outreach efforts.

Trevor

- Coordinate resources and system access needed for review of AR/SYNC section configurations.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:35am

MINUTES SUBMITTED BY

Lisa Baker, CMCA® AMS®

Community Association Manager, KCPOA

