

# **TREASURER'S REPORT**

**March 9, 2002**

**Bills:** The Finance Committee met on March 2. The committee reviewed the bills on file and compared them with the "Unpaid Bills Summary." We have received tax bills for 18 HMC properties (total \$758.90). We recommend deferring payment until April, and paying first half assessments on those properties for which this is an option. The committee recommends that the bills be paid.

Note: A bill has been received from our copier contractor, which includes a second annual service charge + overage charges. We are in the process of disputing this bill.

## **Finance Updates:**

- **Budget Planning:** The Board, Finance Committee and departmental Chairs will meet this afternoon to initiate the 2002-2003 budget planning process.
- **Insurance:** Nick, Doug and I met with representatives of Acordia insurance brokers on Feb 22 to learn more about their services. We believe that this firm, which is the largest marine broker on the west coast, offers some significant advantages in both service and price. We are pursuing transfer of all insurance lines to Acordia. (See Island managers' report).
- **Reserve Funds:** With a transfer of surplus funds to the water reserves last month, our ferry/dry dock, docks/dolphins, water and road reserve accounts are now fully funded at or above their target levels. We will continue to build our new legal/insurance reserve fund to its \$25,000 target over the next few years (now at \$7,259).
- **Senior Discount – Annual Review:** We have just completed the first year of the senior discount program. Results are as follows:
  - Average sales = 11.5 passes/mo.
  - 44 households have accessed the program.
  - 28 (63%) have purchased between 1-3 passes (of these, 12 -27% have

purchased 1 pass only)

- 13 (30%) have purchased 4 to 6 passes;
- 2 (5 % have purchased 7-9 passes (5%).
- Two households have purchased 10 passes. Because these households would typically purchase commuter passes, there are is no additional cost savings. These purchases have not been included in the financial analysis. Prior to the start of the program, the projected financial impact of the program (i.e. the difference between the costs of tickets vs. the senior pass) was projected to be \$2,288. The actual impact = \$ 2,595 (\$306 over initial projections).
- **Ferry Revenue:** YTD \$36,595 vs. \$36,739 (01).