

## ROTONDA WEST ASSOCIATION

### Budget & Finance Committee Meeting Minutes

Monday, June 13, 2022

**Attendees Present:** Sam Besase Treasurer and BOD Liaison, Gwen Grace, RoseAnne Woodliff, Wayne Legris, Jack Metz, Absent: Tom D'Abrosca, Wayne Legris, Thom Lisk & Derrick Hedges

**Zoom & Owners Present:** David Sincoski, Jerry Eldred, Nancy Ward-Snyder

**Meeting was called to order** by Jack Metz at 9:32am.

1. **ROLL CALL** Three Committee members were absent but a quorum was present. Zoom connection was operational for any interested public attendees, attendees noted above.
2. **Approval of old minutes:** *Motion to approve minutes made by Gwen Grace & second by Sam Besase. Minutes were approved as written.*
3. **Owner Input** – None
4. **REGULAR BUSINESS**
  - a. **Treasurer Report** – S. Besase presented May 2022 Treasurer's Report. See attached report.
  - b. **Income Analysis** – Income from Annual Assessments has exceeded Budget comparable to previous years. Currently just over 95% of owners have paid. Staff continue to focus on education and collections for new owners. Committee recognized staff efforts with increased owner compliance paying assessments.
  - c. **Expense Analysis** Expenses are overbudget YTD. Committee discussed what account the new lawn tractor was allocated to as nothing was noted under reserves and #7760 Mower Parts is considerably OB. Derrick Hedges to review and get back to Committee Members.
  - d. **Reserve Analysis** S Besase noted current balances.
  - e. **Delinquent Property Status Update** – Director Besase reported that the Board approved moving 17 delinquent properties toward foreclosure with our Attorney.
  - f. **CDARS Spreadsheet Analysis** - Manager Hedges and Thom List were absent. More discussion at next meeting.  
*Director Besase moved that the committee recommend to the Board to move \$300,000 from Operating into Reserve Capital Fund. Seconded by Gwen Grace. Motion passed unanimously.* S. Besase noted this amount exceeds recommended reserve study 2022 contribution but inflation rates are exceeding Reserve Study inflation rates.
5. **OLD BUSINESS**
  - a. **Lien & Foreclosure Status** – No updates further update at this time.
  - b. **Audit Committee versus Random Cash Mid-Year Audit by Professional Auditor** – Manager Hedges will update once Audit is complete with more details from Auditor, i.e., cost and scope of work related to HOA compliance with Annual Audit recommendations mid-year.  
*This item will remain open until hearing from Auditor specifics noted above.*
  - c. **2021 Audit Status** – Audit is still being produced. A draft is expected this week and will be forwarded to Budget and Finance as well as the Board. No drafts are available at this time. Manager Hedges noted he will forward to Committee when available.

- d. **Budget 2023 Process**
  - i. **2022 Reserve Study Deep Dive** – Director Besase reported Building and Grounds Committee met and identified approximately \$1.1 Million in desired project expenses over the next three years which are not currently part of the Reserve Study. The newly created list shall be forwarded to Budget and Finance to incorporate in projected Capital Reserve Budget planning.
  - ii. **Building and Grounds Three Year Capital Plan** - See above.
- 6. **New Business:**
  - a. **Budget Workshop** - Date to be determined when more Committee Members input available.
- 7. **Individual Committee Member Input**
- 8. **Motion to adjourn** made by Gwen Grace and seconded by Sam Besase. Meeting adjourned at 10:05am. Next meeting will be Monday, July 11, 2022 at 9:30am.

Submitted by: RoseAnne Woodliff

Budget & Finance Committee Secretary

ROTONDA WEST ASSOCIATION, INC.  
TREASURER'S REPORT - SUMMARY  
05/01/2022 THRU 05/31/2022

CASH:

1001 - Englewood Bank (8283) Checking-Operations	\$ 246,722.35
1003 - Petty Cash	\$ 200.00
1007 - CDARS Program - Operating	\$1,900,011.21
1008 - CDARS Program - Reserves	\$ 600,000.00
1106 - Englewood Bank (3864) – BAR Reserves	<u>\$ 143,952.49</u>
Total CASH as of 05/31/2022	\$2,890,886.05

Builders Deposits – New Construction

1102 - CSB 2004 - Builders Deposits	\$ 279,615.50
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\*Translates to approximately 250 homes under construction in RWA.

1007-CDARS-OPERATING:	\$1,900.0K - AS OF 05/31/22
1008-CDARS-RESERVES:	<u>\$ 600.0K</u> - AS OF 05/31/22
CDARS-TOTALS:	\$2,500.0K - AS OF 05/31/22

2022 YTD EXPENSES:

	ACTUAL	BUDGET	UNDER/OVER
7000 LI	\$305,336	\$243,800	OVER BY \$61.6K
6000 LI	\$457,428	\$459,167	UNDER BY \$ 1.7K
8000 LI	<u>\$ 14,029</u>	<u>\$ 18,750</u>	UNDER BY <u>\$ 4.7K</u>
	\$776,793	\$721,717	OVER BUDGET BY AROUND \$55.2K

6300 & 6420 shall be re-adjusted in June to account for RESERVES

Yearend INCOME may be understated by ~\$234.0K

Yearend EXPENSES may be over budget by ~\$137.0K

\$97.0K divided by 8,040 properties = **about \$12 under budget**

If we charged \$178 vs \$190 the trend shows RWA would break even.

Respectfully - Sam Besase – RWA Treasurer - June 06, 2022

ROTONDA WEST ASSOCIATION, INC.  
TREASURER'S REPORT – SUMMARY for BOD & B&F only  
05/01/2022 THRU 05/31/2022

- 4111-YEAR-TO-DATE 2022 RWA ACTUAL ASSESSMENT INCOME HAS EXCEEDED 2022 YEARLY BUDGET BY ~\$11.9K. \$1,539.5K VS \$1,527.6K
- \$11.9K = ~\$12.0K projected year end - ASSESSMENT income over budget)
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- 4200-ESTOPPEL INCOME HAS EXCEEDED YTD BUDGET BY ~\$31.9K.
- (\$115.7K VS \$75.0K)
- (\$40.7K = ~\$97.7K projected year end ESTOPPEL income over budget)
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- 4210-TRANSFER INCOME HAS EXCEEDED YTD BUDGET BY ~\$20.4K.
- (\$70.7K VS \$45.0K)
- (\$25.7K = ~\$61.7K projected year end TRANSFER income over budget)
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- 4300-FINES INCOME HAS EXCEEDED YTD BUDGET BY ~\$14.8K
- (\$34.9K VS \$8.8K)
- (\$26.1K = ~\$62.6K projected year end FINES income over budget)
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- ~\$12.0 + ~\$97.7 + ~\$61.7 + ~\$62.6 = ~\$234.0K income over budget!!!
- APPROXIMATELY 96.0% OF PROPERTIES HAVE PAID 2022 RWA ASSESSMENTS.
- 397 ACCOUNTS WERE DELINQUENT --- NOT PAID BY 05/31/22 7,643 HAVE PAID
- 3rd NOTICES HAVE BEEN MAILED TO APPROXIMATELY 590 DELINQUENT RESIDENTS
- ~5.0% OF PROPERTIES ARE DQ OVER 90 DAYS APPROX 75 LIENS IN PROCESS
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- 6180-YTD EMPLOYEE WAGES/BENEFITS EXPENSES WERE UNDER BUDGET BY ABOUT ~\$5.9K THRU 05/31/22. ~\$264.6K BUDGET VS ~\$270.4K THRU 05/31/22.
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- RESPECTFULLY, SAM BESASE – RWA TREASURER, JUNE 06, 2022

