

ROTONDA WEST ASSOCIATION, INC.

Budget & Finance Meeting Minutes

April 8, 2024 – 9:30AM

1. CALL TO ORDER at 9:30am by Chair Tom D'Abrosca
 - a. ROLL CALL: Tom D'Abrosca, Chairperson, Sam Besase, (RW Treasurer), Jack Metz (BoD Liaison), Colleen Koppenhaver, Timothy Houghton, RoseAnne Woodliff, Derrick Hedges & Jenny Bulle Absent: Thomas Lisk
2. Approval of minutes of March 11, 2024: Motion to approve Tom D'Abrosca, seconded by Colleen Koppenhaver. Approved as written.
 - a. Members – Property Owners Input – None Present
3. Regular Business – RWA Treasurer Overview (**Sam Besase**) – See Attached Report for details
 - a. Monthly Financial Review – March 2024
 - b. Income Analysis – March 2024: Total cash is \$3,103,589.62. Income is under budget by ~\$18.8K related to estoppel and transfer fees underbudget by approximately ~\$30K. All questions were asked and answered.
 - c. Expense Analysis – March 2024: Expenses overall is under budget by ~\$125.7K
 - i. Federal and State Liability Tax Expense Line Item for Budget 2025: **Discuss with Auditor when RWA should expect Tax liability from interest earned on CDRs.**
 - ii. Follow up from March meeting: Check #18459 for \$39K was part of fraud/check whitewashing attempt with stolen checks from vendor. Bank reimbursed money and Police investigation ongoing. One outstanding check remains as part of this thief for \$2,900 when investigation is complete.
 - d. Reserves Analysis -March 2024: Board approved recommended reserve funding at \$150K. \$100K has transferred and remaining \$50K will transfer when five CDs mature this month.
 - e. CDAR Operations & Reserves – Analysis – March 2024: Five CD's are rolling over this month. Derrick and Sam will review and recommend how to maximize return and current ladder.
4. Old Business:
 - a. RWA Manager update on Liens/Foreclosures: Manager Hedges reported we have collected interest only on one Mark Twin property. Judge delayed action until June 3, 2024. In general, the maximum RWA can collect is \$5K plus legal fees. Process is lengthy and requires staff staying on top of each account and communicating with lawyers. Approximately 80 properties are in Lien/Foreclosure process.
 - b. \$13k written off in account #1206 follow up: It was explained the account #4112 is actually bad debt recovery when a property is foreclosed. It is noted the current balance is zero although reportedly we have recovered some monies. **Derrick and Jenny will break it out and record for budgeting purposes and auditing.**
 - c. Delinquent Property Owners Analysis –March 2024: ~93.44% of owners have paid 2024 assessments.
 - d. Three Year Building and Grounds Plan (**Sam**): Committee meets this week to discuss and approve recommendations for Board approval. **Sam will share the plan with this committee.**
 - i. Update on RWA Building Addition Update: Board is having a workshop to develop FAQ for December ownership election/approval of plans and costs involved. In addition, data supports the addition of new staff, approximately 1 each year over 7 years.
 - e. 2024 Mid-Year Audit Update
 - i. 2022 "Agreed Upon Procedures Report" Review for appropriateness in 2024 (**Colleen**): The 2022 procedures covered bank reconciliation from 2021, cash receipts being handled properly where some of the main focus. Committee discussed if there were account areas that should be focused upon in the mid-year review such as new procedures or accounts. Are they being

handled correctly. Other ideas were presented and discussed. ***C. Koppenhaver will create a and bring to the next committee meeting to formalize for auditors.***

ii. Annual Audit: Questions for auditor for 2024 year-end report (forward to Derrick) C.

Koppenhaver noted that Auditors have required communications as part of their audit. This committee has not had any involvement with those communications. That letter should come to the B&F Committee to review and make recommendations to the Board. There are other communications that this committee should have access to. We are out of the loop but have that financial expertise to make recommendations to the board as a whole. The Committee would like to see the draft and have an opportunity to ask and receive answers from the auditor in advance of the board would be helpful. We would like the opportunity to invite the auditor to report to this Committee, either jointly with the Board or alone. The Committee recommends we receive the 2023 letter in advance of midyear audit and share the conclusion.

f. Reserve Study Update (Derrick): *Study is in process and this committee requests to be presented with a draft copy and discuss with Pierre and an opportunity to review it with Pierre.*

g. Check #18459 for \$39k+ follow up (Sam)

5. NEW BUSINESS:

a. Salaries and Wages budget line-item discussion for 2025 (Tom/Tim): Tim Houghton and Tom D’Abrosca to review and bring back recommendations for budget 2025.

b. Board Updates – (Jack): Nothing new.

6. RWA BUDGET & FINANCE: S. Besase stated any questions regarding the build out should be emailed to Board for Workshop on Thursday at 1:00pm.

7. Adjourned at 11:43am. Motion to approve Tom D’Abrosca, second by Sam Besase. Motion passed.

8. Next Meeting Date – MONDAY, May 13, 2024 AT 9:30AM

.