

ROTONDA WEST ASSOCIATION, INC.
Budget & Finance Meeting Minutes

March 24, 2025 – 9:30AM

1. CALL TO ORDER at 9:30am by Tom D'Abrosca
 - a. ROLL CALL: Tom D'Abrosca, Sam Besase, (RW Treasurer), RoseAnne Woodliff, Leo VanOrden, Daryl Bulle, Colleen Koppenhaver, Derrick Hedges, Jenny Bulle. Absent: Thom Lisk
 - b. Zoom was operational. Attendees: Andy VanScyoc, Steve Guy
2. APPROVAL OF MINUTES: Minutes of February 24, 2025 motion to approve as corrected made by Colleen Koppenhaver, second by L. VanOrden was approved unanimously.
 - a. Members – Property Owners Input: None
3. REGULAR BUSINESS: RWA Treasurer Overview (S. Besase)

Monthly Financial Review – February 2025.

 - a. Income Analysis – February 2025: Total cash in Operating funds are \$2,380,109.71 and Capital & Operating Reserves \$827,693.48. Total Cash is \$3,207,803.19.
 - b. Expense Analysis – February 2025: Total Expenses were underbudget by \$47,9K for February. C. Koppenhaver requested the income statement be annualized for #4111 assessments and #6180 payroll. *Action: J. Bulle agreed to complete that change.*
 - c. Reserve Analysis – February 2025 –An additional \$100K was moved into Reserves. Several Committee Members attended a video conference on Reserve Funding. They and the Auditors confirmed funding the new build with Operating cash. The Auditors also noted we should maintain at least 6 months of Operating Expense or approximately \$1,000,000 for best practice. The Committee took note and suggested Building and Grounds also need to be aware when recommending plans to the Board. The Committee requests S. Besase, Chairman of Building & Grounds and Budget & Finance Board Representative include us in Board Recommendations going forward. *S. Besase expressed reserve on this recommendation.*
 - i. Update Reserve Study: Manager noted the information was submitted for update which has not been received at this date. *ACTION: (Derrick requested Reserve Study updated by author, Pierre Del Rosario, RSS, RS using a figure of \$500K.) This item will remain open.*
 - d. CDAR Operations & Reserves – Analysis – February 2025: Current CDR rates are ~4.25%.
4. Old Business:
 - a. RWA Manager update on Liens/Foreclosures: Currently there are 86 properties in either lien or foreclosure process. Current foreclosure soon to close with expected recovery of full \$7K. Another bankruptcy foreclosure expected to close 3/17/2025 with balances over \$35K will include a significant write off of monies to be determined at finalization. Nothing final at this time
 - b. Delinquent Property Owners Analysis –February 2025: There are 782 properties that owe money to RWA. Down from January 1403 properties who owe RWA some money totally ~\$438.6K.
 - c. Three Year Building and Grounds Plan (**Sam**):
 - i. Administration Build out: Final drawings are in process of updating.
 - ii. S. Besase noted B&G Committee is again reviewing the 2025 plan.
 - iii. The canopy build-out over cement patio attached to Community Center is an additional building project awaiting board approval and has begun preliminary drawings, permitting and hopefully bidding which will then be submitted to Board for approval.
 - iv. Board approved water access update: Awaiting EPA approvals, no problems anticipated with permit.
 - d. Annual Audit 2025 Contract: Two Committee members submitted questions regarding the Draft 2024 Audit. No response from either RWA management or Auditor at this time. C. Koppenhaver requested

the Auditors break out interest income in their audit this year to assist with accurate budget process.
ACTION: Derrick to forward questions to Auditor. S. Besase will send out email to auditor to request interest #4130 with Jenny assist. Await answers to questions on audit. This item will remain open on our agenda.

5. NEW BUSINESS:

- a. Board Updates. None.

6. RWA BUDGET & FINANCE COMMITTEE INPUT:

- a. S. Besase noted MSBU Bridget projects have restarted with timelines from County of expected progress. Current repaving was completed through county gas tax dollars and not part of MSBU.
- b. D. Bulle commented on follow up with video HOA Reserve funding conference confirmed new build outs should be paid for out of operating funds.

7. Adjourned at 10:35AM. Being no further business the meeting was adjourned by a motion of Chairman Tom D'Abrosca and second by R. Woodliff.

8. Next Meeting Date – WEDNESDAY, May 28, 2025 AT 9:30AM. Date changed due to Memorial Day Holiday on Monday.

Respectfully Submitted:

RoseAnne Woodliff, Secretary Budget & Finance Committee

ROTONDA WEST ASSOCIATION, INC.

TREASURER'S REPORT

02/01/2025 THRU 02/28/2025

1001 – CREWS Bank (8283) Checking-Operations	\$ 5,562.39
1003 - Petty Cash - Operations	\$ 200.00
1007 - CDARS Program – Operations	\$ 1,370,237.62
1011 - Centennial Operations #2 (~4.5%)	<u>\$ 1,004,109.70</u>
As of 02/28/25-Total CASH IN OPERATIONS ACCOUNTS	\$ 2,380,109.71

1008 - CDARS Program - Reserves - CAPITAL	\$ 587,579.13
1105 – Centennial Sweep–Reserves–7343 OPNS (4.25%)	\$ 235,099.35
1106 – Crews 3864 Board Approved Reserves (BAR)	<u>\$ 5,015.00</u>
As of 02/28/25 - Total CASH IN RESERVE ACCOUNTS	\$ 827,693.48

As of 02/28/25-TOTAL CASH-OPERATIONS & RESERVES \$3,207,803.19

Builders Deposits – New Construction

1103 – Centennial 6065 Builders Clean Site Escrow	\$ 119,000.00
4220 – Clean Site Deposits \$9.3K actual vs \$6.3K budget = ~+\$3.0K	

Approximately 239 homes are currently under construction in RWA. ~2.97%

<u>2025 YTD INCOME:</u>	<u>2 mo. ACTUAL</u>	<u>vs</u>	<u>2 mo. Budget</u>
2025 YTD Income	\$1,609.4K	vs	\$1,623.2K = ~-\$13.8K

4111-ASSESSMENTS = +\$1.7K	~+\$ 1.7K
4120 INTEREST INCOME = ~\$6.2K (vs 2/25 budget ~\$8.3K)	~-\$ 2.1K
4200-ESTOPPEL YTD = ~47/80 = ~33 behind ~\$14.0K vs ~\$23.3	~-\$ 9.3K
4210-TRANSFER YTD = ~45/80 = ~35 behind ~\$13.6K vs ~\$23.3	~-\$ 9.4K
4300-FINING INCOME YTD = ~\$32.2K vs ~\$20.0K	<u>~+\$12.2K</u>
16.7% of the 2025 budget year.	~-\$ 6.9K

<u>2025 YTD EXPENSES:</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>UNDER/OVER</u>
6000 Line-Item Series	\$233.6K	\$222.7K	OVER BY ~\$10.9K
7000 Line-Item Series	\$ 35.2K	\$ 93.5K	UNDER BY ~\$58.3K
8000 Line-Item Series	\$ 6.2K	\$ 6.7K	UNDER BY ~\$ 0.5K

2025 YTD Expenses	\$275.0K	\$322.9K	UNDER BY~\$ 47.9K
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Respectfully - Sam Besase – RWA Treasurer – March 4, 2025

ROTONDA WEST ASSOCIATION, INC.

TREASURER'S REPORT – SUMMARY

02/01/2025 THRU 02/28/2025

- DELINQUENT PROPERTIES
- ~ 86 Properties are in the LIEN/FORECLOSURE PROCESS = ~1.01%
- ~ 21 Properties are in a PAYMENT PLAN PROCESS = ~ 0.26%
- ~ 675 Properties owe late fees and/or fines = ~ 8.40%
- ~ 782 properties (9.72%) (681 owners) (8.5%) owe the RWA some money. ~\$438.6K
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- Latest CDAR interest rates are averaging ~4.25%. (vs 5.17% in 2024)
- Higher interest rates translate to ~\$1.5K income per week ~\$78K a year
- All = 52 weeks which extend into 2Q 2025. Expect average ~4.25% = 2025
- FED met in January, 2025 – PAUSED Reductions. Next meeting: 03/19/25
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- RWA Admin Building Expansion shall be paid by using most of the funds in 2 Operations CDARs: Crews #3783 (~\$324K) & Centennial #3665 (~\$90K)
- Payments for RWA Admin Building expansion to be made over ~2 years.
- *DEC-24 & MAR 25 & JUN 25 & SEP 25 & NOV 25 & MAR 26 & JUL 26 & DEC 26
- * Estimated Groundbreaking perhaps late 1Q to early 2Q of 2025
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- Reserves contribution in 2024 = ~\$194.7K vs 2024 allocation of ~\$97.0K ~+\$97.7K
- Roughly ~\$100K more than required by the RESERVES STUDY.
- Consider transferring about \$100K into RESERVES in 2Q 2025.
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- 2024 Independent Audit started in mid-February. Expect draft March 2025
- RWA Manager & B&F Chair & Treasurer attended a Zoom Reserves class
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- CARRY OVER – EXCESS FUNDS (Net Income) as of 02/28/25 is: ~\$1,332,697.78
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- ~16.7% thru 2025 – RWA budget starts out 2025 in excellent financial shape!!!!

RESPECTFULLY, SAM BESASE - RWA TREASURER, March 04, 2025