

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**January 18, 2017**

**PRESENT:** Marilyn Lillienfeld, Carlton Rooks and Charles Schroeder

**ABSENT:** Chuck Roach, Paul Snyder and David Reid

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

The BCA Financial Statements for the month of December 2016 were not available at the time of the meeting. So, the agenda for the meeting was reduced to reviewing and approving the minutes of our last meeting and discussing the Review of the BCA November 2016 Financial Statements and the remaining agenda items.

### **Review & approve minutes of the December 19, 2016 meeting**

The minutes of the B&F Committee meeting on December 19, 2016 were approved without objection.

### **Review of BCA Financials for November 2016**

The review is attached and there were no objections.

### **Comments on Forthcoming Budget Preparation Meeting**

Information is being gathered for Monday's meeting. (The meeting has been delayed due to Viola's illness and will be rescheduled shortly).

### **Comments on Security Committee Meeting**

Under the new Guardhouse security setup of 2 shifts each per day and per night, there will be payroll savings and it requires a setup fee. At the security meeting it was also mentioned that there is a plan to install security cameras inside and outside the clubhouse as well as in the pool area. It is not quite clear what the cost of this plan is. Marilyn has offered to look into the figures and Viola will have the correct figures for the budget meeting.

There being no other business the meeting was adjourned at 2:45p.

**Enclosure:** B&F Committee Meeting Agenda

Review of BCA Financials for November 2016

Prepared by:

Approved by:

Charles Schroeder

Marilyn Lillienfeld

Member, B&F Committee

Chair, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**JANUARY 18, 2017**

1. REVIEW AND APPROVE MINUTES OF DEC. 19<sup>TH</sup>, 2016 MEETING
2. REVIEW NOVEMBER, 2016, FINANCIAL STATEMENTS
3. REPORT ON STATUS OF ACCOUNTS RECEIVABLE AT 12/31/2016
4. COMMENTS ON UPCOMING BUDGET PREPARATION MEETING
5. COMMENTS ON SECURITY COMMITTEE MEETING
6. STATUS OF RESERVE ANALYSIS
7. NEW BUSINESS
8. ADJOURN

## **Review of BCA Financials for November 2016**

**Comments:** Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company as of November 30, 2016 totaled \$1,450,358.43 (an increase of \$11,863.96). The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$161,434.64 (a decrease of \$47,881.04). Accounts Receivable are down by \$389 to \$7,949. For the month, ninety and more days past due assessments as well as 90 days late CC&R violations and other fees increased by \$100. The total of \$5,161 remains at 0.6% of annual assessments.

**Income:** In line with budget (not considering insurance claim income of \$2,569).

**Salaries & Wages:** 10.3% over budget; YTD 23% under budget.

**Administrative & General:** \$799 or 8.4% under budget.

**Repairs & Maintenance:** \$1,081 or 45% over budget; YTD in line with budget.

**Utilities:** \$958 or 10.8% under budget.

**Income Taxes:** \$202 State Income Taxes were paid.

**Insurance:** In line with budget.

**Contract Services:** 4.8% under budget.

**Operating Owners' Equity:** The balance at month-end is \$63,413, a gain of \$4,938

**Reserve Owners' Equity:** As of November 30, 2016 the Reserve Fund balance as per AAM Statement is \$1,450,358, a gain of \$11,864.

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**March 22, 2017**

**PRESENT:** Marilyn Lillienfeld, David Reid, Paul Snyder, Carlton Rooks and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** Chuck Roach

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our last meeting and to discuss the reviews of the BCA December 2016 through February 2017 Financial Statements and the remaining agenda items.

### **Review & approve minutes of the January 18, 2017 meeting**

The minutes of the B&F Committee meeting on January 18, 2017 were approved without objection.

### **Review of BCA Financials for February 2017**

To save time the Committee decided to skip the discussion of the December 2016 and January 2017 financial reviews and concentrate on discussing the February 2017 review. The review is attached (and so are the December and January reviews) and there were no objections.

### **Report on Accounts Receivable Status**

Paul Snyder presented his summary of accounts receivable as of February 28, 2017 which showed an excellent position. As mentioned in the February review of BCA Financials the total of \$1,635 of 90 days plus outstanding AR's represents only 0.39% of annual assessments.

### **Discussion of Reserve Fund Issues & Completion of Budget Preparation**

The Reserve Fund Budget had received inputs from various sources: B&F members, B&G members, the BOD president, Harold Levin and Laurie Forte among others. All this hard work resulted in a table of Changes to Expense Schedule for Reserve Assets reflecting moves of expenses from one fiscal year to another, usually into the future, as the useful life expectancy of several reserve components can be longer than is indicated in the Reserve Study due to less inclement weather conditions in Arizona and better maintenance by good management. Also, the Committee discussed a 20-year table of expenses for reserve components without roads but with maintenance funding for the painting of view fences. The inflation rate was set at 2.5% per annum.

At its forthcoming Meeting the Board will review the prepared 2017-2018 BCA Operating & Reserve Budget. The consultant, Michael Frank, will also be available to advise about the roads budget.

**Next B&F Committee Meeting Dates**

Wednesday, April 19, 2017 at 2:00p at the Clubhouse

Wednesday, May 24, 2017 at 2:00p at the Clubhouse

There being no other business the meeting was adjourned at 3:40p.

**Enclosures: B&F Committee Meeting Agenda**

Review of BCA Financials for December 2016

Review of BCA Financials for January 2017

Review of BCA Financials for February 2017

Prepared by:

Approved by:

Charles Schroeder

Marilyn Lillienfeld

Member, B&F Committee

Chair, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**MARCH 22, 2017**

1. REVIEW AND APPROVE MINUTES OF JAN. 18, 2017
2. REVIEW OF DECEMBER, JANUARY AND FEBRUARY FINANCIAL STATEMENTS
3. REPORT ON ACCOUNTS RECEIVABLE STATUS
4. DISCUSSION OF RESERVE FUND ISSUES & COMPLETION OF BUDGET PREPARATION
5. NEW BUSINESS
6. SET NEXT MEETING DATES: PROPOSED APRIL 19<sup>TH</sup> & MAY 24<sup>TH</sup>
7. ADJOURN

## Review of BCA Financials for December 2016

**Comments:** Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company as of December 31, 2016 totaled \$1,470,495.98 (an increase of \$20,137.55). The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$145,480.83 (a decrease of \$15,953.81). Accounts Receivable are up by \$107 to \$8,056. For the month, ninety and more days past due assessments as well as 90 days late CC&R violations and other fees increased by \$2,009. The total of \$7,140 raises the percentage from 0.6% to 0.87% of annual assessments.

**Income:** In line with budget.

**Salaries & Wages:** 37.8% under budget; YTD 26.6% under budget.

**Administrative & General:** \$1,149 or 11.4% over budget; YTD \$6,206 or 11.4% under budget

**Repairs & Maintenance:** \$3,477 or 145% over budget; YTD \$3,641 or 15.7% over budget mainly due to steamroom cleaning and 3 new patio umbrellas.

**Utilities:** \$1,031 or 9.7% under budget.

**Income Taxes:** No payments due.

**Insurance:** In line with budget.

**Contract Services:** In line with budget.

**Operating Owners' Equity:** The balance at month-end is \$58,273, a decline of \$5,140

**Reserve Owners' Equity:** As of December 31, 2016 the Reserve Fund balance as per AAM Statement is \$1,470,496, a gain of \$20,138.

Charles Schroeder, January 29, 2017

## Review of BCA Financials for January 2017

**Comments:** As per Balance Sheet as of January 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,493,257.38 (an increase of \$22,761.40). The two operating accounts at the Mutual of Omaha Bank (plus a pending reimbursement from the Reserve Fund) ended the month with a combined total of \$233,761.53 (an increase of \$88,280.70). Accounts Receivable are up by \$1,015 to \$9,071. For the month, ninety and more days past due assessments declined by \$3,378 and 90 days late CC&R violations and other fees decreased by \$370 (net). The new total of \$3,166 reduces the percentage from 0.87% to 0.39% of annual assessments.

**Income:** In line with budget.

**Salaries & Wages:** 18.2% under budget; YTD 25.5% under budget.

**Administrative & General:** \$3,439 or 34.3% under budget; YTD \$9,645 or 15% under budget.

**Repairs & Maintenance:** \$2,272 or 81.1% under budget; YTD \$1,370 or 5.3% over budget.

**Utilities:** \$3,806 or 59% over budget; YTD \$4,597 or 7.8% under budget.

**Income Taxes:** No payments due.

**Insurance:** In line with budget.

**Contract Services:** In line with budget.

**Operating Owners' Equity:** The balance at month-end is \$62,913, an increase of \$4,640

**Reserve Owners' Equity:** As of January 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,480,687, a gain of \$10,191.

Charles Schroeder, February 18, 2017



## Review of BCA Financials for February 2017

**Comments:** As per Balance Sheet as of February 28, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,515,774.21 (an increase of \$22,516.83). The two operating accounts at the Mutual of Omaha Bank (plus \$38,097.04 due from Reserve Fund) ended the month with a combined total of \$197,761.53 (a decrease of \$36,664.49). Accounts Receivable are down by \$4,721 to \$4,350. For the month, ninety and more days past due assessments declined by \$2,595 and 90 days and more late CC&R violations and other fees decreased by \$389. The new total of \$1,635 reduces the delinquency percentage from 0.39% to 0.2% of annual assessments. It is also the first time that 90 days and more late CC&R violations and other fees of \$1,064 exceed ninety and more days past due assessments of \$571.

**Income:** In line with budget, if we disregard the reclassification of \$2,569 insurance funds.

**Salaries & Wages:** 4.4% under budget; YTD 23% under budget.

**Administrative & General:** \$1,636 or 17.2% under budget; YTD \$11,282 or 15.3% under budget.

**Repairs & Maintenance:** In line with budget.

**Utilities:** \$1,772 or 17.2% under budget; YTD \$6,370 or 9.1% under budget.

**Income Taxes:** Federal Income Tax of \$317 paid<sup>1</sup>.

**Insurance:** In line with budget.

**Contract Services:** In line with budget.

**Operating Owners' Equity:** The balance at month-end is \$64,533, an increase of \$1,620

**Reserve Owners' Equity:** As of February 28, 2017 the Reserve Fund balance as per AAM Statement is \$1,477,196, a decline of \$3,490.

Charles Schroeder, March 15, 2017

---

<sup>1</sup> Represent estimated Federal income taxes of \$67 due March 15, 2017 and \$250 due June 15, 2017.

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**April 19, 2017**

**PRESENT:** David Reid, Paul Snyder and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** Marilyn Lillienfeld, Chuck Roach and Carlton Rooks

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

The meeting was chaired by David Reid, Treasurer of BCA and Member of the B&F Committee. To review and approve the minutes of our last meeting and to discuss the review of the BCA March 2017 Financial Statements and the remaining agenda items.

### **Review & approve minutes of the March 22, 2017 meeting**

The minutes of the B&F Committee meeting on March 22, 2017 were approved without objection.

### **Review of BCA Financials for March 2017**

The review is attached and there were no objections.

### **Report on Accounts Receivable Status**

Paul Snyder presented his summary of accounts receivable as of March 31, 2017 which showed an excellent position. Paul made the following statement:

“Overall, we are in excellent shape:

1. The total ar is only \$3.5k.
2. Only 1 acct. (\$1.6k) is/will be at the collection attorney.
3. Only 1 acct. has not paid the assessment for the most recent qtr.”

### **Update on Reserve Analysis due to Pool Component Replacements**

Laurie pointed out that these are 2 pool pumps and filters and require a change in the time of the replacement. David suggested that the filters should be variable ones to allow for high and low speed settings.

**Update on Proposed/Planned Road Improvements**

David has requested that Michael Frank provide BCA with detailed specifics of his earlier proposal of planned road work as well as providing additional names of roadwork companies. This information will enable the Board to make a final decision on the road maintenance/improvements.

**Next B&F Committee Meeting Dates**

Wednesday, May 24, 2017 at 2:00p at the Clubhouse (confirmed)

There being no other business the meeting was adjourned at 2:30p.

**Enclosures:** B&F Committee Meeting Agenda

Review of BCA Financials for March 2017

Prepared by:

Approved by:

Charles Schroeder

David Reid

Member, B&F Committee

BCA Treasurer & Member, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**APRIL 19,2017**

1. REVIEW AND APPROVE MINUTES OF MARCH 22, 2017 MEETING
2. REVIEW MARCH, 2017, FINANCIAL STATEMENTS
3. REPORT ON STATUS OF ACCOUNTS RECEIVABLE
4. UPDATE ON PROPOSED/PLANNED ROAD IMPROVEMENTS
5. UPDATE ON RESERVE ANALYSIS DUE TO POOL COMPONENT REPLACEMENTS
6. CONFIRM NEXT MEETING DATE OF MAY 24,2017
7. NEW BUSINESS
8. ADJOURN

## **Review of BCA Financials for March 2017**

**Comments:** As per Balance Sheet as of March 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,494,730.69. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$180,892.20. Accounts Receivable are down by \$845 to \$3,505. For the month, ninety and more days past due assessments declined by \$715 and 90 days and more late CC&R violations and other fees decreased by \$25. The new total of \$1,610 reduces the delinquency percentage to slightly below 0.2% of annual assessments.

**Income:** In line with budget.

**Salaries & Wages:** 8.8% over budget; YTD 19.7% under budget.

**Administrative & General:** In line with budget; YTD \$11,254 or 13.6% under budget.

**Repairs & Maintenance:** \$2,640 or 60% under budget; YTD \$1,550 under budget.

**Utilities:** \$2,065 or 21.3% under budget; YTD \$8,4334 or 10.6% under budget.

**Income Taxes:** Federal Income Tax of \$317 credit for previously paid estimated Taxes. Also YTD shows a re-classification of \$453.18 from Fed refund to State refund.

**Insurance:** In line with budget.

**Contract Services:** In line with budget.

**Operating Owners' Equity:** The balance at month-end is \$65,683, an increase of \$1,150

**Reserve Owners' Equity:** As of March 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,494,731, an increase of \$17,533.

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**May 24, 2017**

**PRESENT:** Marilyn Lillienfeld, Chuck Roach, Carlton Rooks, Paul Snyder and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** David Reid

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our last meeting and to discuss the review of the BCA April 2017 Financial Statements and the remaining agenda items.

### **Review & approve minutes of the April 19, 2017 meeting**

The minutes of the B&F Committee meeting on April 19, 2017 were reviewed and approved without objection.

### **Review of BCA Financials for April 2017**

The review is attached and there were no objections. It was noted that the majority of the categories in the BCA Financial Statements are YTD under budget. The Chair stated that this could be considered an additional financial cushion, available for emergencies.

### **Report on Accounts Receivable Status**

Paul Snyder presented his summary of accounts receivable as of April 30, 2017 which continues to show an excellent position, though, there was a small increase in assessment delinquencies. Laurie Forte commented that after the sale of a residence the outstanding balance in the account was paid during this current month. This payment reduces the total outstanding receivables by \$2,235 to \$4,621.

### **Comments on Annual Meeting**

The consensus among committee members that attended the annual meeting was that community residents were satisfied with what they heard in the various presentations and were appreciative of the work of the Board, the Community Manager and the many volunteers in the committees, etc.

Following the annual meeting the Bellasera Board of Directors held their constitutional meeting and assigned the various Board positions among the existing and newly elected members. The new Board also approved the Operating Budget for the fiscal year 2017-

2018 as recommended by the previous Board. The new Reserve Plan will also be approved as soon as pending additional inputs and adjustments are complete.

**Update on Road Project**

Several heavily traveled sections of the Bellasera road system will be dug up and repaired during the Fall, after which all roads will be sealed.

**New Business**

Marilyn asked the members of the committee to bring forward issues to prepare for the closing of the BCA books for the current fiscal year.

**Next B&F Committee Meeting Dates**

Wednesday, June 21, 2017 at 2:00p at the Clubhouse.

Wednesday, July 19, 2017 at 2:00p at the Clubhouse.

There being no other business the meeting was adjourned at 2:30p.

**Enclosures:** B&F Committee Meeting Agenda

Review of BCA Financials for April 2017

Prepared by:

Approved by:

Charles Schroeder

Marilyn Lillienfeld

Member, B&F Committee

Chair, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**MAY 24, 2017**

1. REVIEW AND APPROVE MINUTES OF APRIL 19, 2017 MEETING
2. REVIEW APRIL FINANCIAL STATEMENTS
3. REPORT ON STATUS OF ACCOUNTS RECEIVABLE
4. SOLICIT COMMENTS ON ANNUAL MEETING
5. UPDATE ON ROAD PROJECT
6. NEW BUSINESS
7. SCHEDULE NEXT MEETING DATES
8. ADJOURN



## Review of BCA Financials for April 2017

**Comments:** As per Balance Sheet as of April 30, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,513,212.30, an increase of \$18,481.61. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$231,258.10. Accounts Receivable nearly doubled to \$6,856 due mainly to non-payment of dues. For the month, ninety and more days past due assessments increased by \$571 and 90 days and more late CC&R violations and other fees increased by \$332. The new total of \$2,513 amounts to a delinquency percentage of 0.3% of annual assessments.

**Income:** Slightly above budget.

**Salaries & Wages:** 8.8% over budget; YTD 17% under budget.

**Administrative & General:** In line with budget; YTD \$11,091 or 12.2% under budget.

**Repairs & Maintenance:** \$1,207 or 38% over budget; YTD in line with budget.

**Utilities:** \$559 under budget; YTD \$8,994 or 10.2% under budget.

**Income Taxes:** No taxes due or paid.

**Insurance:** In line with budget.

**Contract Services:** 8.8% below budget. YTD slightly below budget.

**Operating Owners' Equity:** The balance at month-end is \$68,567, an increase of \$2,884

**Reserve Owners' Equity:** As of April 30, 2017 the Reserve Fund balance as per AAM Statement is \$1,513,212, an increase of \$18,482.

Charles Schroeder, May 19, 2017

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**June 21, 2017**

**PRESENT:** Marilyn Lillienfeld, David Reid, Carlton Rooks, Paul Snyder and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** Chuck Roach

The Budget and Finance Committee was called to order at 2:00 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our last meeting and to discuss the review of the BCA May 2017 Financial Statements and the remaining agenda items.

### **Road Maintenance and Repair Update**

David Reid was pressed for time, but wanted to be sure to give the committee an update on where BCA currently stands as to the planned roads program contained in the Reserve Plan. The decided portion of the project will amount to an estimated \$400,000 but additional work is being considered for structural repairs of the most traveled parts of the roadsystem and a final sealing of all roads in Bellasera. BOD has asked the consultant, Michael Frank, to provide additional answers to questions on how the project breaks down specifically. The information will enable the Board to approve the project and A/R to conclude the Reserve Plan.

### **Review & approve minutes of the May 24, 2017 meeting**

The minutes of the B&F Committee meeting on May 24, 2017 were reviewed and approved without objection.

### **Review of BCA Financials for May 2017**

The review is attached and was accepted as is.

### **Report on Accounts Receivable Status**

Paul Snyder presented his summary of accounts receivable as of May 31, 2017 which continues to show an excellent position. He also had prepared a detailed *Review of Adequacy of Allowances for Doubtful Accounts* which includes a recommendation to write off *non lienable* amounts such as fines outstanding a year or longer. However, the committee wanted to be sure that all outstanding fines be maintained on the books to be collected at the time of sale of the property. Subsequently, Laurie confirmed that all the non-lienable portions of the fines will remain on the books. There will be no changes to the bad debt reserve.

### **Discussion of Year-end Accounting Issues**

Marilyn said the challenge is to match major expenses to the timing in the budget. We will be looking out for that.

Marilyn also asked again the members of the committee to bring forward issues to prepare for the closing of the BCA books for the current fiscal year.

### **Next B&F Committee Meeting Dates**

Wednesday, July 19, 2017 at 2:00p at the Clubhouse.

There being no other business the meeting was adjourned at 3:10p.

### **Enclosures:** B&F Committee Meeting Agenda

Review of BCA Financials for May 2017

Prepared by:

Approved by:

Charles Schroeder

Marilyn Lillienfeld

Member, B&F Committee

Chair, B&F Committee

BELLASERA COMMUNITY ASSOCIATION  
AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING  
JUNE 21, 2017

1. REVIEW AND APPROVE MINUTES OF MAY 24, 2017 MEETING
2. REVIEW MAY FINANCIAL STATEMENTS
3. REPORT ON STATUS OF ACCOUNTS RECEIVABLE
4. DISCUSSION OF YEAR-END ACCOUNTING ISSUES
5. NEW BUSINESS
6. CONFIRM/SCHEDULE NEXT MEETING DATES
7. ADJOURN

## Review of BCA Financials for May 2017

**Comments:** As per Balance Sheet as of May 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,531,756.31, an increase of \$18,544.01. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$158,593.13. Accounts Receivable declined to \$2,401 (by \$4,455). For the month, ninety and more days past due assessments decreased by \$1,142 to zero and 90 days and more late CC&R violations and other fees decreased by \$1,606. The new total of \$907 amounts to a delinquency percentage of 0.1% of annual assessments, clearly an ideal condition.

**Income:** In line with budget.

**Salaries & Wages:** 8.8% over budget; YTD 14.8% under budget.

**Administrative & General:** Both monthly and YTD expenses are 12.2% under budget.

**Repairs & Maintenance:** \$2,392 or 28.5% under budget; YTD 6% under budget.

**Utilities:** In line with budget; YTD \$8,760 or 9.1% under budget.

**Income Taxes:** No taxes due or paid.

**Insurance:** In line with budget.

**Contract Services:** In line with budget.

**Operating Owners' Equity:** The balance at month-end is \$68,115, a decrease of \$452.

**Reserve Owners' Equity:** As of May 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,531,756, an increase of \$18,544.

Charles Schroeder, June 17, 2017

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**September 27, 2017**

**PRESENT:** Marilyn Lillienfeld, David Reid and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** Chuck Roach, Carlton Rooks and Paul Snyder

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our last meeting and to discuss the review of the BCA July and August 2017 Financial Statements and the remaining agenda items

### **Update on Road Repairs/Replacement Project**

David gave the Committee an update on the Road Project: At its September meeting the Bellasera Board approved a major structural road replacement of *Ponte Bella Drive* from the entrance off Scottsdale Road to Corva Drive, of *Corva Drive* between *Visao Drive* and *74<sup>th</sup> Way*, and of the clubhouse *parking lot*. In addition, there will be patching and crack sealing of the remaining roads and, finally, a sealcoat will be applied to all roads.

The Board has scheduled a special meeting on October 4 at 1:00 p.m. in the clubhouse to review bids and select a contractor to perform the work. It is estimated that work will begin around the 3<sup>rd</sup> week of October and should take about 6 weeks to complete, weather permitting. Total funding will be about \$445,000 including a set aside of \$60,000 for unexpected expenses. All funds will be provided by the BCA Reserve Fund.

### **Review & approve minutes of the July 26, 2017 meeting**

The minutes of the B&F Committee meeting on July 26, 2017 were reviewed and approved without objection.

### **Review of BCA Financials for July and August 2017**

The reviews are attached and were accepted as is.

### **Report on Accounts Receivable Status**

We did not have a detailed report for the months of July and August, but as stated in the two attached monthly reviews there were no 90 days or more outstanding unpaid assessments and the Bellasera Community is in a commendable position.

### **Review of Annual Financials as of June 30, 2016 from CPA Firm**

Marilyn had distributed the CPA review earlier. It did not contain anything unusual and it is expected that the opinion by the CPA will not contain anything either. With that being said Marilyn proposed that the Committee recommend to the Board to approve the review. All members present agreed.

### **Discussion of Reserve Fund Budget for Current FY**

One of the clubhouse A/C unit needs to be replaced and the recommendation is to replace the second unit as well, since it is of the same age and would be cost efficient.

### **Capital Improvement Fee**

As a next step, David is planning to send a letter to residents to inform the community about the concept of a capital improvement fee and how it is assessed, what the benefits are, etc. Its introduction would require a change in the CC&Rs. Quite a number of other communities have adopted such a fee.

### **Next B&F Committee Meeting Dates**

Wednesday, October 18, 2017 at 2:00p at the Clubhouse.

Tuesday, November 21, 2017 at 2:00p at the Clubhouse.

There being no other business the meeting was adjourned at 3:10p.

### **Enclosures: B&F Committee Meeting Agenda**

Review of BCA Financials for July 2017

Review of BCA Financials for August 2017

Prepared by:

Approved by:

Charles Schroeder

Member, B&F Committee

Marilyn Lillienfeld

Chair, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**SEPTEMBER 27, 2017**

1. REVIEW OF MINUTES FROM MEETING ON JULY 26<sup>th</sup>, 2017
2. REVIEW OF FINANCIAL STATEMENTS FOR JULY & AUGUST, 2017
3. STATUS OF ACCOUNTS RECEIVABLE
4. REVIEW OF ANNUAL FINANCIALS FROM CPA FIRM
5. UPDATE ON ROAD REPAIRS/REPLACEMENT PROJECT
6. NEW BUSINESS
7. SET DATES FOR NEXT MEETINGS
8. ADJOURN



## **Review of BCA Financials for July 2017**

**Comments:** As per Balance Sheet as of July 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,577,957.73, an increase of \$24,893.76. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$211,161.61. Accounts Receivable essentially doubled to \$4,723 (by \$2,356). For the month, ninety and more days past due assessments declined by \$720 to \$0 and 90 days and more late CC&R violations and other fees declined by \$61. The overall total of \$846 amounts to a delinquency rate of 1/10 of 1% of annual assessments, a practically perfect condition.

**Income:** In line with budget.

**Salaries & Wages:** In line with budget.

**Administrative & General:** \$2,450 or 28.2% over budget due to unbudgeted road consulting fee.

**Repairs & Maintenance:** \$2,769 under budget or 43.8%.

**Utilities:** In line with budget.

**Income Taxes:** No taxes due or paid.

**Insurance:** In line with budget.

**Contract Services:** slightly under budget.

**Operating Owners' Equity:** The balance at month-end is \$58,884 (slightly increased).

**Reserve Owners' Equity:** As of July 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,577,958, an increase of \$24,894.

Charles Schroeder, September 9, 2017

## **Review of BCA Financials for August 2017**

**Comments:** As per Balance Sheet as of August 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,600,720.37, an increase of \$22,762.64. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$141,809.75, a decline of \$69,351.86. Accounts Receivable declined to \$2,305 (by \$2,418). For the month, ninety and more days past due assessments remained at \$0 and 90 days and more late CC&R violations and other fees remained at the same level as well at \$846 leaving the delinquency rate at 1/10 of 1% of annual assessments, a practically perfect condition.

**Income:** In line with budget.

**Salaries & Wages:** In line with budget.

**Administrative & General:** In line with budget. However, YTD \$2,273 or 13.9% over budget due to unbudgeted road consulting fee.

**Repairs & Maintenance:** In line with budget. YTD \$3,151 under budget or 32.3%.

**Utilities:** Under budget \$1,462 (19.8%). YTD under budget \$1,712 or 11.3%.

**Income Taxes:** No taxes due or paid.

**Insurance:** In line with budget.

**Contract Services:** less than 5% under budget.

**Operating Owners' Equity:** The balance at month-end is \$64,802 (increased by \$5,918).

**Reserve Owners' Equity:** As of August 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,600,720, an increase of \$22,763.

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**October 18, 2017**

**PRESENT:** Marilyn Lillienfeld, Chuck Roach, Charles Schroeder and Paul Snyder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** David Reid and Carlton Rooks

The Budget and Finance Committee was called to order at 3:05 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our last meeting and to discuss the review of the BCA September 2017 Financial Statements and the remaining agenda items.

### **Update on Road Repairs/Replacement Project and Reserve Budget Approval**

Laurie stated that the Bellasera Board of Directors, at its meeting earlier today, has approved the Reserve Budget for the Fiscal Year 2017-2018 which includes a total of \$369,648 in expenses for roads repair/replacement. As part of this amount \$32,820 is for technical services and \$30,828 for project contingencies. The Reserve Budget also includes an expense of \$33,750 for the replacement of the two HVAC units in the clubhouse. Laurie said it may be possible to get a discount from the supplier.

### **Review & approve minutes of the September 27, 2017 meeting**

The minutes of the B&F Committee meeting on September 27, 2017 were reviewed and approved without objection.

### **Review of BCA Financials for September 2017**

The review is attached and was accepted as is.

### **Accounts Receivable Status**

Paul reported the good news that there are no delinquent accounts for the first quarter ending on September 30, 2017. The total of A/R's outstanding is \$1,274 and represents a low point.

### **Status of CPA Report RE BOD Approval**

The draft audit report of the CPA for FY ending June 30, 2017 was approved by BOD.

**New Business**

Laurie mentioned that the BOD had asked her to look into options for the use of solar energy. Otherwise there was no new business.

**Next B&F Committee Meeting Date**

Tuesday, November 21, 2017 at 2:00p at the Clubhouse.

There being no other business the meeting was adjourned at 3:10p.

**Enclosures:** B&F Committee Meeting Agenda

Review of BCA Financials for September 2017

Prepared by:

Approved by:

Charles Schroeder

Marilyn Lillienfeld

Member, B&F Committee

Chair, B&F Committee

**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**OCTOBER 18, 2017**

1. REVIEW OF MINUTES FROM SEPT. 27<sup>TH</sup>, 2017 MEETING
2. REVIEW OF FINANCIAL STATEMENTS FOR SEPT., 2017
3. STATUS OF ACCOUNTS RECEIVABLE
4. STATUS OF CPA REPORT RE BOD APPROVAL
5. UPDATE ON ROAD REPAIRS/REPLACEMENT PROJECT
6. NEW BUSINESS
7. SET DATES FOR NEXT MEETINGS
8. ADJOURN

## Review of BCA Financials for September 2017

**Comments:** As per Balance Sheet as of September 30, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,626,941.37, an increase of \$26,221.00. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$172,696.75, an increase of \$30,887.00. Accounts Receivable declined to \$1,274 (by \$1,031). For the month, ninety and more days past due assessments are at \$28 and 90 days and more late CC&R violations and other fees are slightly down at \$832 leaving the delinquency rate at 1/10 of 1% of annual assessments, a practically perfect condition.

**Operating Owners' Equity:** The balance at month-end is \$70,495 (increased by \$5,692).

**Reserve Owners' Equity:** As of September 30, 2017 the Reserve Fund balance as per AAM Statement is \$1,626,947, an increase of \$26,221.

The usual Month to Date Variance Report has now been extended to include the Year to Date variances as well. This allows for a more efficient presentation which was also recommended by Marilyn.

As to the individual sections of the financial summary: Income was in line with budget. All other sections were under budget with the exception of Administrative Expenses, which was \$2,273 over budget mainly due to the unbudgeted consulting fee of \$2,290 for Michael Franks.

Total Operating Expenses were \$1,629 under Budget.

# **Bellasera Community Association**

## **Budget & Finance Committee Meeting Minutes**

**December 20, 2017**

**PRESENT:** Marilyn Lillienfeld, Carlton Rooks and Charles Schroeder

**GUEST:** Laurie Forte, Community Manager

**ABSENT:** David Reid, Chuck Roach and Paul Snyder

The Budget and Finance Committee was called to order at 2:05 PM.

### **Purpose of the Meeting**

To review and approve the minutes of our October 18, 2017 meeting and to discuss the reviews of the BCA October and November 2017 Financial Statements and the remaining agenda items.

### **Review & approve minutes of the October 18, 2017 meeting**

The minutes of the B&F Committee meeting on October 18, 2017 were reviewed and approved without objection.

### **Reviews of BCA Financials for October and November 2017**

The reviews are attached and were accepted as is.

### **Accounts Receivable Status**

Paul stated in his reports that there are no delinquent accounts outstanding through November 30, 2017. The total of A/R's outstanding represent a low point.

### **FYE June 30, 2018 will be an Audit Year**

The cost of the Audit is expected to be \$6,200 with the Tax Return adding \$500.

### **Set Up Meetings/Timetable for Budget Preparation for FYE 6/30/2019**

The preparations for the forthcoming budget are expected to be very smooth and efficient under the Leadership of Laurie Forte. The Building & Grounds Committee is fully committed to participate in the preparations.

**New Business**

The Board is discussing adopting a capital improvement fee, similar to many other HOAs.

**Next B&F Committee Meeting Dates**

Wednesday, January 24, 2018 at 2:00p at the Clubhouse. (Regular meeting).

Tuesday, January 30, 2018 Budget Preparation Meeting at 10:00 AM @ Clubhouse.

Wednesday, February 21, 2018 at 2:00p at the Clubhouse. (Regular meeting).

There being no other business the meeting was adjourned at 3:00p.

**Enclosures:** B&F Committee Meeting Agenda

Review of BCA Financials for October 2017

Review of BCA Financials for November 2017

Prepared by:

Approved by:

Charles Schroeder

Member, B&F Committee

Marilyn Lillienfeld

Chair, B&F Committee



**BELLASERA COMMUNITY ASSOCIATION**  
**AGENDA FOR BUDGET & FINANCE COMMITTEE MEETING**  
**DECEMBER 20, 2017**

1. REVIEW OF MINUTES FROM OCT. 18TH, 2017 MEETING
2. REVIEW OF FINANCIAL STATEMENTS FOR OCTOBER & NOVEMBER, 2017
3. STATUS OF ACCOUNTS RECEIVABLE
4. SET UP MEETINGS/TIMETABLE FOR BUDGET PREPARATION FOR FYE 6/30/2019
5. NEW BUSINESS
6. SET DATES FOR NEXT MEETINGS

## Review of BCA Financials for October 2017

**Comments:** As per Balance Sheet as of October 31, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,646,804.94, an increase of \$19,863.57. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$225,769.19, an increase of \$53,072.44. Accounts Receivable increased to \$4,997 (by \$3,722). For the month, ninety and more days past due assessments are at \$0 and 90 days and more late CC&R violations and other fees increased by \$150 to \$982 leaving the delinquency rate at 1/10 of 1% of annual assessments, a practically perfect condition.

**Operating Owners' Equity:** The balance at month-end is \$71,627 (increased by \$1,132<sup>1</sup>).

**Reserve Owners' Equity:** As of October 31, 2017 the Reserve Fund balance as per AAM Statement is \$1,646,805, an increase of \$19,864.

As to the individual sections of the financial summary: Income was in line with budget. All other sections were under budget with the exception of *Maintenance & Labor* Expenses, which was \$2,812 over budget mainly due to Fall flowers and winter rye watering. YTD under Budget.

Total Operating Expenses were \$2,520 under Budget.

Charles Schroeder, November 18, 2017

---

<sup>1</sup> The previous month-end figure of Operating Owner Equity has been downward adjusted by about \$3,000.

## **Review of BCA Financials for November 2017**

**Comments:** As per Balance Sheet as of November 30, 2017 Bellasera's Reserve Funds held on deposit at the Fidelity Investments Company totaled \$1,662,633.81, an increase of \$15,828.87. The two operating accounts at the Mutual of Omaha Bank ended the month with a combined total of \$160,312.47, a decrease of \$65,456.72. Accounts Receivable decreased to \$2,244 (by \$2,752). For the month, ninety and more days past due assessments are at \$0 and 90 days and more late CC&R violations and other fees decreased by \$175 to \$807 leaving the delinquency rate at 1/10 of 1% of annual assessments, a practically perfect condition.

**Operating Owners' Equity:** The balance at month-end is \$74,113 (increased by \$2,486 ).

**Reserve Owners' Equity:** As of November 30, 2017 the Reserve Fund balance as per AAM Statement is \$1,662,634, an increase of \$15,829.

As to the individual sections of the financial summary: Income was in line with budget. All other sections were in line or under budget with the exception of *Water & Sewer Expenses*, which were \$982 or 54% over budget possibly due to winter rye watering. YTD under Budget.

Total Operating Expenses were \$2,959 under Budget.

Charles Schroeder, December 19, 2017