

## **BellaVita Finance Committee**

### Meeting Minutes – September 28, 2017

The meeting was called to order at 10:15 a.m. by Chairman Joe DeKunder. Members attending: Ruth Cheek, Walter Pasciak, Jim Thompson, Don Jensen and guest, Tommie Johnson.

The Minutes for the committee meeting on August 24, 2017, were approved and accepted by the attending committee members.

Joe DeKunder stated that the 2018 budget information from various committees was still in process and hopes to have all the final numbers within the next couple of weeks. Ruth Cheek advised the committee that a landscaping contract with Maldonado Landscaping had been approved by the Board and would be effective January 1, 2018.

Joe stated that the BV blanket insurance policy would expire on December 31, 2017. He noted that quotes will be needed for next year's coverage of all but the flood coverage. Ruth Cheek volunteered to help with information gathering for insurance quotes.

Concerns were addressed about an annual BV financial audit. Because of the Management company change from First Service to Severn Trent, it was generally thought that a 2016 audit may be difficult because First Service has been less than cooperative in turning over the BV financial records and information. An "audit review" rather than a full financial audit was believed to be more cost effective and adequate. Jim Thompson confirmed that the BV By-laws require an annual audit but do not state if the audit is to be a full audit or a review audit. Joe will present the information to the BV Board.

Joe explained that an audit review would entail an overview of the financial statements, verifying cash, bank statements, checks, receivables and payables and, in general, the BV financial status. He said he would present the committee's recommendation that an "audit review" be done to the BV Board for their final decision and consideration as to their desired scope of the audit review.

The committee reviewed BV financial statements prepared by Severn Trent Management. It was agreed that \$361,839 in the Reserve accounts for far too little and the balance should be reviewed to increase the Reserve to a more positive balance. Because of the recent BV management company changeover, it appeared the cash balance was overstated due to the fact that many invoices were not yet paid.

Don Jensen presented a summary of scope and quotes for the BV Reserve Study by professional companies. The committee voted to accept the \$4900.00 quote presented by *Reserve Advisors*. The quote included one year use of a reserve study software program "Foresite".

There was a continuing discussion to inquire what lake portion repair and maintenance is the responsibility of the BV HOA. The committee determined that a review of the HOA and MUD District is needed due to a huge exposure to BV HOA on the lake issue. Don Jensen agreed to contact Ron Gerlach for more information. Ron is a BV resident and on the MUD District's Board and should be able to guide the committee for more information.

Another item that is in need of review and investigation is the perimeter fencing encompassing the BV property. There is a question of which organization has the financial responsibility for the maintenance and repair of those fences. Joe agreed to contact Bill Burdick regarding the documentation that may address the perimeter fences. Bill is a BV resident and on the Board of Villa Masters which is a part of BV HOA. Jim Thompson agreed to assist on review of contracts and documents.

The meeting was adjourned at 11:50 am. Next meeting is October 27, 2017, 10:15 am in the Annex.

*Submitted by Ruth Cheek, Committee Secretary*