

**BellaVita Finance Committee
Minutes of the Meeting April 21, 2010**

Attendees:
Margo Green
Lee Molloy
John Thatcher
Elizabeth Woods

Absent:
Jean Buchanan
Jim Thompson

The committee reviewed March financial reports and developed a list of items to be sent to AMI.

Electricity expenses increased without any increase in rates and the Committee recommends that the settings be reviewed to ensure electricity is being used efficiently.

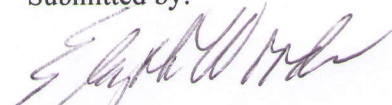
The Committee reviewed the replacement cost report from Criterium Hicks Engineers which indicates a replacement cost of 1,632,342 for the clubhouse and 38,515 for the guardhouse. The Committee believes the current insurance policy through Brady, Chapman, Holland and Associates that provides \$2,200,000 coverage is appropriate because there are items not included in the report that are owned by the Association, including common fences, swimming pool and fountains.

The Committee had previously reviewed a proposal from Fidelity National Indemnity Insurance Company in the amount of \$1,041 to increase the amount of flood insurance coverage for contents from \$250,000 to \$500,000, the maximum level available under this policy, and had recommended that the Board accept the proposal. The Board deferred this recommendation pending an inventory and computation of replacement costs of contents. The Committee wishes to remind the Board of this proposal prior to the beginning of hurricane season.

The Committee had previously reviewed a proposal to increase flood coverage on the building. The current coverage is 500,000, the maximum available under the current policy. Additional insurance through Lloyds of London, increasing the coverage by 1,500,000 to a total of 2,000,000 would cost \$3,358. The Declarations say that insurance "shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction." The committee wishes to inform the board that this insurance is available and that flood insurance coverage for the building is less than full replacement cost based on the report from Criterium Hicks Engineers.

The Committee discussed the reserve study that was done in 2008 and recommends that this study be updated prior to completion of the 2011 budget, using revised estimates for costs to be obtained by the clubhouse manager, reviewing historical expenses, and obtaining the assistance of committees, particularly the Facilities Committee.

Submitted by:



Elizabeth Woods

Chairperson

4/27/2010