

**BellaVita Finance Committee
Minutes of the Meeting May 1, 2009**

Attendees:

Margo Green
Sarah Barnett
Bob Stockinger
John Thatcher
Elizabeth Woods

Absent:

Jean Buchanan
Lee Molloy
Jim Thompson

The committee reviewed the financial information through March 2009 and developed a series of items to address with AMI.

The committee reviewed the federal income tax deposit made in March 2009, that resulted in taxes being deposited in the amount of 10,000 for 2008 and \$5,000 for 2009 before the first quarter deposit was due. Deposits are significantly higher than the \$2,728 annual federal income taxes per the 2007 tax return. The committee recommends that tax deposits and tax returns be reviewed by the treasurer prior to being processed or paid in the future.

The committee reviewed the laddered certificates of deposit and cash position. If the FDIC limits revert to 100,000 at the end of the year, the committee will recommend additional steps be taken to ensure our funds remain insured. The committee believes that no additional steps should be taken at this time.

The committee reviewed Proposed Board Resolution 2009-01 regarding clubhouse funds and authorizations for petty cash, \$500 spending authorization and debit/credit cards. The committee agrees with the petty cash and \$500 spending authorization; however, they felt the wording was unclear. The \$500 limit does not indicate whether this is a \$500 limit per day, month, or transaction. After discussion, the committee felt the authorization limit would likely represent a per transaction limit. Individual items or expenditures are not specifically budgeted and the committee felt that the phrase "approved budget items" was meaningless. In addition, if a large unbudgeted transaction occurred during the year, it is possible that there would be no budget remaining for some accounts. If an account is over budget, wouldn't that mean Nancy could not spend anything in those accounts without specific board approval? The committee believes that this should instead indicate routine, customary and/or recurring items.

The committee questioned the use of a debit card. A debit card basically is the same thing as requiring only one signature on a check. In addition, the protection in case of theft or fraud is less than what is obtained by using a credit card. The committee believes that a card is useful and should be available. The committee recommends that a Mastercard credit card be obtained that would replace the debit card and the Home Depot and Sam's Cards. Receipts would be submitted to Kristin and AMI would review the statement.

The committee discussed approvals for expenditures. Invoices are approved by Kristin Jovel based upon budget, contracts, or specific board approval. Some invoices have been approved for amounts in excess of the contracts; however, the committee does not recommend changes in the approval process for routine items at this time. The committee believes that the Facilities Committee should approve invoices for maintenance and other items pertaining to non-routine facilities maintenance and homeowner maintenance on house painting, door painting and similar items to determine that the work was done properly and that the invoice complies with the contract.