

**ROTONDA WEST ASSOCIATION, INC.
BUDGET & FINANCE COMMITTEE
MEETING MINUTES
TUESDAY, MARCH 13, 2018 – 2PM
646 Rotonda Circle**

ROLL CALL: Chairman, Hank Killion, Russ Kulp, Sam Besase,
David McGrath, Wayne Legris – PRESENT; ABSENT: Lois Burger

RWA STAFF: Scott Feldkamp, Manager,

GUESTS: Patti Aho & Patti Cowin & Stan Plizga

Committee chairman Hank Killion provided a 7-page financial handout ending February 28, 2018 that includes his Treasurer's report that he will present to the RWA BOD this Thursday.

Summary of page 1 is TOTAL CASH is \$1,790,611.92. It was noted that "New Construction" (\$123,693.80) is an escrow account for builders when they make their \$1,000 "clean site" deposits. It was also noted that "interest" on the latest CD was up to 1.62% vs 1.44% and lower.

The 2018 YTD expenses were under budget by about \$20K for the first two months of the 2018 fiscal year.

Chairman Killion reported that the AUDIT by an outside firm was completed and the report will be presented to the RWA BOD at this Thursday's meeting. It is noted that this is the earliest that the audit has been completed thanks to the efforts of Scott Feldkamp, Barbara Maryon, Russ Kulp and Hank Killion plus our outside auditor, Jeff Lorah. Copies of the audit shall be available from the office on a "sign out" basis. The RESERVE STUDY being conducted by an outside firm is ongoing for the next few months. Fixed assets have values assigned to them. Also, about 10 line items with larger variances were discussed by the various committee members. A new part-time employee for maintenance/grounds (Bill) was hired. A proposal for approximately \$7K to add pavers for the tiki hut is being brought to the BOD by the Building & Grounds committee. Mowing may start in about 2-3-4 weeks depending on more rain. Consideration for trading in the oldest JD tractor might be 2 years away. Rolling stock is in excellent shape maintenance wise.

Two NEW possible major expenses were brought to the committee's attention by Chairman Hank Killion:

- A. **SOFTWARE** to replace the TOPS accounting program. TOPS has notified their customers that after 2020 they will no longer support the product. Support for the product has diminished in the last 6 months, no more phone support, instead, they respond via email and it takes 3-4 days to get a response to an issue. Scott Feldkamp, RWA Manager advised that TOPS is not intuitive. Solutions are to procure another software or hire a programmer to customize a program for RWA (maybe other HOAs might be able to use it for a FEE). Alternatives shall be explored for the next 90 to 150 days. Could be a major dollar impact to the 2019 budget, early guesstimates are in the range of \$100K. Committee member Wayne Legris and audience member Patty Aho advised that they have some experience in this accounting software area and are willing to help. RWA Manager Scott Feldkamp appreciated the help and once he sorts thru some of the alternatives he may ask them to help out. Patti Aho mentioned that RWA should develop a list of specifications/needs and assure that whomever we contract with has demonstrated experience developing and successful implementation of a similar accounting software program.
- B. **EROSION – 4 LOTS ON BOUNDARY (800 block)**: As a result of the last RWA BOD meeting, homeowners on 3-4 lots on Boundary have raised a concern about erosion. The site was visited by Scott Feldkamp, Russ Kulp, Hank Killion and Stan Plizga and they verified that indeed, there is an erosion issue. Chairman Hank Killion indicated that there are several players that may be liable, BUILDERS-COUNTY-HOMEOWNERS-NEW CONSTRUCTION COMMITTEE. Perhaps a workable agreement between all interested parties with a cost share might be able to be worked out. Also, Chairman Hank Killion is going to check to see if funding can be secured from the MSBU. Very preliminary estimates for the erosion control project on Boundary might approximate \$120K impact to the 2019 budget.

As a result of these 2 major dollar items, some 2018 5-year plan items may be pushed back.

Chairman Killion noted that 7,017 assessments have been paid as of the end of January 2018 which represents about 87% of residents have paid their 2018 assessments. It was noted that in 2016 at this same time, we had only 4,022 assessments paid or roughly 50%. Late notices have been sent to the approximately 1,000 owners who had not paid as of the end of February 2018.

NEXT MEETING: TUESDAY APRIL 17, 2018 AT 2PM AT 646 ROTONDA CIR

Meeting adjourned at 3:08PM

RESPECTFULLY SUBMITTED

SAM BESASE

SECRETARY – ROTONDA WEST ASSOCIATION BUDGET & FINANCE COMMITTEE