

Bella Vista Condominium, Inc.
Finance, Accounting & Audit (FA&A) Committee Meeting Minutes
September 22, 2023

FINAL MINUTES

Thomas Flood chaired and called the meeting to order at 3:13 PM, Friday, September 22, 2023.

Thomas Flood, Mark Mino, and Douglas Littleton were present in person. James Aten participated via Zoom. Quorum of the Committee was established.

III. August 25, 2023 Draft Minutes

On Motion by Mark Mino, seconded by Douglas Littleton, with all in favor, the Committee voted to approve the minutes from its August 25, 2023, meeting.

IV. Committee Charter

James Aten reported each Board member has approved the FA&A Committee charter, but it cannot be officially approved until all members of the Board meet on September 27, 2023; at which time he fully expects the Board to approve the charter.

V.Task1. Status of Preliminary Budget

Thomas Flood reported on his Preliminary 2024 budget. Several discussions ensued between James Aten and Thomas Flood regarding Insurance, Maintenance payroll, payroll taxes, cable TV, reserve study, TECO gas, pool maintenance, cleaning contract and attorney fees ensued. James Aten stated he and Raymond Landry, the new Property Manager, are trying to contact Spectrum management to determine what the new Spectrum contract proposal will entail. [Note: Rochelle Holtz, Unit 1108, stated the former Property Manager had a large Spectrum file that should identify Spectrum higher ups and a Spectrum attorney needed to discuss a new contract.

Additionally, Thomas Flood announced the preliminary monthly dues are estimated to be \$1120/mo/unit.

V.Task2a. Reserve Study

Thomas Flood reported he did not use the updated DRAFT Reserve requirement amount, he used the original amount from the June 2022 reserve study, \$281,908 vs updated \$294,286. A discussion followed on the seawall reserve being added that has caused the approximate increase in reserves from \$282,000 to \$294,000. Before the meeting, Thomas Flood's email prior to the meeting identified adjustments the reserve study company needed to make. For one, the backyard trellis needs to be removed. Other reserve items need to be adjusted. James Aten stated he wants to get the clubroom refreshed ASAP.

V.Task2b. Reserves

Thomas Flood tabled the item on his report on reserves until later as he was not sure what the topic dealt with. James Aten gave a big thank you to everyone who had paid the \$2500/unit special assessment for the operating account as it had allowed missing transfers to be made to the reserve account. It will also fund items to be paid this year from the reserve account, which in turn will help determine the annual/monthly reserve transfer for 2024.

V.Task3. Official Records

Mark Mino reported he has not worked on this item since he has been focused on the Contracts Review.

V.Task4. Contracts Review

Mark Mino reported he has tried to focus on existing contracts of which he has 10, but there are many more contracts discovered but not provided by the former Property Manager. Raymond Landry, the new Property Manager, asked Mark Mino to send him an email request on the contracts needed. Once Mark Mino has all the contract information, he will determine what has been paid and the balance due. Patricia Flood, Unit 605, asked who has all the contracts and pointed out the cleaning contract was 14 years old. Andrew Bakaysza, Unit 703, asked if any of the contracts under review were related to the hurricanes. Mark replied in the affirmative. A group discussion ensued about the likelihood of another assessment and related matters. Thomas Flood pointed to the spreadsheet that came with the July 29, 2023, \$4000 special assessment letter. James Aten stated our Special Assessment reserve amount is “very close” to what is needed to pay for all hurricane restoration projects. Mark Mino indicated there are many payment issues that cannot be answered since he does not have all the contracts or amendments to existing contracts. Douglas Littleton had already provided a few invoices to Mark Mino for his review of contracts relating to Kone and Perry.

Mark Mino will be working closely with the Property Manager to get what is needed to perform his analysis.

V.Task5. Accounts Review

Douglas Littleton reported he had reviewed ledger printouts and noted a few questionable items. One questionable item related to DyanFire remains outstanding. As of September 19, 2023, the August YTD Financial Statement vs Ledger is out of balance by \$2500.

The outgoing and incoming Property Managers are to discuss the concern with the accounting firm and get back to Douglas Littleton.

Douglas Littleton pointed out he had made account recommendations to Thomas Flood and James Aten for the balance of 2023 and 2024. In addition, he had sent out the updated Cash Flow schedule yesterday, which he believes will be a worthwhile addition to the existing Income Statement and Balance Sheet reports and make it simple for BV owners to understand. Douglas Littleton stated this schedule should be added to the accounting firm’s financial reporting duties and posted on the website with the Income statement and Balance sheet. Thomas Flood indicated the Board would have to tell the accounting firm to add the cash flow statement to its existing duties.

Douglas Littleton will prepare a recommendation for the Board in this regard.

In addition, PRIORITY #8 - PERIODIC REVIEWS was discussed. Douglas Littleton made a motion to include this item as part of PRIORITY #5 and removed as a separate priority task.

Mark Mino seconded, and the motion carried.

In addition, Douglas Littleton reported on PRIORITY #9 - FLORIDA CONDO LAW. Yesterday, he had sent to all FA&A Committee members information on Florida, SB 4-D Building Safety Act (AKA the Condo Safety Act). As reported, Bella Vista is in compliance at this time and James Aten reported the structural integrity reserve study would be completed by June30, 2024 at a cost of \$6500. Douglas Littleton stated there was a need to set up a separate Condo Safety Act Reserve Account in the 2024 Income Statement and Balance Sheet.

Thomas Flood suggested this item be tabled for further review.

Finally, Douglas Littleton reported he had met with our Florida state rep, Tom Leek, in his Daytona office on August 31, 2023, and that Mr. Leek had heard from other constituents as well about “this terrible law.” Douglas Littleton stated he had offered Mr. Leek a number of thoughts, including allowing condominium owners to self-insure as well as other ideas. Mr. Leek stated he expected there would be changes to the law during the next session of the legislature; but, obviously, there is nothing that can be done for the calendar year 2024.

V. Other Updates

James Aten reported he has been looking into financial software systems designed for condo associations. He hoped the committee will look into a new system that could be implemented by January 1, 2024. Among other benefits, it would help the Property Manager to perform his duties better. Thomas Flood agreed, adding that there is a real need to get owners’ monthly checks out of the office and directly to the bank. It would speed up the availability of these funds and eliminate unnecessary work. Patricia Flood, Unit 605, indicated that she has learned over the past few weeks that management companies have financial reporting systems that will do virtually all of the reporting that is being discussed.

VI. Open Forum

Several owners expressed concern about another assessment. Steve Landy, Unit 1003, asked who the Project Manager for the hurricane restoration was and how did owners know things were being handled properly. Ive Plasencia, Unit 607, wants a log maintained on the pool maintenance, Ph levels, for example.

VII. Agenda for Next Meeting or Workshop

3:00 PM, October 6, 2023 in the Bella Vista Clubroom. Thomas Flood asked Douglas Littleton to prepare a preliminary agenda for the next FA&A Committee meeting.

All matters before the committee having been addressed, on a motion by Doug Littleton, seconded by Mark Mino, with all in favor, the meeting was adjourned at 4:00 PM.

APPROVED BY UNANIMOUS VOTE at the November 17, 2023, meeting:

A handwritten signature in black ink, appearing to read 'Paul Tiberi', with a large, stylized initial 'P' and a horizontal line extending to the right.

**Paul Tiberi
FA&A Committee Secretary & Vice-Chair**