**Approved Minutes**

**2015 Budget Workshop**

**10.7.15**

**Called to order 8:00am**

Present:

Tim Haas, Vice President

Tony Bartholomew- Treasurer

Virginia Lavish – Secretary

Jennifer Eaton – Director

George Santry – Director

Jill Willis – Director

Maureen Dore – Property Manager

Owners/Members- None present

**Reviewed current budget line by line:**

* Reserve Assessments have increased. Roof cleaning has been added, other adjustments were made as a result of the new reserve study.
* Insurance rates have not come in; agent recommended keeping the estimated rate the same as 2015 because the renewals that have come in have not increased.
* Rental Income has stopped currently and there are no potential units in the near future for the Association to take title to. So rental income is set at zero.
* Interest Income has not been good, new research will be done to see what banks have for increased interest rates. Will consider adding additional funds if that is required for a higher interest rate
* Capital Contribution is not being counted due to the uncertainty of the number of sales. Don’t want to overstate income.
* Settlement proceeds balance is at $87k. No projects left however; there may be some defects still to show such as sewer lateral line repairs.
* Back flow testing failed on one of the valves- board agreed to replace seal/gasket only.
* Accounting Services slight increase
* Legal fees- running under budget but will keep the same
* Computer repairs- remain the same
* Insurance appraisal- is needed $1,450.00
* Office Supplies – Under budget as of 8.31.15 however, annual mail-out will bring it back up. Discussion on emailing in lieu of mailing. It can be done but isn’t good for voting purposes due to sending envelopes. Most violation letters are going out email unless a certified is needed.
* Copier service- keep as is- this covers ribbons parts etc.
* Bad debt- not much and total as of 8.31.15 is 14k. Set at $1,500.00
* Fido bags – keep at 708.00
* Postage – On target
* Newsletter – remove due to preparing in house
* Recreational activities – the social committee may start back up. Keep the same
* VMS passes – have come in under however, will keep the same.
* Electric – pool heater, guard house lights and irrigation are the biggest factors on the cost. Keep the same.
* Water & Sewer – rates have gone up – this is still a good deal for the community vs owning a home.
* Trash Collection: increased
* Telephone/Internet: has gone up significantly due to the higher speed needed for the cameras. Are there any other providers? No, due to the needed speed. Try to negotiate with Comcast. Will also negotiate phone.
* Cable – It will increase to 140k for 2016 with current contract. Still have another year left. Negotiating for a new contract- we are still a long way from agreement. Will keep at the new rate due to ongoing negotiations that may not settle in time for the new budget mail out. Other options- ATT u-verse is not offered right now. Dish isn’t an option due to no dishes allowed. CSI is a contractor that negotiates for the consumer. We’ve negotiated better terms so far that what they have done for other communities and so it doesn’t look like a smart direction to go in. Do we want to take the hit to the budget and try for something else at the end of the contract? Discussion on tactics to use with Comcast negotiations. Can’t take cable away from residents. That leaves a deficit going into 2016. Leave it at the increased amount due for 2016 with the current contract.
* Building Maintenance Supplies- Increase in leaks in the roof and also drywall repairs- need an increase. Discussion on taking out of settlement proceeds; this is viewed as a defect. All in agreement. Will increase the line item on budget and still use defect if we can. Increase to 10k
* Golf cart maintenance: Discussion on the need for a new cart due to being used more with maintenance staff. Leasing a cart was discussed. Increase maintenance to $500.00
* Janitorial Supplies- increase to 1,500.
* Sign Maintenance- reduce to 250.00
* Fountain Maintenance: Coordinate times better when it comes on and off. Discussion on alternatives, fountains add to the beauty. Leave at 1k
* Lighting & Electrician- set at 2,500
* Maintenance Supplies set at 750.00
* Camera repairs- reduce to 1k
* Landscape replacement & Removal: increase to 30k due to the age of the plants. There are a lot of areas that replacements are needed to put in the correct plant. The professionals have relayed that the wrong plants were used in some areas. Discussion on taking the royal palm down at the pool and maybe a replacement behind the pool fence.
* Pest Control & Shrubs: Increased.
* Preserve Perimeter: added work for the preserve areas to clean up on the East side of Birmingham and the North Corner and to maintain. It was cleaned out and needs to be maintained. To increase to 18k.
* Irrigation contract: the same however, the repairs have increased due to new plantings and arrangements. Some charges should be charged to the landscape replacement when new configurations are added.
* Mulch Program: reduced, the plan is to do away with most of the mulching needs by replacing some of the plants with grasses in areas like the East fence line.
* Security: the same

Totals leave a deficit in the 2016 budget. The board agreed that the monthly fees should increase $25.00 per unit to balance.

**Adjourned: 10:30am**