



Avalon Village Owner's Association Finance Committee Minutes – April 15, 2021

Members present (meeting held via conference call): Deborah Carey-Johnson, Susan Gerhardt, Bill Gilfillan, and Glenn Castner, Joel Gold

Others present: Beth Frost, Ariel Bonin, Karen Marysdaughter, Martin Perfit and Nadine Morse

Bill Gilfillan called meeting to order at 10:07 A.M.

Approval of January 28, 2021 Finance Committee Minutes:

- **Motion was made, seconded, and unanimously passed** to approve the January 28, 2021 Finance Committee minutes.

Janice Trefethen decided to no longer continue as a Finance Committee member.

Bill reported the following financial reports for the period ending March 31, 2021:

- **Balance Sheet**
 - Operating account cash on hand is \$40,622. This compares to \$15,076 at the same time last year.
 - Reserve Account cash balance is \$387,963. This compares to \$361,880 at the same time last year.
- **Operating Account**
 - Expenses exceed revenues by \$6,450 due to the April 2021 real estate tax payment of \$78,189.
 - Activities expenses are \$2,158 over budget, in part because the December activities for the holidays weren't paid until January, and in part because we spread the budget out with less in the beginning of the year because we thought activities would be delayed till later in the year.
 - Total maintenance expenses are \$13,451 less than budget.
 - Personnel expenses are under budget by \$4,578 due to the mild winter.
 - Professional fees are over budget by \$1,890 due to the fees for the 2020 tax return coming all in one month and the budget being spread out over several months.
 - Service calls are under spent by \$7,418.
 - Utilities are \$3,514 less than budget.
- **Reserve Account**
 - Expenses exceed revenues by \$6,729.
 - Operations needed to borrow \$20,000 from Reserves for the April 2021 real estate tax payment.
 - There is a balance remaining of \$18,492 for the loan from Reserves to Operations for the purchase of the newest John Deere tractor that is being paid down by \$300 per month.

Initial Discussion of Reserve Study Update

- Bill assessed that current contributions to the Reserve were not enough to keep it funded. The study suggests increasing the annual growth rate for shareholder contributions to 7.5%.
- In the final page of the study, Bill explained why paying now versus later would be beneficial to shareholders and the outward appearance of the community. The Committee agreed with this.

Motion was made, seconded, and unanimously passed to recommend the updated Reserve Study along with its recommended shareholder contribution increase to the Board.

Questions

- Committee discussed the subject of reporting on a cash or accrual basis and agreed that Karen would ask our accountant what his recommendation would be.

Date and time of next meeting: **August 19, 2021 at 2:00 P.M.**

Adjourned at 10:54 A.M.

Respectfully submitted by Ariel Bonin and Beth Frost