

BBVCC
FINANCE COMMITTEE Minutes
REGULAR MEETING
December 17, 2025, at 1:00PM

Committee Members Present		
✓ Bev Franklin	✓ Dan Nedved, Chair	✓ Mary Santi
✓ Sue Garrigan	✓ Erin Ryan	✓ David Towie
✓ Bonnie White		
Guest Members		
	Maureen Server	
Staff Present		
	Natasha Bialuski, AGM	David Franklin, GM
Jonah Douglas, Bookkeeper	Justine Brooks, Executive Secretary	

I. CALL TO ORDER – by Dan Nedved at 1:02pm

II. ADOPTION OF AGENDA
 Motion to adopt agenda.
 Motion by: Bev Franklin,
 Seconded by: Sue Garrigan

III. OPEN FORUM –
 The GM wanted to make sure that everyone on the Finance Committee was introduced to Jonah, the bookkeeper.

IV. RATIFY MINUTES –
 Approve the revised (during the meeting) October 29, 2025 meeting minutes.
Motion by: Erin Ryan, **Seconded by:** David Towie **Approved Unanimously**
 The previous meeting minutes for September 9th and October 1st will be sent to the committee before the January Meeting to be approved then.

V. 2024 DRAFT AUDIT
 The Committee briefly discussed the draft audit that had been sent back to the auditor for amendments, particularly regarding special assessments and journal entries from 2023.
 Sue explained that journal entries 10, 12, and 16 were revised, with entry 10 being adjusted to add special income without affecting accounts receivable. She noted that the auditor's calculations were off by \$21,480.63, which they could not explain. Bev agreed with Sue that journal entry 16 was likely a plug to correct previous posting errors and suggested closing the financials to agree with the audited financials.

Motion to: Approve the revised 2023 and 2024 Audit financial statements and request that all appropriate journal entries as indicated and discussed be posted and that the HOA balance sheet be validated that it agrees to the 2023 and 2024 Audited balance sheet financials

Motion by: Bev Franklin **Seconded By:** Sue Garrigan **Approved Unanimously**
 The Committee discussed the next steps for the audit and the revised balance sheet. GM to send to the finance committee for their review.

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VI. REVIEW AUGUST THROUGH INCOME STATEMENT AND ACCOUNTS RECEIVABLE

The Committee reviewed the financial income statements. GM reviewed that the financials were really messed up due to the fact that Enumerate, the current software, does not actually close the month out when we push that button. Changes can still be made without a pop up or a management password and changes happened often.

The committee focused on financial concerns, particularly regarding the collection of fines, late fees, and legal costs. Bev raised questions about the administration revenue and the need to review 2026 budget numbers, especially in light of the 64.90 restriction on lien fees will be \$50 or 5% whichever is the lesser amount. GM explained that current policies only allow liens for dues and that they are searching for a collection agent to improve returns. The group discussed the possibility of increasing reserves in 2025 to account for uncollectible receivables, with GM offering to review specific accounts with Bev. The conversation also touched on the lack of clear policies for addressing unpaid fines and the challenges in collecting these debts and needing to create clear policies along with continuing to try to collect on all the late fees and fines.

The committee discussed improvement, repair and/or replacement and how they are classified within an HOA. They clarified the proper accounting treatment for maintenance work and Clubhouse improvements, determining that items under \$5,000 should be expensed rather than capitalized. Bev requested further review of Marina electrical expenses, noting that revenue was up but expenses were down, suggesting potential accruals that needed to be identified.

The meeting focused on financial reconciliation and accounting processes. Bev raised concerns about the difference between revenue and expenses, emphasizing the need to ensure costs are covered without becoming a utility. GM and Bev discussed reclassifications for various accounts, including internet, phone, pro shop, and golf, and agreed to clean up the chart of accounts in the future. They also addressed the community plan expenses, with GM agreeing to check for any outstanding bills and potential accruals. Sue clarified the use of a specific account for special assessment billings, explaining how it is being used and cleared out. Bev and GM confirmed that the marina accounts did not need to borrow from other reserve accounts to pay bills.

VII. DISCUSS AND RECOMMEND BEST TAX FOR ELECTION

The Finance Committee discussed tax filing options, focusing on whether to file Form 1120H or 1120, with GM explaining that the choice depends on managing excess member income and non-member taxable income to minimize tax liability. The Committee questioned the complexity of the tax calculations, particularly regarding the 30% tax rate on non-member income, and suggested consulting with the tax accountant to better understand the calculations especially with 1120H. GM explained the differences between 1120 and 1120 H and when the transfer of fund of excess member revenue to reserves should be done. GM proposed a motion at the Board meeting to allow the manager and treasurer to transfer funds into reserves before year-end to optimize tax filing with an estimated number. Dan will meet with GM and the tax accountant regarding this before the Board meeting.

VIII. DUE TO FROM ACCOUNT RECONCILIATION PROCESS

The Committee briefly discussed the due to from transfers. GM showed the new spreadsheet that Jonah has put together where it shows where the funds were from, if from Edward Jones then no due to from transfer needs to happen, if from Alliance then then the transfer needs to happen and be approved by the Board. This includes the special assessment funds that have been

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collected but not transferred. This is for all the funds up until the end of November. Going forward the Bookkeeper and GM will be working on ensuring that everything is documented so this process is easier.

IX. FINANCIAL SOFTWARE CONVERSION UPDATE

Dan provided an update on the software program that the Bookkeeper recommended Red Manager 12 and stated that the software company stated that they would not be good for us due to the complexities of different assets and their capability for due to funds would not be sufficient. We have decided to start interviewing software companies in January 2025, aiming to select a new system by March or April, with implementation and testing extending through October 2025 before fully transitioning away from Enumerate by January 2026. The timeline was chosen to avoid peak seasonal busy periods in April-June, with the team acknowledging the complexity of managing multiple software systems including ADP payroll, Lightspeed POS, and payment processors.

The GM and Dan discussed the importance of making a well-informed decision regarding HOA software, emphasizing the need to avoid past mistakes. The GM shared that he and Jonah met with Aaron, a QuickBooks Pro Advisor, to explore HOA software options that integrate with QuickBooks, highlighting its auto-reconciliation features and widespread familiarity. Bev expressed concerns about the proposed timeline and scale of the software change, advocating for a more focused approach on the top three recommended options and urging a quicker transition by July 1st.

The team discussed software conversion options, focusing on QuickBooks Online as a potential solution for their 1,129 customers. The GM expressed interest in exploring HOA software options, while Bev and Erin shared concerns about detailed data conversion from existing systems. The group agreed to investigate QuickBooks' capabilities further before making a final decision. They also discussed data retention in new systems, with Bev explaining that cloud platforms allow for unlimited historical data storage and what can be brought forward and what we need to possibly retain.

X. MEMBER COMMENTS

There were no other member comments.

VIII. ADJOURNMENT

Motion to adjourn at 2:33 pm.

Motion by: David Towie Seconded by: Bonnie White Unanimously approved.

Action Items:

- Justine to send the September 9th and October 1st meeting minutes prior to the next finance meeting.
- Jonah to post all required journal entries to bring financials in line with audited numbers.
- GM to send the revised balance sheet from auditor to the Finance Committee members
- Begin the software comparison, look at the top three that Bev and Dan have looked at along with QuickBooks, and conversion process and review the timeline for the conversion process and see if we can compress the timeline.
- Staff to investigate the cost requirements to maintain access to Enumerate for reference during the transition period.