

# Bel Mare Finance Committee Meeting

July 13, 2021

## **Attendees:**

Morris Bencini – Chairperson  
Billy Heller – Board Liaison (by phone)  
Kay McAuliffe – Committee member  
Jeff Winsler – Committee member  
Deb Neglio – Committee member (by phone)  
Keith Grady – Board President

## **Other Attendees:**

Valerie Biebuyck (by phone)  
Bill Horton (by phone)  
John Cropsey  
Gary Schuster

## **Absent:**

Coby Gaulien – Committee member

Meeting was called to order at 4:00pm in the Bldg. 1 Social Room.

Discussion ensued regarding the May 2021 YTD financial statements that reflect a negative variance totaling approx. \$21,000.

Adjustments to the 2021 current estimate were discussed including the \$100K pay down on the East Property loan, the removal of all the budgeted 2021 “special projects” and the current year impact of the insurance renewal.

Mr. Bencini explained that a request had already been made to Castle to determine why the extra monthly \$1,000 principal payments were not being processed by Castle on the East Property term loan.

A preliminary draft of the 2022 budget was presented to the group by Mr. Bencini. Discussion of the following significant budget items ensued:

1. The results of the 2021 insurance renewal were discussed explaining that the property insurance renewal resulted in an increase in FY 2021 insurance premiums of over \$68,000 and an annual impact totaling \$95,000. This does not include any increase in the flood insurance (renews in September) or the impact of next year’s renewal. A total increase of \$110,000 has been included for 2022.
2. A 5% staff salary increase has been included along with a 10% increase in the cost of benefits (\$545 per employee per month) per Castle’s recommendation.

3. The preliminary draft budget includes proposed increases in security due to the acquisition of G4S (12%), increases of 3% for landscape and janitorial contracts, and an increase to \$2,000 per month for the pool maintenance.

Discussion regarding the proposed contract increases followed noting the current labor market and the increased of staffing.

Ms. Biebuyck addressed her concerns over the proposed reserve funding considering the cost of the current weather proofing/painting project and the impact on the reserves. The consensus was that the 2022 reserve funding remain at the same level (per the last reserve study) until a new study is initiated once the painting project has progressed past the structural components.

Based upon the preliminary expense increases included in the first draft 2022 budget, Mr. Bencini noted these account for an approximate 16% increase in necessary revenues. It was noted that the 2021 shortfall plus the current year impact from the insurance premium increase will further deplete our contingency funds (i.e. Proceeds from the North Property sale last year) to an estimated end of year balance totaling approx. \$250,000. It was unanimously agreed by the group that all 2022 expenses should be included in the increase in quarterly dues for 2022. As such, we are estimating a 16% increase in quarterly dues that be included in the proposed budget to owners.

Mr. Bencini will make the agreed upon modifications to the proposed 2022 budget and it will be presented to owners at the formal Budget Workshop scheduled to be held at 7:00pm on July 27, 2021.

Meeting was adjourned at 5:40pm.

Submitted,

Morris Bencini  
Finance Committee Chair