

San Lorenzo

May 2011

FINANCIAL UPDATE

By Fred Schultz, Treasurer

The draft annual Audit results are in and we are in the black for 2010. The Voice of San Lorenzo misleads homeowners. The facts are that in 2010 this Board has:

- *Reduced expenses without a deterioration in services
- *Provided an operating budget at the same amount as prior year
- *Provided for non-payment of monthly assessments in operating budget
- *Step up collection efforts – hired a collection agency
- *We have collected on old delinquent accounts
- *Holiday lighting
- *Improved accounting procedures
- *Fire inspection was not provided for in the reserve study by previous board
- *Signed Action amendment without reading the contract - \$50,000 buyout clause had to be negotiated out
- *Reduced expenses in 2010 by approximately \$22,000
- *Change in Management Company will save additional \$20,000

The previous board in 2009 borrowed from the reserve fund, and reserve fund is still owed \$16,000, never made known to homeowners until I made the announcement in 2010.

Why didn't the previous board provide for uncollected assessments – the trend was already there? Why didn't the previous board do expense reductions? Why didn't the board ask for a special assessment in previous years?

2011 Budget versus actual – thru March 2011

Utilities - Budgeted 12,741 – actual expenses 9,858.13, under budget by 2,882.87

Pool/Spa – Budgeted 1,953. – Actual expenses 1,674.77, under budget by 278.23

Landscape – Budgeted 21, 507 – actual expenses 14,024.10, under budget by 7,482.90

Maintenance Contract and Repair – Budgeted 16,476. – Actual expenses 13,564.27, under budget by 2,911.73

General and Administrative – budgeted 31,170. – Actual expenses 29,200.48, under budget by 1,969.52

For three months we are under our budget by \$15,500.

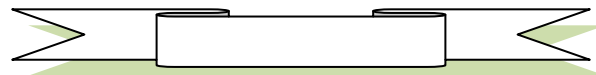
Reserves:

Budgeted 61,629. actual 59,814.63 under budget due to lack of interest on money invested.

Reserve study analysis, completed by an independent third party – Advanced Reserve Solutions, Inc. on July 31, 2010 indicated we were funded at that time 101.88 %

Cash:

We will collect approximately 10,000 from Shea for roof repair. We will collect additional money from the collection agency that they have previously collected.



Announcements

Painting

Thank you for your patience through the garage door painting and wood trim painting project! We appreciate your cooperation while we work hard to keep San Lorenzo a premier community!

Pool Re-Key Project

If you have not received your new pool key yet, please come on down to StoneKastle Community Management and we will be happy to issue your key.

Pool Season is upon us!

As the summer is quickly approaching we want to remind you of a few important rules:

No lifeguard on duty, children must be supervised and anyone under 16 must be with an adult.

The Pool Hours are from 6 AM – 10 PM Sunday – Thursday and 6 AM – 11 PM on Friday and Saturday.

Smoking and glass are strictly prohibited.

No more than 4 guests may accompany a member. Members are responsible for their guests.

Have a fun and safe time!!!

We are here to help!

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