



Carrollwood Village Phase III Homeowners Association, Inc.  
4131 Gunn Highway  
Tampa, FL 33618  
813-600-1100

**Update from Annual Membership Meeting**

Date: May 23, 2018

Time: 7:00 PM

The meeting was recessed at 9:00 and scheduled to reconvene on June 20, 2018 7:00 PM at the Carrollwood Cultural Center, 4537 Lowell Rd., Tampa, FL 33618 to allow for the remaining Proxies to be returned to Greenacre Properties and tallied.

Attached are the handouts that were distributed at the meeting.



Carrollwood Village Phase III Homeowners Association, Inc.  
Posed Questions Concerning Financials from the Membership  
May 23, 2018

Members have submitted questions and comments concerning the 2017 and 2018 budget. In order to disseminate information more readily and minimize duplication, the Board has attempted to organize these and show a response in red.

**CHART OF ACCOUNTS.** The chart of accounts being used in 2017 and 2018 don't appear to be consistent from one year to the next and in some cases aren't representative of the expenses being charged to them. Usually a company's outside CPA will give his/her client a management letter containing suggested improvements in internal controls as part of the annual audit. One recommendation usually given is to establish a formalized "DESCRIPTIVE" chart of accounts along with recommended policies and procedures on how to use the chart. This includes, but not limited to, levels of authorization for adding, deleting, and changing accounts. Right now, because of this problem, it's very difficult to make some sense of the numbers. **Agreed. We will ask the Association's CPA to implement more descriptive categories QTR3 for 2019 budget.**

Another suggestion usually made is "the basis on which the books be kept, Cash or Accrual, maybe a modified cash or accrual. Once defined, procedures are setup on how to record certain kinds of transactions. **This is a question for the CPA. The BOD uses the reports for planning and approving expenses.**

Following are questions asked about the results in 2017 and 1<sup>st</sup> quarter of 2018.

In the 2017 Revenue and Expense supplemental schedule, Percentages are not shown? Why?

**Percentages can be calculated by the person reviewing the report if it is helpful to them. The management company tries to make the report easy for the lay person to read.**

Does **MANAGEMENT FEES** include bookkeeping fees AND property management fees? If not, what expenses are included in the category? Can they be separated? **The contract with GPI is a "fee per door" for all included services.**

**LEGAL FEES** (\$13,894) are almost THREE times the budget. WHY so high? Are all of these really legal in nature? This LEVEL of cost begs a supplemental management letter explaining why the expense is so high. **Legal battle to try and defeat MG3's 1,054 student Charter School Proposal that is currently being appealed.**

**EVENT COORDINATOR** – What is event coordinator and what expenses are captured in this account and why? **\* See page 2 bottom.**

**IMPROVEMENTS** - (Under operating expenses) is 26% of Gross revenue. Why isn't this amount separated into better categories so the reader can see why 26% of the revenue is being charged here?

**Agreed. This will be part of the more descriptive report that will be developed in QTR3.**

**CONTINGENCY** – What are contingencies? Again more detail is needed here. **Unexpected expenses such as property damage and clean up from a natural disaster including freeze damage, one time charges and unanticipated expenses.**

In the Qtr ended March 31, 2018, expenses are grouped as Utilities, Insurance, Administrative, Services, Improvements, and Funds. Each of these groupings are sub categorized into more detailed classifications. **The improvement classification could be sub-categorized into more detailed items, not sure how the other items could be broken down into other sub-categories.**



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Specific accounts needing analysis and explanation are 4014 Office Expenses, 4042 Event Coordinator, 4056 Bad debts /Uncollectible (how are these accounted for?), 4076 Legal Fees, 6130 Grounds Supplies, 6140 Development and Implement Village..... . What's the difference between Grounds-contract (mowing, edging, blowing of sidewalks, some tree trimming including palms, etc.) and ground supplies AND all the accounts under Improvements?

4014 – **OFFICE EXPENSE**, as part of the GPI contract the expenses for the office supplies (i.e. copying, envelopes, postage, long distance phone calls, records storage, annual assessment packet, annual membership meeting packet, etc.) that are used in the management of the HOA business are charged to the HOA.

4042 – **EVENT COORDINATOR**, see below for further detail.

4056 – **BAD DEBTS** are accounted for on the BALANCE SHEET currently 2018 Accounts Receivable are \$92,643 and Pre-2018 Accounts Receivable are at \$4,774. As of this date, delinquent accounts have been turned over to an attorney for collection.

4076 – **LEGAL FEES**, see explanation above regarding MG3, legal action is still underway so this will be the same amount or higher for 2018 perhaps continuing into 2019.

6130 – **GROUND SUPPLIES**, the contract with Village Lawn Care provides for mowing, trimming, trash pick-up, weeding. Materials such as mulch, trash bags, doggie poop bags, doggie poop stations, periodic replacement of the American Flag at the tennis courts, etc.

6140 – **DEVELOPMENT and IMPLEMENT VILLAGE 2.0**, this is for resurfacing the tennis and basketball courts, the new street signs and branding signs, sub-division lighting, outdoor furniture, etc. The BOD evaluates each expenditure during the calendar year and depending on that state of finances, condition of the grounds, weather, and unforeseen expenses determines if it is prudent to authorize the expense.

FINALLY, most HOA's set aside reserve amounts for future improvements of existing fixtures, etc. Does Phase III do anything like this and why? Unless outlined specifically in the HOA documents, HOA's DO NOT have reserves. Excess funds are funds rolled over each year (Member's Equity) to be able to safe guard any emergency expenses such as storm clean-up or legal battles. The board had built up these funds prior to 2016 so the improvements and needed repairs could be done (re-landscaping all entrances, entrance lighting, re-branding for a unified look, replanting of trees that had died, major irrigation repairs, resurfacing of all courts) money is being earmarked now as the fencing around the tennis courts is nearing the end of its useful life and the lighting project will be on going for 5 to 7 years.

\*4042 EVENT COORDINATOR, as a result of the 2016 Resident Survey an overwhelming request was for more community events. Carrollwood Village Homeowners Associations (Phases I, II and III) partnered with the Carrollwood Cultural Center to do 30+ HOA sponsored events each year such as:

- The lecture series: Espionage by the Numbers in April, US Cuba Relations 6/13, Shellie Blum – Waterski Girl – motivational topic 7/11
- Community Garage Sale Qtr 1
- Carrollwoodstock Music Festival
- Youthfest
- Blues & BBQ
- Veterans Day Concert in the Park
- Wine Tastings



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- Movies in the Park
- Touch a Truck
- Fun Runs
- Food Truck Rally 6/15
- Trivia Night 6/21

**See the website to keep up to date as to the upcoming events**

**CARROLLWOOD VILLAGE PHASE III HOMEOWNERS ASSOCIATION, INC.**

**APPROVED FY 2018 BUDGET**

**01/01/2018 Thru 12/31/2018**

Date Approved: 11/15/17	CODE	BUDGET 2016	BUDGET 2017	Actuals 2017	Budget 2018	Quarterly Actuals 03/31/18
<b>REVENUE (BILLED)</b>						
1225 Units @ \$447.50	3100	403,025	462,437	462,437	548,187	137,047
210 Apartments @ \$335.63	3240	51,818	59,456	59,456	70,482	17,621
<b>Total</b>		<b>454,843</b>	<b>521,893</b>	<b>521,893</b>	<b>618,669</b>	<b>154,667</b>
<b>EXPENSES</b>						
<b>UTILITIES</b>						
Electricity	7001	4,500	5,565	5,455	5,880	1,863
Reclaimed Water	7012	1,900	1,900	2,338	3,288	207
<b>TOTAL UTILITIES</b>		<b>6,400</b>	<b>7,465</b>	<b>7,793</b>	<b>9,168</b>	<b>2,070</b>
<b>INSURANCE</b>						
All Policies	4090	17,712	17,712	13,515	25,212	7,172
<b>TOTAL INSURANCE</b>		<b>17,712</b>	<b>17,712</b>	<b>13,515</b>	<b>17,712</b>	<b>7,172</b>
<b>ADMINISTRATIVE</b>						
Office Supplies	4014	16,800	14,800	10,771	12,000	4,841
Newsletter	4045	18,060	18,060	15,927	12,000	0
Taxes, Licenses, Fees	4052	900	2,568	2,907	2,568	61
Audit	4072	2,000	2,000	2,000	2,311	2,000
Web Site	4028	2,810	2,810	7,325	11,000	371
Event Coordinator	4042	11,124	11,124	13,936	16,752	4,187
Bad Debt	4056	10,114	12,500	-2,827	8,069	-672
<b>TOTAL ADMINISTRATIVE</b>		<b>61,808</b>	<b>63,862</b>	<b>50,039</b>	<b>64,700</b>	<b>10,788</b>
<b>SERVICES</b>						
Management/Bookkeeping	4006	72,635	72,672	72,677	73,399	18,350
Patrol	8000	66,396	66,396	70,807	81,516	20,104
Legal	4076	6,900	6,900	19,340	15,000	13,894
Grounds/Contract	6100	108,608	108,608	107,400	108,608	28,050
Grounds/Supplies	6130	9,600	9,600	6,647	10,875	5,078
Lake/Contract	6037	20,664	20,664	20,664	20,664	5,166
Irrigation/Contract	6030	18,000	18,000	18,000	18,000	4,500
Irrigation/Non-Contract	6031	7,500	7,000	10,991	8,000	1,272
Wall Maint/Signage	8120	6,000	6,000	1,978	6,000	1,449
Dumpster	8122	3,000	3,000	3,461	3,000	3,478
Dumpster Area Imprvmnts	8123	2,000	2,000	0	2,000	0
Florida Highway Patrol	8126	0	0	0	30,407	6,240
<b>TOTAL SERVICES</b>		<b>321,303</b>	<b>320,840</b>	<b>331,964</b>	<b>377,469</b>	<b>107,581</b>
<b>IMPROVEMENTS</b>						
Landscape	6110	6,000	8,000	22,783	18,000	0
Parks & Recreation	6043	9,000	11,000	10,069	11,000	0
Tree Planting & Trimming	6190	12,000	22,000	48,573	45,000	6,695
Exotic Plant Removal	6191	1,500	1,500	475	1,500	0
General Improvements	6192	9,120	9,120	11,102	9,120	0
Entrance Lighting	6170	6,000	25,000	34,065	25,000	5,800
Develop & Implement Vig Plan	6140	0	29,723	45,526	32,000	20,255
<b>TOTAL IMPROVEMENTS</b>		<b>43,620</b>	<b>106,343</b>	<b>172,592</b>	<b>141,620</b>	<b>32,750</b>
<b>UNALLOCATED</b>						
Unallocated/Contingency	8121	4,000	5,671	18,686	8,000	4,432
<b>TOTAL EXPENSES</b>		<b>454,843</b>	<b>521,893</b>	<b>594,589</b>	<b>618,669</b>	<b>164,793</b>
Approved by:						
Date: 11/15/17						



NOTES FOR THE CARROLLWOOD VILLAGE PHASE III HOMEOWNERS ASSOCIATION BUDGET  
(2017 BUDGET VS ACTUALS)

**3100 FEES:** 2016 DUES PER RESIDENCE \$329.00

2017 DUES PER RESIDENCE \$377.50

**7012 WATER:** BOCC increased the rate charged

**4090 INSURANCE:** Actual cost for 2018 will be \$30,360. The association had been properly insured BEFORE the hiring of FHP. The new amount reflects having to go out to the excess lines market to accommodate increased risk to the carrier for the hiring of armed FHP to patrol the main thoroughfares

**4045 NEWSLETTER:** Did not print issue QTR 4 2017

**4028 WEBSITE:** Re-designed website

**4042 EVENTS COORDINATOR:** Contract amount increased Qtr. 2 2017 amount stayed the same for 2018

**4056 BAD DEBT:** Improved economy resulted in fewer unpaid dues than had been projected

**8000 PATROL:** Phase 1 withdrew from participating, now split coverage with Phase II with better oversight. Costs spread out over a smaller number of homes

**4076 LEGAL:** Legal battle with MG3 for use of West Village Commons for Charter School

**6031 IRRIGATION – NON CONTRACT:** Repairs to broken irrigation lines and controls due to age and homeowners having workers access their backyards via the common grounds

**6110 LANDSCAPE:** Improved landscaping along walls for Turner Trace & Wellington. South entrance still not completed at Wellington

**6190 TREE TRIMMING & PLANTING:** Hurricane Irma cleanup – Non FEMA Paid

**6192 GENERAL IMPROVEMENTS:** Increase size of playground area around swings

**6170 ENTRANCE LIGHTING:** Actual Cost of lighting Main entrances at West Village Dr. and Burrington Dr. subdivisions of Stonegate and Cypress Trace

**8121 CONTINGENCY:** Expenses that happen infrequently or rarely such as extra gutter blowing, dead animal removal, pest control, replacement of sod from hurricane damage, fountain repairs, etc. – rolls over to next year if approved on proxy

