

**FOREST HEIGHTS HOMEOWNERS ASSOCIATION**  
**Budget and Finance Committee**

**Meeting Minutes –September 21, 2009 – 6PM in the Conference Room**

**Attendees:** Secretary Bud Caro, Mary Shuhert, Chair Don Bielen, Pam Cavagnaro, and Marcia Stillwell.

**Unable to Attend:** Manager Stephen Herr, Sherrill Corbett, and Deniz Mamakli.

**Others Attending:** Michelle McGillivray, Chair of the Community Activities Committee (CAC).

**Preliminary**

Don opened the meeting at 6 PM.

**Minutes**

The minutes of the July 2009 meeting were approved for posting on the website.

**Manager's Report**

In Steve's absence, there was no Manager's Report.

**Accounts Receivable**

Currently the amounts are as follows:

3 accounts under payment plans	\$ 488
22 accounts in collection	59,571
12 accounts in foreclosure	5,359

Given the current economy, the Committee discussed the likelihood of increased Bad Debt Expense in 2010 and the impact it will have on next year's budget. The Committee recommended that, in anticipation of increased write-offs, the Bad Debt Reserve on the Balance Sheet be increased to reflect additional bad debt expense.

**2010 Budget**

No preliminary budget was available for review. The budget process calendar is a tight one and the Committee expects to have a preliminary budget in advance of the next meeting in October. Due to economic conditions and the number of foreclosures, this budget may be difficult to balance expenses with revenues. Expenses reductions may be required since a dues increase at this time is not a reasonable solution to this challenge. The Chair will discuss these issues with Steve as part of the initial budget draft.

**Other Business**

Michelle McGillivray, chair of CAC, presented CAC's request for funds to support its activities in 2010. In summary, the total requested is \$93,850, up from the 2009 spending of \$81,143. Don asked Michelle to detail the expenses by category for each included program activity. He explained that the Committee expects that the 2010 Budget will be a challenge and that some reductions will most likely be necessary across the board in all activities.

Don said that the next FHHOA Newsletter will include as article on the Budget & Finance Committee and that he will distribute a draft to Committee members prior to publication.

Pam informed the Committee that Steve has been asked by the Board to prepare alternative solutions to the Mill Pond problems which have increased due to low water flow.

Bud announced his intention to resign as soon as the 2010 Budget is completed.

**Next Meeting**

The next Committee meeting date is to be announced.

The meeting closed at 8:15 PM.

Bud Caro  
B&F Secretary