

Letter from Kelly Wong, BCPOA Finance Chair -----March 26,2007 ---

The Finance Committee was formally established by BCPOA by-laws to create and monitor an annual budget that, once executed, maintains and plans for the continued maintenance of all community assets. Since 2004, when the first budget was developed by the Finance Committee, the Board has learned much about what is actually involved in keeping our community maintained and it is my opinion that the Board has done an excellent job at responsibly anticipating and addressing the Community's needs and being as frugal as possible.

Now we are into 2007, and as was done for the past couple of years, this budget continues to identify what is required to "keep the lights on" and ensure that proper funding is available to do so. In no way does it attempt to establish, plan for, or execute an expansion of community assets. Unfortunately, BCPOA faces the reality that the anticipated income will not cover these basic costs. We had anticipated that 90 per cent of the members would pay their dues on time and that the Restitution Income would continue in a timely manner. This is not happening. 85 percent are paying their fees and court collections will take more time than is available.

Over the years, I have heard a lot of Community members suggest ways to balance our budget; however, there are several things that should be kept in mind:

1) We do not have competing priorities. Our budget in literally the fixed costs of "keeping the lights on" and there are no items that can be eliminated or decreased that would not have an impact on the Community. Consequently, we cannot operate under the theory that if we only collect \$71,000 that we can adjust the budget items accordingly or reduce each item by an equal percentage to accommodate the income. This would not be fiscally responsible. We must pay the utility companies and the goods and services providers that we contract to maintain this Community.

2) We do not do fund raising events. The Board is responsible for collecting fees that are used to maintain the Community and its shared assets. I believe fund raising events would only be appropriate if we were trying to expand assets (i.e. a Community Pool or Pavilion).

3) We have few Community volunteers. Unfortunately, the Community has not demonstrated in the past 4 years an increased willingness to take an active role in maintaining the Community or its assets that could result in lower maintenance costs. Furthermore, if the Community was to lose the current finance, secretarial and management services volunteers, the Community could conservatively cost the community an additional \$18,000 (\$20 per property).

In Summary, The Finance Committee recommends that a membership fee increase to \$130 (the amount does include the road fee of \$10) is necessary and prudent for the long and intermediate health of our community assets.

Kelly Wong,  
Finance Chair for BCPOA.