

Harry Hoch

August 3, 2023

Insurance, Grounds Reserve, and Accounting

Insurance

The 2023 committee found one quote for third party liability insurance to cover the common areas of Carmelita Gardens from RF&G.

Liability Insurance annual fee \$1200.00 BZD

Reserve Fund for Common Areas

The committee discussed clean up and repairs after the last flood with many of the current CG community members. Apparently there was some confusion around who would pay for and coordinate the repairs and it took longer to accomplish than many would have liked. The committee decided to set 10% of the grounds and roadside maintenance budget as an emergency fund to repair flood and storm damage.

Annual cost for emergency fund \$6727.50 BZD

Accounting

L3G does the accounting for Sunshine Property Management. This company estimated set up cost for the community maintenance fund using QuickBooks Online will be \$1200. The annual fee to maintain the books, bill owners, pay for supplies, and open a bank account would be \$9600.00 BZD per year. I am not sure how L3G would set up a bank account since the CMF is not a Belizean Company. I assume the account would have to be set up under the L3G company.

I don't see any reason a CG community member couldn't take on this role as book keeper. There are several community members that would be qualified to do this work. I suggest we consider paying a community member to do the bookkeeping and billing, then have a second community member regularly audit the books. We could also ask Sunshine Property Management to open a bank account for the CMF. This would be a temporary set up until we have a registered company to act as an HOA. My company (Carmelita Forest Garden) could also open a short-term bank account for the CMF.

I think we should first pass the budget using the L3G estimate. Then survey the owners to see if there is support for having community members manage the CMF instead of hiring an outside company.

I would be happy to hear your opinion on the matter in a personal message, but encourage everyone to share their perspective on this matter on Signal or on the Community Website in the CMF forum. Signal is nice but there is no easy way to go back and review comments or archive the discussion. Please consider going to the website carmelitagardenscommunity.org and contributing to the forum.

One time set up fee \$1200.00 BZD

Annual accounting and billing fee \$9600.00 BZD

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The cost for insurance for the community from RF&G				
Please note all amounts are in Belize Dollars				
Current annual cost			\$1200.00	BZD

The costs for L3G to provide accounting and banking support for the community				
Please note all amounts are in Belize Dollars				
SERVICE PROVIDED	MONTHLY COST		ANNUAL COST	
Set up books onetime fee		BZD	\$1200.00	BZD
Maintain books	\$700.00	BZD	\$8400.00	BZD
Bill lot owners	Included in above	BZD	Included in above	BZD
Pay suppliers	Included in above	BZD	Included in above	BZD
Open required bank accounts	Included in above	BZD	Included in above	BZD
TOTAL COST			\$9600.00	BZD

After the last flood there was quite a bit of cleanup that needed to be paid for. As it was unclear who needed to pay, it took longer than many would have liked. The idea is to have a reserve to take care of these items when they come up.		
Please note all amounts are in Belize Dollars		
Idea for reserve amount 10% of Ground and Roadside Maintenance	\$6,727.50	BZD