



# DILUCIA

MANAGEMENT CORPORATION

May 14, 2018

Re: Financial Operations

Dear Resident,

It is important to DiLucia Management that we have positive, open communication with our residents as information can sometimes be misconstrued or misunderstood when it is not shared properly. There were some concerns brought up after the Board Meeting on Tuesday that I wasn't able to address personally, so I wanted to take a moment to talk about Association Fees and how the process works internally.

The Management office receives approximately 300 checks every month for Association fees. We have successfully processed almost 3 million dollars since we started working with your community four years ago. Checks are normally posted within two business days of receipt and then they are dropped off at the Egg Harbor City office where they are electronically scanned to the Association's bank. It may take several days from the time your check is received to the time it posts to your bank account as "cashed". Association checks are not held for any reason other than maybe to wait until I have 6-8 to post at once. Please note that I am not responsible for collecting Club or Committee checks or preparing the checks for deposit. When a Club or Committee brings a deposit to the office, I verify the dollar amount collected and drop the deposit off to the local bank within a day or two.

Last month, there was an incident where one deposit of Association fees was misplaced containing thirteen checks; the checks were posted to the homeowners' accounts but were not scanned into the bank. This is not indicative of a systemic problem, but simply human error. Since we reconcile the operating account every month, the problem would have been identified through our control process had we not been informed by a resident that his check had not yet cleared. Regardless, we are very sorry for any inconvenience caused to the affected homeowners and they have all been contacted directly.

The checking and deposit process will be changing very soon as your Board approved moving the Operating account to a local TD Bank where I will be able to drop the checks off and receive a deposit receipt. This process will be more efficient and will eliminate any future concerns

1 Village Grande Drive • Egg Harbor Township, NJ 08234  
P: 609-788-8405 F: 609-788-8430  
c.williams@dilucia.com



# DILUCIA

MANAGEMENT CORPORATION

about the chain of possession for deposits. The Board approved this change in February and the account was opened in March. This change requires a new profile for the TD Bank account to be added to the accounting software that we use. We have been aggressively pursuing our software provider to set up the profile so we can start using the TD Bank account. A test deposit was successful, so we expect the conversion to be complete in the next week.

Finally, a note about financial statements: The Board and Finance Committee Chair receive a report every month that details the income/expense statements and includes a list of unpaid assessments, a deposit summary, a check register, a list of open payables, and the actual bank statements with a reconciled statement summary. These reports always balance to the penny and are an accurate record of the Association's financial standings on the day they are run. Sometimes we may have to make adjustments to the prior month if a bill comes in that should be posted to the prior period or if the Board or Finance Committee thinks an expense should be coded to a different budget line item, but those changes would be shown on the next month's report for each budget line item and be reflected in the year to date totals.

I hope this helps to explain the process and the financial operations of the Association and clear up any inaccurate statements or perceptions. DiLucia Management and I strive to provide you with the best service that we can and are always happy to answer your questions.

Sincerely,

Cynthia Williams, Community Manager  
DiLucia Management Corporation  
Village Grande at English Mill Homeowners Association

Cc: Board of Trustees; A. Macy, Director of DMC; file