

## Home sweet HOA

We close out our series on budgets and cutting costs for HOAs with a few more tips to remember:

- Annual budgets are planned with the expectancy that *all* of the members of the HOA are paying their dues. In these tough economic times, it is prudent to remember that you will have slow paying members, and some of the units might be stuck in litigation or bankruptcy and the HOA may not see those dues the entire budget year. Budget for this lack of income.
- Not all expenses are created equally. The board has a fiduciary duty to maintain the safety and integrity of the building structures. So although that ugly fence is annoying and more noticeable to complaining HOA members, it may not be as important to the structural integrity of the splitting roofline that is not so visible to the average owner.
- Don't skip on your reserve study. It may seem like a luxury item on your budget but maintaining a current list of what work needs to be done, the life expectancy of the community's features, and how much you should be setting aside is critical to budget planning.
- Don't be afraid to raise dues in this economy. Deferring a critically needed dues increase now, might only result in a non-contestable, special assessment later.

### Quote

"Here on earth you will have many trials and sorrows. But take heart, because I have overcome the world,"  
said Jesus. — John 16:33

## Q&A

**Client:** How do I choose a payroll service (continued)?

**BKC:** 3) Reports. Each payroll service has their own style of reports. However, they all need to provide: a) payroll check register (listing gross, taxes withheld, net) and b) employer payroll taxes, and c) amounts deducted from your checking account for the payroll process that match the bank statement. Not all reports list this information in a digestible manner.



# KEEPING LEDGER

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## BUSINESS-KEEPERS CONSULTING

...the KEY to keeping business.

5901 Warner Ave, #70  
Huntington Beach CA 92649  
(714) KEY-8-KEY phone  
(714) KEY-8-535 fax  
[www.business-keepers.com](http://www.business-keepers.com)

## ACCOUNT-ABLE

We break our series on managing your company's cash flow, with a sidebar series on checkbook reconciliation. Reconciliation is critical in good cash flow and assuming what you have in your checkbook is the *same* balance as your *bank* balance online is a huge error. The bank *never* reflects checks you have written but your vendors have *not yet* cashed. So here are some tips to remember:

- Keep your checkbook in real time by entering atm/debit card activity. Debit activity can run away from you. We have seen clients with 3-5 bank statement pages of debit activity and only write 10 checks a month. Treat debit card activity as if you wrote a check. Enter it into your system, such as Quickbooks(QB) as a Write Check. Instead of the check number, enter debit. Everything else in the transaction is entered as if a check were written



- Do not print checks in QB then hold them in your desk drawer for when you actually have the funds to cover the checks. This is a big no-no for several reasons:

- 1) You are negating the effectiveness of your accounting system (QB) because now *you* have to remember those un-mailed checks.

More next month...

### Calendar

Monday, June 14th  
*Flag Day*  
Sunday, June 20th  
*Father's Day*  
Monday, June 21st  
*Summer Solstice*

## The Sound of Business...

We continue our trek through some Quickbooks features, specifically Items at this time in our series. We left off last month talking about Items for services and how best to use them via the timesheet feature.

Open the Time sheet and create a name, for yourself or a vendor/employee. Then enter the customer you are charging your time to. Tab again and Add an item right on the fly. Name the item, write a brief Description, enter a price, and enter (map) the Account on the Chart into which you want the dollar amount to go. You will want to assign an item for each price break, just like you would assign a different item for each product you sell. Let's say you are a consulting firm. Different services are charged at different rates. You would create an item for Research at one rate, and another item for Data Analysis with a different rate, and so forth.

Notes on the timesheet: This is a great place to add to the brief Description of the item. When you created the new item and entered the Description, that detail is automatically populated in an invoice when you go to import that time. Additionally, the Notes you enter here in the timesheet will be tacked on to the end of the Description. This Notes area is limitless, so you can write as much detail, customized to that particular client's work, as you need.

Next you tab over to the date column and enter the time. You can enter multiple customers on each line and log their time under the same date column. Lastly, you will want to make sure the Billable box is checked. Time sheets is a great way to keep track of your time a week at a glance. You see how much (or little) you are billing, and to whom, without having to flip through invoices. Now you are ready to import your timesheet into an invoice which we will cover next month.



5901 Warner Ave, # 70  
Huntington Beach CA 92649  
www.business-keepers.com  
(714) KEY-8-KEY



Have you seen our website lately; please check out the info and pictures!

### Important Websites:

[www.irs.gov](http://www.irs.gov)  
[ww.caioc.org](http://ww.caioc.org)  
[www.edd.ca.gov](http://www.edd.ca.gov)  
[www.boe.ca.gov](http://www.boe.ca.gov)  
[www.ftc.gov](http://www.ftc.gov)  
[www.katchtheday.com](http://www.katchtheday.com)  
[www.business-keepers.com](http://www.business-keepers.com)  
[www.cslewis.com](http://www.cslewis.com)

### Happy Father's Day.

### Enjoy the summer sun!



### Katch the Day

Summer is a great time to read a good book in the outdoors. We find that setting up a little place in your patio, with a simple table, chairs, and an umbrella creates a wonderful space for a special summer past time: reading a good book. We encourage you to do this with your whole family. Pick a book appropriate to the age and interest of each family member and enjoy reading right in your own yard. Here are some suggestions for reading:

**Adults and mid-teens:** *Seven Habits of Highly Effective People* by Stephen R. Covey. Written in 1989, this is still a classic, must-read for everyone! *John Adams* by David McCullough, a Pulitzer Prize winning book made into an HBO special in 2009. *Job*, (pronounced *jobb*) a book in the Bible, full of timeless insight into humanity's struggle and God's response.

**Teens and Preteens:** *The Chronicles of Narnia* by C.S. Lewis. There are seven in this classic series of good vs evil.

**Children:** Anything from the *Dr. Seuss* collection. A children's *Bible* which will highlight famous stories and have great pictures to discuss.



**KATCH A GOOD BOOK UNDER THE SUN AND LEAVE THE BUSINESS-KEEPING TO US!**