

Rodeo Lane HomeOwners Association

ANNUAL MEETING MINUTES

Wednesday June 5, 2024

CALL TO ORDER - 6:05 pm

ATTENDEES - Kelly Carone, Camille Stringham from the board. 9 units were represented.

FINANCIAL REPORT/BUDGET REVIEW

- Review of 2023 financial statements. Brought in \$35,000 and spent \$50,500 due to increase in utilities and roof repairs.
- Review of year to date financial statements for 2024. This year the HOA is negative \$10,000. HOA has outstanding bills from water leak repairs and continued water leak.

DISCUSSION ITEMS

- Special Assessment: The special assessment is to cover these negative costs. The water bill has gone up exponentially with the water leaks. 2 leaks have been fixed at this time. One more will be fixed next week, then there will be a check for any final leaks.
- Review of the most recent reserve study. Projected that the HOA should have \$175,000 in reserves. After these current expenses the HOA has none and is negative in the operating account.
- Discussion on HOA vs Homeowner insurance: owner's must carry an HO6 policy and cover up to the deductible of the HOA at \$25,000. Due to increasing insurance costs and risk of losing insurance, the HOA increased the deductible to \$25,000.
- If a water leak is on the HOA mainline the HOA is responsible. If it is on a line that services a specific unit, it is that unit's responsibility.

MAINTENANCE CONCERNS

- Water leaks are the only concern at this time. The goal is to get all leaks fixed, see if we can get help from the city with the water bills, and pay all of the HOA's outstanding bills.

ELECTION RESULTS

- A huge thank you to those who ran to serve on the board.
- Lanette Saetre was elected to serve on the board.

MEETING ADJOURNED - 6:27 pm

Rodeo Lane HOA Annual Meeting

Annual Meeting | Wednesday June 5th, 2024

6:00 PM Via Zoom

Dear Association Member (s)

The Rodeo Lane Homeowners Association annual meeting will be held on Wednesday June 5th, 2024 at 6:00 p.m. via Zoom.

Join Zoom Meeting

<https://us02web.zoom.us/j/82500872292?pwd=w7cwP2jasglonA07vBphb4zWFEheyE.1>

Meeting ID: 825 0087 2292

Passcode: 503046

We will be electing 1 new Board member prior to this meeting. **MEMBERS DO NOT HAVE TO LIVE ONSITE AT RODEO LANES HOA TO SERVE ON THE BOARD.** Any owner wishing to run for the open positions, or wanting to nominate someone else, should complete the online nomination form. Voting will be held electronically.

No member may be elected to serve on the board if their association dues are past due or they are not in good standing with the HOA.

Annual Meeting Agenda

- Call to order-6:00 p.m.
- Introductions:
 - Rodeo Lane HOA Board Members
 - North HOA Management
- 2023 Review
- 2024 Projections
- Financial Report
- Announcement of Board Member Election Results
- Questions & Answer period
- Closing Remarks
- Adjourn

Assets			
CASH - OPERATING			
10-1000-00	Veritex - Operating - 9668	\$5,310.83	
Total CASH - OPERATING:			<u>\$5,310.83</u>
CASH - RESERVE			
12-1200-00	Veritex - Reserve - 9676	9,183.59	
Total CASH - RESERVE:			<u>\$9,183.59</u>
Total Assets:			<u>\$14,494.42</u>
Liabilities & Equity			
CURRENT LIABILITIES			
20-2100-00	Prepaid Assessments	(136.14)	
Total CURRENT LIABILITIES:			<u>(\$136.14)</u>
OWNERS EQUITY			
30-3005-00	Opening Balance Equity	43,403.33	
30-3100-00	Retained Earnings	(14,156.39)	
Total OWNERS EQUITY:			<u>\$29,246.94</u>
	Net Income Gain / Loss	<u>(14,616.38)</u>	<u>(\$14,616.38)</u>
Total Liabilities & Equity:			<u>\$14,494.42</u>

Description	Specified Dates	Actual
OPERATING INCOME		
Assessments & Other Income		
4000-00 Association Dues		\$33,260.00
4010-00 Late Fees Income		197.36
4090-00 Extraordinary Assessment		91.00
4095-00 Interest Income		150.00
4099-00 Other Income		2,045.84
4320-00 Special Assessment Income		64.00
Total Assessments & Other Income		<u>\$35,808.20</u>
TOTAL OPERATING INCOME		\$35,808.20
OPERATING EXPENSE		
General & Administrative		
5022-00 Postage & Delivery		36.90
5023-00 Printing & Copying		18.51
5030-00 Legal Services		250.00
5035-00 Accounting/Audit/Tax Prep		240.00
5041-00 Business Renewal		30.00
Total General & Administrative		<u>\$575.41</u>
Management		
5300-00 Management Fees		4,229.49
Total Management		<u>\$4,229.49</u>
Insurance & Taxes		
5400-00 Insurance Expense		7,074.53
Total Insurance & Taxes		<u>\$7,074.53</u>
Landscaping		
5700-00 Landscaping Maintenance		65.00
5705-00 Landscaping Clean Up		165.00
5710-00 Tree & Shrub Maintenance		245.00
5730-00 Irrigation Repair		415.00
5740-00 Fertilization		150.00
5745-00 Mowing		2,530.00
5750-00 Snow Removal		3,724.00
Total Landscaping		<u>\$7,294.00</u>
Repairs & Maintenance		
6500-00 General Repairs & Maintenance		5,506.06
Total Repairs & Maintenance		<u>\$5,506.06</u>
Utilities		
6790-00 Utilities		25,745.09
Total Utilities		<u>\$25,745.09</u>
TOTAL OPERATING EXPENSE		\$50,424.58
Net Income:		<u><u>(\$14,616.38)</u></u>

Assets

CASH - OPERATING

10-1000-00	Veritex - Operating - 9668	\$6,903.12
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Total CASH - OPERATING:	<u>\$6,903.12</u>
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CASH - RESERVE

12-1200-00	Veritex - Reserve - 9676	100.18
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Total CASH - RESERVE:	<u>\$100.18</u>
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Total Assets:	<u>\$7,003.30</u>
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Liabilities & Equity

CURRENT LIABILITIES

20-2100-00	Prepaid Assessments	4,819.86
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Total CURRENT LIABILITIES:	<u>\$4,819.86</u>
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OWNERS EQUITY

30-3005-00	Opening Balance Equity	41,423.33
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30-3100-00	Retained Earnings	(28,772.77)
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Total OWNERS EQUITY:	<u>\$12,650.56</u>
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	<u>(10,467.12)</u>	
		<u>(\$10,467.12)</u>

Total Liabilities & Equity:	<u>\$7,003.30</u>
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Description	Actual	Specified Dates
OPERATING INCOME		
Assessments & Other Income		
4000-00 Association Dues	\$16,333.00	
4095-00 Interest Income	26.95	
Total Assessments & Other Income	<u>\$16,359.95</u>	
TOTAL OPERATING INCOME	\$16,359.95	
OPERATING EXPENSE		
General & Administrative		
5022-00 Postage & Delivery	2.20	
5023-00 Printing & Copying	1.80	
5035-00 Accounting/Audit/Tax Prep	275.00	
5060-00 Reserve Study	580.00	
Total General & Administrative	<u>\$859.00</u>	
Management		
5300-00 Management Fees	1,410.00	
Total Management	<u>\$1,410.00</u>	
Insurance & Taxes		
5400-00 Insurance Expense	7,198.91	
Total Insurance & Taxes	<u>\$7,198.91</u>	
Landscaping		
5750-00 Snow Removal	2,260.00	
Total Landscaping	<u>\$2,260.00</u>	
Utilities		
6790-00 Utilities	15,099.16	
Total Utilities	<u>\$15,099.16</u>	
TOTAL OPERATING EXPENSE	\$26,827.07	
Net Income:	<u><u>(\$10,467.12)</u></u>	

+ outstanding bills and continued water leak.

Executive Summary – Rodeo Lane HOA – ID # 18801

Information to complete this Reserve Study was gathered by performing an on-site inspection of the common area elements. In addition, we also obtained information by contacting any vendors and/or contractors that have worked on the property recently, as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate insofar as the information obtained from these sources.

Projected Starting Balance as of 01/01/2021	\$7,309
Ideal Reserve Balance as of 01/01/2021	\$175,823
Percent Funded as of 01/01/2021	4%
Recommended Reserve Contribution (per month)	\$1,865
Recommended Special Assessment	\$0

Rodeo Lane HOA is a 28-unit Townhome community. The community offers landscaped areas as amenities. Construction on the community was completed in 2005.

Currently Programmed Projects

Projects programmed to occur this fiscal year (FY2021) include asphalt seal coat (Comp# 402). We have programmed an estimated \$6,500 in reserve expenditures toward the completion of these projects. (See page 15)

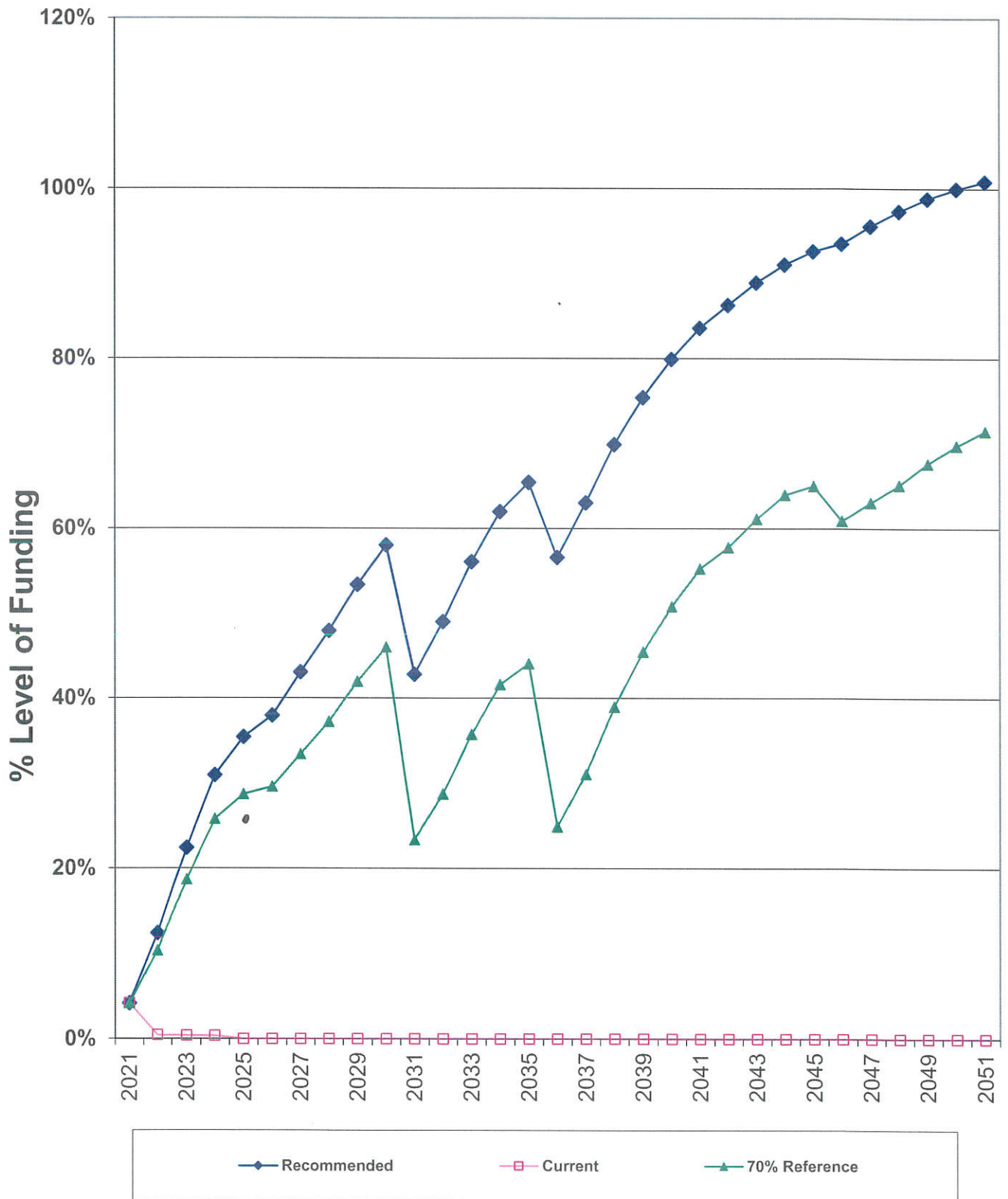
Significant Reserve Projects

The association's significant reserve projects are roofs replace (Comp# 105), vinyl siding replace (Comp# 302), asphalt major rehab (Comp# 401), and asphalt seal coat (Comp# 402). The fiscal significance of these components is approximately 29%, 20%, 14%, and 10% respectively (see page 9). A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the association should properly maintain them to ensure they reach their full useful lives.

Reserve Funding

In comparing the projected starting reserve balance of \$7,309 versus the ideal reserve balance of \$175,823 we find the association's reserve fund to be approximately 4% funded. This indicates a weak reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of \$1,865 (\$66.61/unit) per month. If the contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.

Percent Funded - Graph



Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	105	Roofs - Replace	25	9	\$80,000	\$103,000
	120	Rain Gutters/Downspouts - Replace	30	14	\$14,000	\$16,000
Painted Surfaces	204	Doors - Repaint	10	3	\$9,000	\$11,000
Siding Materials	302	Vinyl Siding - Replace	50	34	\$113,000	\$145,000
	390	Shutters - Replace	40	24	\$24,000	\$30,000
Drive Materials	401	Asphalt - Major Rehab	30	14	\$45,000	\$59,000
	402	Asphalt - Seal Coat	5	0	\$6,000	\$7,000
	403	Concrete - Partial Repair/Replace	10	4	\$3,000	\$4,000
Light Fixtures	1602	Exterior Light Fixtures - Replace	20	6	\$5,000	\$6,000
Landscaping	1812	Landscaping & Irrigation System - Renov	20	4	\$10,000	\$15,000
Buildings / Structu	2301	Shed - Replace	N/A		\$0	\$0

Component Inventory

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