

Pinon Ranch HOA – Annual Meeting of the Members - Minutes

Date/ Time: Sunday November 13, 2022, 2:00pm

Place: Colorado Springs Fire Station 18, Community room 6830 Halder View, Colorado Springs, CO. 80919

Attendees (we ask that all attendees and board members sign attendance sheet):

Board members: Amanda Brush, Amy Aranda, Randi Johnson, John Cotterman & Jeff Hansen.

Members: Jim Johnson, Frank Hibbitts, Caleb Lambert, Andrew & Alison Folken, Anne Westbrook.

2:05 Call to Order, Confirm Quorum, Accept Minutes

- Quorum present (*minimum needed 10% or 6 members*). 10 member households present.
- Notice of Annual Meeting emailed out to all resident members on or about October 12, 2022.
- Minutes from November 2021 Annual Meeting accepted as written. Jim Johnson motioned and Amy seconded. Motion carried unanimously.

Introduction of current HOA Board Members.

2022 / 2023 HOA Board Member Elections

- Board of Directors candidate introductions and questions
- In person voting.

Details about voting:

- Each property gets one full vote. (Cov Sect 4.4)
- Properties can split said one vote into fractional votes for owners if applicable. (Cov Sect 4.4)
- Each Board of Director will serve a term of one year. (Byl Sect 6.2)

- Members vote for Directors (Byl Sect 3.5) and then the board Elected Board of Directors determine specific roles and positions (Byl Sect 6.2).

Short break to tally election results from mail in and in person ballots.

Announce Results of 2022/2023 HOA Board Member Election (maximum 7 board positions to be filled, out of 4 candidates).

- 1) Amy Aranda
- 2) John Cotterman
- 3) Jeff Hansen
- 4) Molly Geronazzo
- 5)
- 6)
- 7)

Treasurer Report:

Year to date expenses, should finish the year with an estimated surplus of \$930 (see next page):

Pinon Ranch HOA - 2022 Budget vs Estimate for Actual as of Nov 4, 2022 plus estimated for 2022					
		2022 Budget	Actual 1/1/22 to 11/4/22	Estimated 1/1/22 to 12/31/22	
REVENUE					<u>2022 Actual & estimated revenue and expense notes:</u>
	HOA Assessments	\$18,645	\$18,483	\$18,483	one member has not paid, plus balances from last year
	Trash & Recycling Assessmen	\$13,855	\$13,777	\$13,777	more folks signed up for recycling than originally estimated
	Credit card/ conv. fees	\$75	\$49	\$49	fewer folks went for the two payment option, than estimated
	Interest	\$0	\$1	\$1	
	Late fees / NSF fees	\$0	\$0	\$0	collected (one member has not paid anything)
	Title Co & Admin Fees	\$150	\$450	\$600	4 home sales (waiting closing for 1 home)
	Working Capital contributions	\$127	\$395	\$526	4 home sales (waiting closing for 1 home)
	Less: Replacement Reserves	-\$2,000	-\$2,000	-\$2,000	Transfer to Replacement Reserves account
total Revenue		\$30,852	\$31,155	\$31,436	
EXPENSES					
	Administrative Services	\$2,500	\$2,880	\$2,880	more services than estimated.
	Bank service charges	\$100	\$127	\$127	on line payment fees went up
	Business Permits & education	\$200	\$39	\$39	Required State reg. fees (DORA & SOS) plus optional education
	Computer & Internet Expenses	\$310	\$262	\$278	still have 1 months to go.
	Insurance Expense	\$2,310	\$2,148	\$2,148	
	Irrigation equipment repairs	\$650	\$563	\$650	
	Lawn & Tree Maintenance	\$4,056	\$4,140	\$4,140	
	Office Supplies	\$36	\$0	\$36	
	Postage and PO Box	\$135	\$188	\$188	Post office box renewal more than estimated.
	Printing and Reproduction	\$60	\$0	\$60	estimate material for annual meeting
	Professional Fees	\$1,000	\$363	\$650	CPA tax returns, IRS forms, 5535 Sample Way issues
	Snow removal	\$1,500	\$804	\$1,500	still have 2 months to go.
	Social Functions	\$0	\$0	\$0	Voted to make this an optional contribution
	Trash & Recycling expenses	\$13,855	\$12,568	\$13,625	still have 1 months to go.
	Utilities	\$4,140	\$4,185	\$4,185	
total Expenses		\$30,852	\$28,267	\$30,506	
EXCESS OF REVENUE OVER EXPENSES		\$0	\$2,888	\$930	<i>Should finish year with a surplus</i>

HOA Trash service Details		2022 Trash & Recycling Budget	Estimated 1/1/22 to 12/31/22	
REVENUE				
	HOA Trash service assessments	\$10,285	\$10,164	1 member has not paid, plus 1 front door service
	Optional Recycling	\$3,570	\$3,613	more folks signed up for recycling than originally est.
Total Trash & Recycling Revenue		\$13,855	\$13,777	
EXPENSES				
	Administrative Services	\$630	\$646	
	Trash & recycling vendor	\$12,608	\$12,629	
	Collection losses & dumpster	\$617	\$350	
Total Trash & Recycling Expenses		\$13,855	\$13,625	
EXCESS OF REVENUE OVER EXPENSES		\$0	\$152	

Budget for 2023 (see next page)

Below is the 2023 budget, with a 6 % increase (\$20) in the base HOA dues, and the 6% increase (\$11) in Trash service and recycling (\$6) rates, that the board has already agreed on.

The latest figures for the Denver area consumer price indexes show inflation at 7.7% for the past 12 months. The reasoning behind only raising the HOA dues 6% is due the fact that it is estimated that we will have a budget surplus of about \$930. As in the past, it is recommended that we transfer any 2022 budget surplus into the replacement reserves account.

2023 Budget					
		2023 Budget			
	REVENUE		<u>2023 Budget notes:</u>		
HOA Assessments	\$19,745	(\$359 per home, 6% or \$20 increase from 2022)			
Trash & Recycling Assessment	\$14,670	6% increase (details below in HOA Trash Service)			
Credit card/ conv. fees	\$75	same as last year			
Interest	\$0				
Late fees / NSF fees	\$0				
Title Co & Admin Fees	\$150	1 home sale			
Working Capital contributions	\$132	1 home sale			
Less: Replacement Reserves	-\$2,200	Transfer to Replacement Reserves account			
Total Revenue	<u>\$32,572</u>				
	EXPENSES				
Administrative Services	\$2,700	8% increase (Cost of living adjustment)			
Bank service charges	\$135	last year plus 6% + increase			
Business Permits & education	\$200	Required State reg. fees (DORA & SOS) plus opt. educati			
Computer & Internet Expenses	\$252				
Insurance Expense	\$2,420	4.5% increase over 2022 actual; \$44 per home			
Irrigation equipment repairs	\$700	\$50 increase over last year budget, plus 22 year system			
Lawn & Tree Maintenance	\$4,560	last year plus 6% + increase			
Office Supplies	\$30				
Postage and PO Box	\$200				
Printing and Reproduction	\$30	less than last year			
Professional Fees	\$1,000	same as last year.			
Snow removal	\$1,575	last year plus 5% + increase			
Social Functions	\$0	Voted to make this an optional contribution			
Trash & Recycling expenses	\$14,670	6% increase details below			
Utilities	\$4,100				
Total Expenses	<u>\$32,572</u>				
EXCESS OF REVENUE OVER EXPENSES	<u>\$0</u>				

		2023 Budget			
	HOA Trash service details				
<u>REVENUE</u>					
	HOA Trash service assessments	\$10,890	(6% Increase. \$198 x 55 homes)		
	Optional Recycling	\$3,780	(6% increase. \$108 x 35 estimated homes)		
	Total Trash & Recycling Revenue	\$14,670			
<u>EXPENSES</u>					
	Administrative Services	\$668	(5% admin)		
	Trash vendor	\$9,913	(\$180.24 x 55 homes)		
	Recycling vendor	\$3,450	(\$98.58 x 35 homes)		
	Collection losses & dumpster	\$638			
	Total Trash & Recycling Expenses	\$14,670			
	EXCESS OF REVENUE OVER EXPENSES	\$0			

Replacement Reserves

The Replacement Reserves budget projections for 2022 through 2027 (see next page for details). Management recommends that we should try to work up to \$14,000 to \$18,000 in reserves over the next few years. If we are to consider any landscaping changes in the next 5 years, then we more than likely will need to increase the yearly contributions to \$3000 to \$4000 from the \$2200 that we have budgeted this year.

<u>Replacement Reserves Budget</u>		as of November 4, 2022	
<u>2021</u>			
Reserves balance as Jan 1, 2021	\$ 8,849		
2020 Budget surplus transferred	\$ 2,385		
2021 Budgeted reserves contributions	\$ 1,545	Transfer from Operating budget.	
subtotal	\$ 12,779		
Tree removal and replacement	-\$1,193	Removed tree that was causing sidewalk damages and tripping hazard.	
Sidewalk replacement	-\$4,529	broken sidewalk replacement and grinding down tripping hazards	
Reserves balance at end of year	\$ 7,057		
<u>2022</u>			
Reserves balance as Jan 10, 2022	\$ 7,057		
2022 reserves contributions	\$ 2,000	Transfer from Operating budget.	
2021 Budget surplus transferred	\$ 2,000		
reserves expenditures for 2022	\$0		
Reserves balance at end of year	\$ 11,057		
<u>2023</u>			
Estimated Reserves balance as Jan 2023	\$ 11,057		
Estimated 2023 reserves contributions	\$ 2,200	Transfer from Operating budget.	
Planned reserves expenditures for 2023	-\$5,200	Fence staining and board replacement; estimated cost.	
Reserves balance at end of year	\$ 8,057		
<u>2024</u>			
Estimated Reserves balance as Jan 2024	\$ 8,057		
Estimated 2024 reserves contributions	\$ 2,300	Transfer from Operating budget. Budget to be determined.	
Planned reserves expenditures for 2024	\$0		
Reserves balance at end of year	\$ 10,357		
<u>2025</u>			
Estimated Reserves balance as Jan 2025	\$ 10,357		
Estimated 2025 reserves contributions	\$ 2,400		
Planned reserves expenditures for 2025	\$0		
Reserves balance at end of year	\$ 12,757		
<u>2026</u>			
Estimated Reserves balance as Jan 2026	\$ 12,757		
Estimated 2026 reserves contributions	\$ 2,500		
Planned reserves expenditures for 2026	\$0	TBD, Possible landscaping changes, area east of Sample (see note 4 below)	
Reserves balance at end of year	\$ 15,257		
<u>2027</u>			
Estimated Reserves balance as Jan 2027	\$ 15,257		
Estimated 2026 reserves contributions	\$ 2,600		
Planned reserves expenditures for 2027	-\$5,500	Fence staining and board replacement; estimated cost.	
Reserves balance at end of year	\$ 12,357		
Note: we spent an \$7651 for capital repairs during 2013 to 2015 (for a average of \$2550 per year) for fence repairs, re-staining, sidewalk leveling to eliminate some of the trip hazards, and adding tree rings and mulch under the pine trees.			
And we spent \$5722 in 2021 on tree removal, sidewalk replacement etc. due to tripping hazards.			
Note 2: Our irrigation system and equipment is now about 22 years old, with a uncertain life span and future repair / replacement costs.			
Note 3; We need to plan on re-staining and replacing boards on our fence every 4 to 5 years. Estimated cost \$4500 to \$6000 depending on how many boards need to be replaced. We spent \$3550 on this in 2014 and \$4180 in 2019.			
Note 4; Genesis LLC bid \$7370 in March 2021 to xeriscape this area with drip irrigation and 6 xeriscape plants. Recommend waiting until we have at least \$15,000 to \$18,000 in reserves. We will need to have substanail increases in yearly contributions if we want to do any landscape changes.			
Note 5: Management recommends as a minimum we contribute at least \$2200 to \$3200 per year to the replacement reserves account.			

Member Questions and Comments

Set Time and Place for next HOA Board Meeting and Adjournment

To be determined.

Adjournment at 2:36pm: Motion to adjourn, Jim Johnson, second, Caleb Lambert. Motion passes unanimously.