

La Quinta Home Owners Association

Board Meeting

December 6, 2016

The meeting was called to order at 1:59 PM by HOA President Dan Hann.

Board members presented were: Dan Hann, Jim Hall, Ken Frazier, Brenda Cutsforth and Sam Pepper.
Also present: Jacque Hann, HOA accountant.

BUDGET – HOA Accountant Jacque Hann reviewed the 2016 actual expenditures and revenues (attached), projecting that the association will close the fiscal year \$408 over budget in net revenues. The reserve fund was fully funded and currently stands at \$293,009 versus a budget of \$289,026.

Jacque then presented the proposed budget for 2017. The proposed budget calls for a reduction in the discount offered homeowners who pay their dues annually from 5% to 2.5%. This will allow the association to keep dues at \$200 monthly, while providing for a balanced budget producing net revenues of \$619. Once again, landscaping costs will make up close to 80% of all association expenditures. Jacque provided the board with a history of assessments dating back to the beginning of the HOA in 2003 when the fees were \$180 monthly. In 2008 they were raised to \$240 and then reduced to \$210 in 2010 as more units came on line in Phase 2. In 2013 they were reduced again to \$200 where they will remain through 2017.

ACTION: Brenda Cutsforth moved that the 2017 budget (attached) be accepted as presented. Jim Hall seconded the motion. Motion passed unanimously.

LANDSCAPING – Jim Hall briefed the board on upcoming landscaping issues. Currently the landscapers are working on improving the irrigation system that when complete will save the association significant dollars in water usage. Due to the weather, no new planting will take place until Feb. 15, 2017. He reported that the few dead spots in the winter grass are due to over-fertilizing and that those spots are being corrected. He also pointed out that JSA has a dedicated crew on site Monday through Friday. A discussion took place concerning the rock refurbishing of the common areas and how much the association needed to accomplish in 2017.

ACTION: Sam Pepper moved that all efforts be made to complete the rock refurbishing, per the standards of the landscape committee, during the 2017 fiscal year with the cost not to exceed \$10,000. Second by Ken Frazier. Motion passed unanimously.

RESERVE STUDY – Jacque Hann reported that the reserve study calls for expenditures of \$11,588 for 2017. The largest project is the replacement of individual irrigation controllers that are now battery operated and need to be tied to the main system. No adjustments were made to the projected 2017 expenditures.

INVESTMENT OF RESERVE FUNDS – Jacque Hann reported that in 2016 the association received only \$257 in savings interest through First National Bank. It was the consensus of the board that Jacque search more favorable interest rates from other institutions and make recommendations back to the board for 2017.

ELECTION – The terms of the current officers and directors terminate in 2017. All current officers and directors have indicated that they will seek reelection. On Feb. 1, a letter will be sent to all homeowners inviting them to nominate themselves or someone else for the board of directors. Ballots will then be developed and mailed to homeowners. Election results will be announced at the annual meeting on March 27, 2017.

The meeting was adjourned at 3:00 PM.

Respectfully Submitted
Sam Pepper, Vice President

La Quinta
2016 Budget/Actual

		Year to Date				
	12 Months Budget for 2016 w/200 x 94 fee	2016 actual 12-03- 2016	Approx. needs paid for 2016			
Revenues						
Monthly Association Dues 62	148,800	\$ 124,600	55			
Association Dues Late Fee		\$ 400				
Monthly Reserve Fee-Developer	2,146	\$ 1,789				
Annual Association Dues 32	76,800	\$ 105,800	44 in 2016			
Annual Dues Discount	(3,840)	(\$ 5,280)	44 at \$120			
Interest Income		\$ 32				
CD Interest Income		\$ 257				
Total Revenues	223,906	\$ 227,598				
Expenses						
Bank Charges	50	\$ 24				
Cleaning Expense - Clubhouse	5,850	\$ 5,250	300			
Cleaning/Supply Exp - Pool	6,000	\$ 6,196	450			
Income Tax Expense	250	\$ 181				
Insurance Expense	2,500	\$ 2,360				
Legal Expense	500	\$ 0				
Accounting Expense	6,500	\$ 5,815	500			
Landscape Management Fees	6,000	\$ 5,500	500			
Handy Man Expense	400	\$ 338				
R.E. Taxes Expense	130	\$ 125				
Extra Landscaping R & M Exp	4,000	\$ 8,099	Rye & extra work by JSA			
Monthly Landscaping Expense	84,024	\$ 78,738	7,350.00	New Contract in July 2016		
R & M Pool Expense	1,000	\$ 203		\$88,200.		
R & M Clubhouse Expense	1,500	\$ 871				
R & M Street Lights Exp	500	\$ 508				
Tree Maintenance Expense	20,000	\$ 25,675				
Retention Basin Pumping Exp	500	\$ 202				
R & M Sprinkler Systems Exp	3,000	\$ 3,643	365			
R & M Block Wall Expense	-	\$ 0				
R & M Street Cleaning Exp	1,200	\$ 0				
Small Tools & Supplies	500	\$ 0	Doggie bags			
Supplies for Landscaping	4,000	\$ 1,002				
Replacement Plants/Landscaping	1,750	\$ 1,567				
Cleaning/Clubhouse Supplies	300	\$ 173				
Replacement Rock/Landscaping	2,000	\$ 975				
Office Supplies Expense	100	\$ 112				
Website Expense	300	\$ 600	paid for 2015 & 2016			
Licenses, Permits & Fees Exp	10	\$ 10				
Electrical Exp-Clubhouse/Pool	8,000	\$ 7,909	550			
Water Exp-Clubhouse/Pool	1,100	\$ 1,141				
Gas Exp-Clubhouse/Pool	2,000	\$ 2,180	220			
Water Exp - Landscaping	21,000	\$ 19,307				
Electrical Exp - Landscaping	1,300	\$ 1,322	110			

La Quinta
2016 Budget/Actual

Gate & Fountain Expense	500	\$ 521			
Telephone Expense	600	\$ 582	54		
Water Mains Expense	300	\$ 300			
Postage & Freight Exp	100	\$ 49			
			10,399.00		
Total Expenses	187,764	\$ 181,479			
		\$ 10,399			
		\$ 191,878			
Income before Reserve	36,142	\$ 35,720			
Reserve Funded	36,128	\$ 36,128			
Revenues over Expenses	\$ 14	(\$ 408)			
Other- Landscaper Terminated		\$ 7,024			
		(\$ 7,432)			
Reserve R & M Expenses	2016	11,139.13			

La Quinta
2016 Budget
and 2017 Proposed Budget

	12 Months Budget for 2016 w/200 x 94 fee	12 Months Budget for 2017 w/200 x 97 fee		Increase/D ecrease
Revenues				
Monthly Association Dues 62	148,800	127,200	53	(21,600)
Association Dues Late Fee				
Monthly Reserve Fee-Developer	2,146	1,455	4	(691)
Annual Association Dues 32	76,800	105,600	44	28,800
Annual Dues Discount	(3,840)	(2,640)		1,200
Interest Income				
CD Interest Income				
Total Revenues	223,906	231,615	101	7,709
Expenses				
Bank Charges	50	50		-
Cleaning Expense - Clubhouse	5,850	5,850		-
Cleaning/Supply Exp - Pool	6,000	6,700		700
Income Tax Expense	250	250		-
Insurance Expense	2,500	2,500		-
Legal Expense	500	250		(250)
Accounting Expense	6,500	6,500		-
Landscape Management Fees	6,000	6,000		-
Handy Man Expense	400	400		-
R.E. Taxes Expense	130	135		5
Extra Landscaping R & M Exp	4,000	5,000		1,000
Monthly Landscaping Expense	84,024	88,200		4,176
R & M Pool Expense	1,000	150		(850)
R & M Clubhouse Expense	1,500	1,500		-
R & M Street Lights Exp	500	550		50
Tree Maintenance Expense	20,000	20,000		-
Retention Basin Pumping Exp	500	500		-
R & M Sprinkler Systems Exp	3,000	4,000		1,000
R & M Block Wall Expense	-	1,000		1,000
R & M Street Cleaning Exp	1,200	500		(700)
Small Tools & Supplies	500	300		(200)
Supplies for Landscaping	4,000	2,000		(2,000)
Replacement Plants/Landscaping	1,750	3,000		1,250
Cleaning/Clubhouse Supplies	300	300		-
Replacement Rock/Landscaping	2,000	2,000		-
Office Supplies Expense	100	150		50
Website Expense	300	300		-
Licenses, Permits & Fees Exp	10	10		-
Electrical Exp-Clubhouse/Pool	8,000	8,500		500
Water Exp-Clubhouse/Pool	1,100	1,200		100
Gas Exp-Clubhouse/Pool	2,000	2,400		400
Water Exp - Landscaping	21,000	21,000		-

La Quinta
2016 Budget
and 2017 Proposed Budget

Electrical Exp - Landscaping	1,300	1,500		200
Gate & Fountain Expense	500	500		-
Telephone Expense	600	650		50
Water Mains Expense	300	300		-
Postage & Freight Exp	100	100		-
Total Expenses	187,764	194,245		6,481
Income before Reserve	36,142	37,370		1,228
Reserve Funded	36,128	36,751		623
Revenues over Expenses	\$ 14	\$ 619		605

La Quinta at Barkley Ranch Estates
Landscape Budget vs Actual For 2017

	2017 YTD Budget 96 Lots	Additions to Budget	New 2017 Budget	Actual 2016 1st Quarter	Actual 2016 2nd Quarter	Actual 2016 3rd Quarter	Actual 2016 Oct/Nov Only	YTD Actual	Balance
Expenses									
Landscape Management Fees	6,000	-	6,000					0	6,000
Extra Landscaping R & M Exp	5,000	-	5,000					0	5,000
Monthly Landscaping Expense	88,200	-	88,200					0	88,200
Tree Maintenance Expense *	20,000	-	20,000					0	20,000
R & M Sprinkler Systems Exp	4,000	-	4,000					0	4,000
Supplies for Landscaping	2,000	-	2,000					0	2,000
Replacement Plants/Landscaping	3,000	-	3,000					0	3,000
Replacement Rock/Landscaping	2,000	-	2,000					0	2,000
Retention Basin Pumping extras	500	-	500					0	500
Water Exp - Landscaping	21,000	-	21,000					0	21,000
Electrical Exp - Landscaping	1,500	-	1,500					0	1,500
Total Expenses	153,200	0	153,200	0	0	0	0	0	153,200

Months for 2017

-
0.00
0.00

***Months are figured by the first month HOA get the full association fee from Owner.