

Fawngrove HOA
Management Committee Meeting
October 24, 2023

Members present: Tom Miller, Duncan Patterson, Bill Case, Dennis Fish, Becky Robertson, Theresa Rollins

The meeting was held via Zoom at 2 pm MDT.

The purpose of the meeting was to discuss the draft budget. It will be sent out to members on November 2. The Annual Meeting will be held on December 2.

Theresa reviewed the financial statements through September 30, 2023. Last year we had a \$67,000 surplus. We allocated \$50,000 of this to the 2023 operations and the remainder to the Capital Reserve. Our expenses are over budget this year, mainly because of the increased labor needed to remove the snow and because we had to spend almost \$20,000 in sprinkler maintenance, as required by the Fire Department. There are other, smaller differences in expenses. There was one sale, the Lindell's unit, for which we received \$12,750 for the Capital Reserve. There is one other unit for sale.

We discussed the expenses for next year. First, we know that our insurance will be increasing. We expect a 20% increase (subsequently we learned that the increase is closer to 13%). We anticipate that our maintenance expenses will need to be increased, as our buildings are old. Our internet and cable budget will increase by \$20,000. We are providing high speed cable to all the units, which is a savings for most HOA members. We also anticipate our professional fees, primarily legal, will be higher next year. We do not expect to have a surplus in 2023 to apply to the 2024 operations. After much discussion, it was decided that we would increase the dues slightly more than 7.5 percent.

We also discussed the Capital Reserve and Capital Budget. We will continue to fund the Capital Reserve with \$100,000 from dues and a budgeted \$20,000 from the Reinvestment Fee (obviously a function of actual sales.) This year, we spent around \$80,000 from the Capital Budget on a roof treatment that will extend the life of the roof. We continue to try to find a contractor to repave the driveways and we are budgeting for that again this year. Also, we are budgeting to spend \$25,000 on a landscape review and irrigation improvements. We anticipate an ending balance (12/31/2024) of around \$250,000. We are updating our Capital Reserve Analysis, as required by Utah law.

The Management Committee approved the proposed budgets.

Tom and Bill updated us on various projects. Becky updated us on her work on the right of way around our property.

The meeting was adjourned at 3:15 pm, MDT.

Submitted by Theresa Rollins