

**Bauer Crest Homeowners Association
Annual Meeting
January 26, 2020**

Attendees:

Board members: Bill McConnell, Frank Raimondi, Steve Marks, Cheri Peden, Jennifer Nekl
Homeowners: Ron Coulam, Sharon Helms, Jane Rhomberg, Jon & Maria Schaefer, George Peden, Cathy Raimondi, Rich Reed, Chris McPhee, Phillippe & Nisakom Blanchard

Called to order: 6:32 pm

President's Report

2019 Accomplishments

- Revised 30-yr Reserve Study – thank you Steve Marks
 - o Provided great basis for future boards as well as this year
- Rebid Landscaping Contract with expanded work scope
 - o Awarded to 7 Dees (same as before)
- Additional Tree Work Done
 - o various
- Vote on Major Assessment Increase was passed

2020 Objectives

- Hire the management company that the new budget provides for
- Improvement to the white fence and the areas behind the fence
- Flower bed improvement
- Improve HOA website to make it more useful

Vote summary

- 81 votes received, 60 YES (74%)
- What it means:
 - o Moving forward with the management company selection process and other budgeted items that weren't previously funded.

Status: Management Company search

- We are in the process of getting and evaluating references
- Services we expect to receive from a management company are:
 - o Handling of financials
 - o Finding, hiring, and managing of contractors
 - o HOA rules enforcement
- Other advantages we hope to get from management company are:
 - o Being the enforcer and not put neighbors in difficult positions
 - o Continuity as board members change

Financial Reporting: (Steve)

- Detailed report distributed (attached to these minutes)
- Treasurer's report
 - o The attached report (appendix) provides a brief narrative regarding the financial picture for the BCHA at the end of 2019.
 - o In addition, the report contains the following financial reports: 1) comparative balance sheet 12/31/18 and 12/31/19, 2) profit & loss (P&L) statements for 2018 & 2019, 3) 2019 P&L Budget versus actual and 4) P&L for 2019 by month.
- Review of detailed attachments by Steve
- Example of savings – water
 - o Internet connector sprinkler controllers don't water if not needed

2020 Proposed Budget

- Budget is reflective of new assessment and is likely to change based on Management company selection
- With the annual individual assessment increasing from \$275 to \$480, our neighborhood will have an additional \$19,270 in annual resources.
- These additional resources will allow the BCHA to hire a property management company and undertake a number of sorely needed common grounds projects.
- Suggestion was made for board to look into replacing lighting on the entry walls – agreed to be added to
- VOTE: All approved budget as presented, with addition of \$1000 for entrance wall lighting. Revised budget attached. (at end of report)

Subsequent to the meeting it was discovered that the 2020 budget presented had an error. Attached to these minutes is a corrected version presented in a standard Profit & Loss format. The Board will address the deficit at the next Board meeting.

Landscaping (Bill for vacant)

- Fence Cleaning
 - o Got two bids, but require water access coordination
 - o Likely need the Management company to help organize
- Expanded contract with 7Dees
 - o More detailed contract in place with specifics
 - o Aerate the turf yearly, pruning the shrubs, maintain and clear the 'forest' area along Saltzman, crane fly management, snow & ice option

Architectural: (Cheri Peden)

- Cheri Peden has stepped up to fill the vacant Architectural board position.
- Bill reported that architectural requests last year consisted of roofing, painting, and fence approvals.
- No outstanding issues or requests.

Board Status

- Treasurer needed as Steve will be resigning from board
 - o Going from a working role, to an advisory role
 - o Requirements will likely change once management company on board.
- Landscaping position is open
- Nominations – anyone interested?
 - o Chris McPhee has volunteered to be Vice President, to mentor under Bill for 2020
- Vote for 2020 Members, including Chris - APPROVED
 - o Bill – President
 - o Chris – Vice President
 - o Steve – Treasurer
 - o Frank – Secretary
 - o Cheri – Architectural
 - o Jennifer – Director at Large

MEETING ADJOURNED

8:02 pm

NEXT MEETING

- Quarterly Board meeting
 - o Thursday, March 5, 2020 – 7:00pm
 - o Location TBD

ACTION ITEMS:

- N/A

Appendix A – 2020 Budget

Bauer Crest Homeowners' Association 2019 Actual vs. 2020 Budget

	Actual	Budget
	Jan - Dec 2019	Jan - Dec 2020
INCOME		
Individual Assessment	\$ 275	\$ 480
Total Annual Assessments	\$ 25,850	\$ 45,120
EXPENSES		
Administrative		
Copying	202	250
Office Supplies	-	60
Oregon Registration Fee	50	50
PO Box Rental	149	140
Postage and Delivery	90	120
QuickBooks	300	-
Website	20	250
Total Administrative	\$ 811	\$ 870
Common Grounds (CG) Routine Maintenance		
General Landscaping	8,568	9,888
Arborist	-	3,500
Backflow Testing	70	70
Fence Maintenance	-	4,000
Total CG Routine Maintenance	\$ 8,638	\$ 17,458
Common Grounds - Projects		
Saltzman Cleanup		1,500
Tree Removals & Replanting		3,600
Sprinkler Repairs		1,200
Flower Bed Sprinklers		1,800
Sign Lighting & Fixtures		1,000
Snow/Ice Removal		800
Landscaping - Project	1,619	-
Tree Maintenance	1,940	-
Total Common Grounds Projects	\$ 3,559	\$ 9,900
Community Activities		
Block Party	-	500
Total Community Activities	\$ -	\$ 500
Insurance Expense		
D&O Insurance	1,713	1,800
Total Insurance Expense	\$ 1,713	\$ 1,800
Professional Fees		
Legal Fees	2,180	1,400
Property Management Company	-	8,400
Total Professional Fees	\$ 2,180	\$ 9,800
Reserve Expense		
	\$ 5,002	\$ 5,500
Utilities		
Electricity	548	600
Water & Sewer	1,318	2,520
Total Utilities	\$ 1,866	\$ 3,120
Operating Contingencies		
	\$ -	\$ 4,000
Other Income		
Interest Income	2	
Total Other Income	\$ 2	\$ -
Total Expenses	\$ 23,767	\$ 52,948
Surplus (Deficit)	2,083	(7,828)
Cumulative Cash Surplus (Deficit) at 12/31		
	7,737	(91)

2/16/20

Appendix B– Financial Reporting Details

Please contact secretary@bauercrest.net if you would like a copy of the full report.

January 3, 2020

TO: Board of Directors BCHA
FROM: Steve Marks, Treasurer
SUBJECT: Financial Reporting as of 12/31/19

- **Attachment A – Balance Sheet Comparison 12/31/19 vs. 12/31/18**
 - Cash: \$38,703.40
 - Year-over-year cash increase of nearly \$8K largely due to the following
 - \$5K reserve increase
 - \$2K spending surplus
 - \$1K insurance claim advance
 - Bank accounts reconciled as of 12/31/19
 - Insurance Claim Advance: \$950.00
 - This liability is related to the fence repair and represents the balance due Deck Masters at 12/31/19. As of 01/03/20, this account balance is zero as the \$950 was paid and cleared the bank.
 - Reserve Accrual: \$30,016.38
 - Year-over-year increase of \$5,005.82
 - \$5,000 reserve accrual plus interest
 - Total equity: \$7,737.02
 - This balance represents the accumulation of spending surpluses. For example, the CY 2019 surplus was \$2,083.48. Simply put, we took in more cash than we spent.
 - Not-for-Profit organizations typically refer to a Profit & Loss Statement as a Statement of Activities; the net effect of all revenues and expenses is a change in net assets, rather than the profit or loss figure found in the income statement of a for-profit entity. QuickBooks On-Line does not offer not-for-profit financial presentations.
- **Attachment B – Profit & Loss Comparison: CY 2019 vs. CY 2018**
 - Compares calendar years which are largely very similar.
 - See year-over-year line items for more detail.
- **Attachment C – Profit & Loss Comparison: CY 2019 Actuals vs. Budget**
 - CY 2019 overall surplus of revenues to spending of \$2,083.48.
 - Overall positive net variance to budget of \$2,080.48.
 - See actual vs. budget line items for more detail.
- **Attachment D – CY 2019 Profit & Loss by Month**
 - No comment.