

9/14/2023

FAIRWOOD FIRS HOA – BUDGET REVIEW MEETING

6:30 pm

In attendance: Lisa Brannon, Ron May, Liz DeSmith, Greg Parnell, Vince Cappelli, Ed (lot 39)

- Review & discussion of 2022 budget actuals vs 2023 budget projections/actuals, so far. Looking at 2024 proposed budget
- Specific discussion regarding capping the reserve fund at a certain number. Is there a specific goal, or will we keep adding? Discussion and no specific resolution – but BOD feels that arriving at a specific \$\$ goal in the reserve account is appropriate. We are over \$40K right now. Lisa feels that, for a neighborhood of our age & size, our reserve account should be closer to \$100 & continues to suggest that we have a 3rd party conduct a reserve study & make recommendations. Board can then choose to follow or not follow recommendations, but at least that gives the BOD credibility with the neighborhood when making decisions about adding funds in reserve.
- We are close to that \$50K number when we will be required to have professional audit (\$1000+), instead of simple tax filing. (\$200) We are not there yet, but we'll likely be up against that number in the next few years.
- Proposed dues increase for the coming year. No official vote, but there was agreement that we will likely need an increase. Costs continue to go up
- Discussion regarding this year (2024) having a 3rd party assess our sprinkler system health. We should probably do this every 5 years or so, knowing that Gonzales doesn't perform a thorough check – he just turns it on. Anticipating that overall sprinkler health check-up/maintenance/fixes could cost upwards of \$5000.
 - Once done, let's publish the sprinkler timing schedule so that neighbors can 1) anticipate sprinkler activity 2) notice & report if sprinklers aren't functioning as expected. This can be done with a simple mailer, maybe sent at the same time the Dues sheets are sent
- Discussion: Changing the trees/flowers budget line item to \$7500
- Discussion: Changing the social committee line item to \$500
- Discussion: Taking the \$5000 sprinkler system maintenance amount out of the reserve fund
- Discussion: Reducing the reserve fund transfer for the coming year to \$4000, instead of proposed \$6000

Scheduled BUDGET RATIFICATION MEETING: November 9, 2023