

MEETING MINUTES
FALCON HEIGHTS CONDO ASSOCIATION.
BUDGET MEETING
Dec 2, 2024

Meeting was called to order at 7:00 pm

Roll call of current Board members present:

John Stanton
Tony Anghinetti
Gene Hurst
Dave Tatge
Samantha Mitchell

The outcome of the survey taken by Managing Agent, Samantha Mitchell, regarding homeowners' garbage service level was announced. 67% of those that voted want to keep the garbage service at its current level of service and have the fees included in the dues.

Budget Committee Chairman Elizabeth Zehrung read the budget committee proposal. See attached. The committee considered several different versions of rate increases and decided that 230.00 per month was the best option for maintaining our debt service and meet our financial obligations.

Public Comment

Most comments were positive and some leaning to even more increases for the next year. One homeowner was opposed to the increase because it would cause an undue financial burden on her. Several details regarding line items in the budget were answered and there was no further comment.

Tony then proposed a rate increase of 30.00 per month for the 2025 Budget. John Stanton seconded the motion. A vote was taken. 5 voted for and one voted no. Increase of 30.00 passed.

See attached approved budget

Adjournment at 8:07 pm

To: The Falcon Heights Board of Directors

From: Elizabeth Zehrung, Chairman of the Falcon Heights Budget Committee

Re: 2025 Budget and recommended dues amount

The Falcon Heights Budget Committee met on Thursday November 21, 2024, to receive the proposed budget. After a long review and serious consideration, we concluded that it is necessary to increase monthly HOA fees effective January 1, 2025. This is due to rising operational costs and the need to maintain our community's high standards of upkeep.

We have an increase in maintenance costs, rising garbage service fees, and a very limited reserve. We need to protect the future of our community with some financial stability.

Our current fee is \$200.00 monthly, and the new recommended fee should be \$230.

The Committee has carefully reviewed the budget and explored all possible avenues to minimize the impact of this increase. Eight people on the committee were unable to find any other alternative. We need to recover from past leadership that did not plan for any emergencies or increases in service costs.

We now have strong leadership in place currently and it is the responsibility of the Board to protect our community. We are committed to responsible financial management and will continue to prioritize cost-effective solutions while maintaining the quality of our community amenities.

The increase in reserves now serves as an effort to offset/absorb future unforeseen situations/emergencies or increases of services or goods due to inflation.

We realize that this increase puts a financial burden on our community members. We sincerely regret this necessary increase. If there was another avenue to avoid this, we would have done so. There is simply no other option. Had our community chosen to pay for their own garbage service, the cost to each homeowner would have been about \$29 monthly with the same size cans we have now.

Please consider our recommendation for this increase and please know that we also live here, and this will impact our personal budgets as well. Decisions like this must be made when we are striving for better leadership in our community and the long-term sustainability of the Homeowners Association.

Thank you.

The Falcon Heights Budget Committee.

	TOTAL												Jan - Dec 25
	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	
Ordinary Income/Expense													
Income	230.00 with garbage												
4000 - Condominium Fees	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	66,700.00	800,400.00
Estimated Past Due Collected	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
4001 - Late Fees Collected	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
4002 - RV Lot Fees	640.00	640.00	640.00	640.00	640.00	640.00	640.00	640.00	640.00	640.00	640.00	640.00	7,680.00
4003 - Community Hall Rental	200.00	150.00	200.00	150.00	100.00	100.00	100.00	150.00	150.00	200.00	150.00	150.00	1,800.00
4004 - Events Donations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4007 - Transfer Fees	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00
4010 - Interest Income	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
4012 - FHWSR Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4018 - Fines Collected	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Total Income	70,265.00	70,215.00	70,265.00	70,215.00	70,165.00	70,165.00	70,165.00	70,215.00	70,215.00	70,265.00	70,215.00	70,215.00	842,580.00
Gross Profit	70,265.00	70,215.00	70,265.00	70,215.00	70,165.00	70,165.00	70,165.00	70,215.00	70,215.00	70,265.00	70,215.00	70,215.00	842,580.00
Expense	242.12 Total Revenue all sources per unit per month												
1000 - Administrative Expenses													
1001 - Liab. Ins., D&O, Bond	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	25,200.00
1002 - Managing Agent Fees/Support Staff	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	52,800.00
1003 - Security Gate	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	4,500.00
1004 - Postage	68.00				68.00				68.00				204.00
1005 - Professional Services													
1005a - Legal Fees	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
1005b - Accounting Fees	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
1006 - Merchant deposit fees	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	10,000.00
1008 - Fees & Dues	100.00												100.00
1010 - Office Supplies	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
1011 - Events	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
1014 - Bank Service Charges	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	60.00
1015 - Reconciliation Discrepancies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 1000 - Administrative Expenses	10,761.33	8,093.33	8,093.33	8,093.33	8,161.33	8,093.33	8,093.33	8,093.33	8,161.33	8,093.33	8,093.33	8,093.33	99,924.00
1100 - Repairs & Maintenance Expenses													
1101 - General Repair	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
1102 - Painting	0.00	0.00	0.00	0.00	0.00	500.00	500.00	0.00	0.00	0.00	0.00	0.00	1,000.00
1103 - Maint. Supplies	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
1105 - Building Maintenance	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
1107 - Snow Removal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1201a - Maintenance Contract	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,333.00	13,337.00	160,000.00
1201b - Upkeep, Fertilizer	0.00	0.00	0.00	3,000.00	0.00	0.00	600.00	0.00	1,000.00	0.00	0.00	0.00	4,600.00
1201c - Alley/Gnrl Cleanup	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	1,500.00
1201d - Irrigation	0.00	0.00	0.00	0.00	1,000.00	500.00	500.00	500.00	500.00	1,000.00	0.00	0.00	4,000.00
1201e - Tree removal/Trim	0.00	0.00	0.00			1,000.00	1,000.00	1,000.00		0.00	0.00	0.00	3,000.00
Total 1100 - Repairs and Maintenance Expenses	13,983.00	13,983.00	13,983.00	16,983.00	14,983.00	15,983.00	16,583.00	15,483.00	15,483.00	14,983.00	15,483.00	13,987.00	181,900.00
1400 - Utilities													
1401 - Garbage	7,080.00	7,080.00	7,080.00	7,380.00	7,380.00	7,080.00	7,080.00	7,080.00	7,380.00	7,380.00	7,080.00	7,080.00	86,160.00
1402 - Computer and Internet	120.00	120.00	120.00	120.00	470.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	1,790.00
1403 - Gas													
1403a - Gas-Community Center	157.50	157.50	157.50	20.00	20.00	20.00	20.00	20.00	20.00	52.50	105.00	157.50	907.50
1403b - Gas-Office	105.00	105.00	105.00	52.50	20.00	20.00	20.00	20.00	20.00	52.50	105.00	105.00	730.00
1404 - Electricity													
1404a - Street Lights	310.00	310.00	310.00	310.00	310.00	310.00	310.00	310.00	310.00	310.00	310.00	310.00	3,720.00
1404b - Security Gate	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	420.00
1404c - Office	120.00	120.00	100.00	80.00	65.00	65.00	65.00	65.00	75.00	80.00	120.00	120.00	1,075.00
1404d - Community Center	90.00	90.00	90.00	90.00	90.00	90.00	60.00	80.00	85.00	60.00	90.00	90.00	1,005.00
1405 - Telephone	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	540.00
Total 1400 - Utility Expenses	8,062.50	8,062.50	8,042.50	8,132.50	8,435.00	7,785.00	7,755.00	7,775.00	8,090.00	8,135.00	8,010.00	8,062.50	96,347.50

230.8

Total Expense	32,806.83	30,138.83	30,118.83	33,208.83	31,579.33	31,861.33	32,431.33	31,351.33	31,734.33	31,211.33	31,586.33	30,142.83	378,171.50	108.67	Direct Expenses per unit per month
1500 · Capital Improvement Projects Roof Annuity	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	300,000.00		
1500 · Capital Improvement Projects Driveways/Roads													0.00		
1501 · Transfer to Reserve	15,000.00	15,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	15,000.00	15,000.00	140,000.00		
	40,000.00	40,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	40,000.00	40,000.00	440,000.00	126.44	Roof and Reserve per unit per month
Net Income	-2,541.83	76.17	5,146.17	2,006.17	3,585.67	3,303.67	2,733.67	3,863.67	3,480.67	4,053.67	-1,371.33	72.17	24,408.50	235.11	Total cost per unit per month

242.12 Total Revenue per month
7.01

Reserve Beginning Balance \$ 265,000.00
Contributions to Reserve \$ 140,000.00
Reserve Balance \$ 405,000.00

Roofing Contract Balance \$ 2,277,775.00
Annual Contract Payments \$ 300,000.00
Balance by Year End \$ 1,977,775.00