

**Pinons at Arrowhead  
Board Meeting Minutes  
Wednesday, October 12, 2022, at 11:00AM MT  
Via Zoom.us**

BOARD MEMBERS PRESENT VIA VIDEO CONFERENCE CALL: BT Trumpower, Keith Rapp and Heidi Brodsky

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Dan McNeill, Managing Agent, Dave Zippie, CPA, and William Hymes, Maintenance Manager and Secretary to the Meeting

- I. Roll Call. With all three Board members present via Zoom, a quorum was established. Dan McNeill called the meeting to order shortly after 11AM.
  
- II. Review and Approval of the Minutes of the January 18, 2022, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board previously via email. There being no proposed changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JANUARY 18, 2022 MEETING. The motion was duly seconded and carried unanimously.
  
- III. Review and Approval of the Minutes of the February 4, 2022, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board previously via email. There being no proposed changes, there was a MOTION: TO APPROVE THE MINUTES OF THE FEBRUARY 4, 2022 MEETING. The motion was duly seconded and carried unanimously.
  
- IV. Financial Review and 2023 Budget Presentation. Dave Zippie prepared and presented the current (as of August 31, 2022) financial statements. According to the Balance Sheet, eight months through the fiscal year, the association has total assets, liabilities and equity of \$76,125, including \$33,393 cash in the bank, \$2,982 in accounts receivable, \$30,799 in a compliance deposit with Arrowhead Design Review Board (for the deck project) and \$8,950 for a water credit from Eagle River Water and Sanitation.

According to the Income Statement, the association is currently running a net deficit of \$16,571 in the operating account; this compares to a budgeted deficit of \$6,333

at this point in the year. Therefore, the association is \$10,238 over budget. Savings have been achieved in the line items of Landscaping & Grounds Maintenance and Water & Sewer. Overages have been experienced in Insurance, Legal, and Snow Removal. The reason for the increase in insurance costs is that the association shifted more of the burden of insurance coverage from individual owners to the HOA which was not previously budgeted for. All other line items are very close to budgeted amounts.

The 2022 beginning balance in the Maintenance Capital Reserve Fund was \$90,093. Current year funding totals \$34,815, \$4,971 was added from the 2021 year-end operating surplus, and \$180,000 was added as a special assessment for the deck project. 2022 capital expenses have totaled \$251,227 so far and included \$7,615 for legal fees associated with revising the governing documents, \$219,687 for the Deck Replacement Project, \$4,500 for mulch, \$15,225 for the creek dredging project, and \$3,800 for crackfill and seal coat all driveways. The ending balance in the Maintenance Reserve Capital Fund was \$58,652.

Dave then reviewed the 2023 proposed budget with the Board. After some discussion and a few changes, there was a MOTION: TO APPROVE THE PROPOSED BUDGET AS DISCUSSED INCLUDING A 20% DUES INCREASE. The motion was duly seconded and carried unanimously. Dues will increase from \$2,981.30 per home per quarter to \$3,577.55 per home per quarter. The 2023 budget is hereto attached and incorporated into these minutes.

V. Manager's Report. Dan then reviewed the Reserve Study with the Board. Dan explained that there are some funds allocated for a long-term landscaping plan in 2023 but that with all the recent projects, he advised the Board to let the reserves get built back up before starting this project. The Board asked Dan to engage a landscape architect for a preliminary meeting to get some guidance on what direction to go with this project in light of rising water costs and the likelihood of water restrictions in the coming years. The only other projects currently slated to take place in 2023 are refinishing the front doors and new flower boxes and hangers for the front decks.

VI. Other Business. The 2022 Annual Meeting was scheduled for Monday, December 5, 2022, at 4PM MT. The meeting will be held via Zoom.

VII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 11:45AM

Respectfully submitted,

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Secretary to the Meeting

<b>PINONS AT ARROWHEAD ASSOCIATION</b>						8
<b>NET SURPLUS (DEFICIT) FOR THE EIGHT MONTHS ENDING AUGUST 31, 2022</b>						
			Ytd Budget	(Unfavorable) Variance	Approved Budget 2022	Approved Budget 2023
<b>Revenues</b>						
	Operating Assessments	\$ 44,687	\$ 44,687	\$ -	\$ 67,030	\$ 98,580
	Reserve Assessment	34,815	34,815	-	52,222	44,522
	Special Assessment	180,000		180,000		
	Late Charge		-	-		
	Interest Income		6	(6)	10	11
	Reserve Interest	-	-			
	<b>Total Revenues</b>	<b>259,501</b>	<b>79,507</b>	<b>179,994</b>	<b>119,262</b>	<b>143,113</b>
<b>General &amp; Administrative Expenses</b>						
	Accounting	2,000	2,000	-	3,000	3,600
	Electricity	161	167	6	250	250
	Insurance	8,950	1,400	(7,550)	2,100	18,000
	Landscaping & Grounds Maintenance	23,248	24,000	752	30,000	32,000
	Legal	1,255	333	(922)	500	500
	Management Fee	4,800	4,800	-	7,200	7,200
	Office Supplies	919	333	(586)	500	500
	Pest Control		320	320	480	480
	Repair & Maintenance Building	3,052	2,667	(385)	4,000	4,000
	Snow Removal	12,140	8,000	(4,140)	10,000	11,000
	Tax Preparation			-	450	500
	Water & Sewer	4,733	7,000	2,267	8,550	8,550
	<b>Total Expenses</b>	<b>61,258</b>	<b>51,020</b>	<b>(10,238)</b>	<b>67,030</b>	<b>86,580</b>
	<b>Transfer To Reserve</b>	<b>214,815</b>	<b>34,821</b>	<b>179,994</b>	<b>52,232</b>	<b>44,533</b>
	<b>Net Surplus (Deficit)</b>	<b>(16,571)</b>	<b>(6,333)</b>	<b>10,238</b>	<b>-</b>	<b>12,000</b>
	<b>Beginning Surplus (Deficit)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,000)</b>
	<b>Ending Surplus (Deficit)</b>	<b>\$ (16,571)</b>	<b>\$ (6,333)</b>	<b>\$ 10,238</b>	<b>-</b>	<b>-</b>