

Southdown Community Association, Inc.
2022 Annual Meeting

DATE: Friday, April 1, 2022
TIME: 7:00 P.M. (6:30 P.M. start sign in)
LOCATION: Westside Events Center
21050 Country Place Center Pkwy
Pearland, TX 77584

AGENDA

- I. Confirm Quorum and Call to Order at 7:00 pm
- II. Introduction of Board Members and Management Company
- III. Approval of the 2022 Annual Meeting Minutes
- IV. Election of three Directors (3)
 - a. Nominations from the Floor
 - b. Introduction of Nominees
 - c. Voting/Counting of the Ballots and Election Results
- V. Financial Status
- VI. Community Updates
- VII. Homeowner Segment - Questions and Answers
- VIII. Adjournment to Organizational Meeting of the Board

**SOUTHDOWN COMMUNITY ASSOCIATION
ANNUAL BOARD MEETING and ELECTION**

Date: April 9, 2021

Location: Community Swimming Pool
2700 Lambeth Dr
Pearland TX 77584

Attendees: Ricki Willoughby - President
Kenton Heider- Treasurer
Dante Milton – Secretary
Lou Bruce – Vice President
Bruce Wilson- Director

Absent:

Sussan Martinez present representing Montage Community Services the associations management company.

- Ricki Willoughby called the meeting to order at 7:15 p.m. quorum was established. There were 111 owners present or by proxy. Quorum was established.
- Ricki Willoughby introduction of the board and management and a thank you to all the homeowners that were able attend.
- Approval of the minutes: The owners read the minutes as prepared by management for the 2020 Annual Meeting. A motion was made from Evelyn Forbes to approve the minutes as prepared and seconded by John Sanders to approve the 2020 annual meeting minutes, all in favor, motion carried.
- Ricki Willoughby and Kenton Heider did the community update for the 2020-2021. The following goals and projects have been completed and or in progress:

2020 Accomplishments:

Replaced and refreshed the landscaping at the pool
Opened the pool during COVID19 and extended the closing of the pool by two weeks
Resurfaced, repaired and repainted the tennis courts
Tree trimming throughout the common areas and medians
Adding additional holiday decorations

2021 Goals

Adjust concrete heights around the pools for tripping hazards
Refresh the kiddie mulch at the playgrounds
Resurface the jogging trail
Repair/replace burst pipes in the pool area from the winter freeze
Replace any landscaping killed by the winter freeze

- Election of three Directors (3)
 - Nominations from the Floor: Ricki Willoughby asked if there were any nominations from the floor for board volunteers- no nominations from the floor
 - Introduction of Nominees- Kenton Heider, Bruce Wilson, Kenneth Martin and Trina Duhon were introduced to the owners present. They were given the opportunity to tell the owners present why they wanted to be a board member for Southdown.

- Voting/Counting of the Ballots and Election Results – there are 2 positions open for election and 4 people running. Ballots were disturbed and collected. Kenton Heider and Bruce Wilson received the most votes and will serve another term.
- Financial Presentation: Kenton Heider gave the financial presentation. He went over the costs for the association for 2020 and 2021. The highest costs the association has is landscaping and the pool.
- Homeowner Forum: homeowners discussed violations, landscaping, speeding, dogs running loose, vehicles parking on the streets for extended period of time. Solicitors in the community, what can be done about it? One of the owners present talked about the City of Pearland that they can use to report vehicles and other types of violations to. This will be emailed out the membership. The homeowners thanked the Board for all of their hard work and how good the community looks.

Adjournment: Ricki Willoughby made a motion to adjourn; Lou Bruce seconded; all in favor, motion carried. The meeting was adjourned at 8:27 pm.

Signature

Date

Printed Name:

Southdown Community Association, Inc.
Balance Sheet
12/31/2021

Assets

Cash-Operating

1100 - SCA 1100 New First CK249 \$340,150.68

Cash-Operating Total

\$340,150.68

Cash-Reserve

1102 - SCA 1102 New First Bus.Prem.MM3257 \$97,835.40

1102.6 - SCA 1102.6 Acct#10245 \$123,656.82

1103.12 - SCA 1103.12 Acct. # 10253 \$122,080.04

1104.8 - SCA 1104.8 Acct.# 10250 \$122,522.09

1111 - SCA 1111 Mutual Of Omaha CD \$92,327.37

Cash-Reserve Total

\$558,421.72

Other

1500 - SCA 1500 Accounts Receivable \$77,720.75

1510 - SCA 1510 Allowance for Bad Debt (\$20,400.00)

1610 - SCA 1610 Prepaid Insurance \$15,970.25

Other Total

\$73,291.00

Intercompany

1825 - SCA 1825 Interfund Assest (Liabilities) Replacement Fund (\$218,579.65)

1826 - Interfund Assest (Liabilities) Capital Fund \$218,579.65

Intercompany Total

\$0.00

Assets Total

\$971,863.40

Liabilities and Equity

Other

2000 - SCA 2000 Accounts Payable \$162.38

2550 - SCA 2550 Prepaid Assessments \$108,053.95

2600 - SCA 2600 Deferred Assessments \$599.96

Other Total

\$108,816.29

Equity

3000 - SCA 3000 Prior Years Surplus (Deficit) \$135,773.81

3102 - SCA 3102 Prior Years Surplus Replacement Fund (Deficit) \$186,148.97

3103 - SCA 3103 Prior Years Surplus Capital Capital Fund (Deficit) \$218,579.65

Equity Total

\$540,502.43

Retained Earnings

\$250,866.03

Net Income

\$71,678.65

Liabilities & Equity Total

\$971,863.40

Southdown Community Association, Inc.
Budget Comparison Report
12/1/2021 - 12/31/2021

	12/1/2021 - 12/31/2021			1/1/2021 - 12/31/2021			
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Income							
<u>Income</u>							
4000 - SCA 4000 Assessments	\$25,116.67	\$25,116.63	\$0.04	\$301,400.04	\$301,400.00	\$0.04	\$301,400.00
4400 - SCA 4400 Late Charges	\$195.00	\$0.00	\$195.00	\$5,491.03	\$0.00	\$5,491.03	\$0.00
4525 - SCA 4525 Collections Legal Fees	\$122.50	\$833.37	(\$710.87)	\$10,642.01	\$10,000.00	\$642.01	\$10,000.00
<u>Total Income</u>	\$25,434.17	\$25,950.00	(\$515.83)	\$317,533.08	\$311,400.00	\$6,133.08	\$311,400.00
<u>Reserve - Income</u>							
4905 - SCA 4905 Reserve Contribution Income	\$1,000.00	\$0.00	\$1,000.00	\$12,000.00	\$0.00	\$12,000.00	\$0.00
4910 - SCA 4910 Interest - Reserve	\$19.73	\$0.00	\$19.73	\$473.98	\$0.00	\$473.98	\$0.00
<u>Total Reserve - Income</u>	\$1,019.73	\$0.00	\$1,019.73	\$12,473.98	\$0.00	\$12,473.98	\$0.00
Total Income	\$26,453.90	\$25,950.00	\$503.90	\$330,007.06	\$311,400.00	\$18,607.06	\$311,400.00
Expense							
<u>Common Grounds</u>							
5020 - SCA 5020 Playground Maintenance	\$0.00	\$0.00	\$0.00	\$15,003.45	\$0.00	(\$15,003.45)	\$0.00
5030 - SCA 5030 Tennis Courts	\$0.00	\$583.37	\$583.37	\$0.00	\$7,000.00	\$7,000.00	\$7,000.00
5045 - SCA 5045 Electrical Repairs	\$0.00	\$125.00	\$125.00	\$0.00	\$1,500.00	\$1,500.00	\$1,500.00
5050 - SCA 5050 Miscellaneous	\$162.38	\$416.63	\$254.25	(\$364.44)	\$5,000.00	\$5,364.44	\$5,000.00
5060 - SCA 5060 Repairs & Maintenance	\$0.00	\$904.13	\$904.13	\$805.73	\$10,850.00	\$10,044.27	\$10,850.00
<u>Total Common Grounds</u>	\$162.38	\$2,029.13	\$1,866.75	\$15,444.74	\$24,350.00	\$8,905.26	\$24,350.00
<u>General Administrative Expenses</u>							
5505 - SCA 5505 Accounting / Audits	\$400.00	\$0.00	(\$400.00)	\$400.00	\$0.00	(\$400.00)	\$0.00
5515 - SCA 5515 Bank Charges	\$84.04	\$5.00	(\$79.04)	\$788.92	\$60.00	(\$728.92)	\$60.00
5527 - SCA 5527 Bad Debts	\$414.00	\$789.25	\$375.25	\$3,722.70	\$9,471.00	\$5,748.30	\$9,471.00
5530 - SCA 5530 Legal	\$0.00	\$100.00	\$100.00	\$0.00	\$1,200.00	\$1,200.00	\$1,200.00
5535 - SCA 5535 Collection Expense	\$447.50	\$916.63	\$469.13	\$10,567.16	\$11,000.00	\$432.84	\$11,000.00
5540 - SCA 5540 Management Fee	\$5,274.50	\$5,274.50	\$0.00	\$63,294.00	\$63,294.00	\$0.00	\$63,294.00
5550 - SCA 5550 Meeting Expense	\$0.00	\$41.63	\$41.63	\$0.00	\$500.00	\$500.00	\$500.00
5555 - SCA 5555 Homeowner Activities	\$0.00	\$83.37	\$83.37	\$433.82	\$1,000.00	\$566.18	\$1,000.00
5560 - SCA 5560 Homeowner Communications	\$0.00	\$75.00	\$75.00	\$900.00	\$900.00	\$0.00	\$900.00
5565 - SCA 5565 Holiday Decorations	\$0.00	\$291.63	\$291.63	\$1,422.00	\$3,500.00	\$2,078.00	\$3,500.00
<u>Total General Administrative Expenses</u>	\$6,620.04	\$7,577.01	\$956.97	\$81,528.60	\$90,925.00	\$9,396.40	\$90,925.00
<u>Insurance</u>							
5400 - SCA 5400 Insurance Expense	\$434.46	\$0.00	(\$434.46)	\$4,450.65	\$0.00	(\$4,450.65)	\$0.00
5405 - SCA 5405 Directors & Administrative	\$0.00	\$250.00	\$250.00	\$2,000.00	\$3,000.00	\$1,000.00	\$3,000.00
5410 - SCA 5410 Fidelity Bond	\$0.00	\$250.00	\$250.00	\$2,000.00	\$3,000.00	\$1,000.00	\$3,000.00
5427 - SCA 5427 Property Casualty	\$0.00	\$875.00	\$875.00	\$3,724.00	\$10,500.00	\$6,776.00	\$10,500.00
5435 - SCA 5435 Umbrella	\$0.00	\$250.00	\$250.00	\$2,000.00	\$3,000.00	\$1,000.00	\$3,000.00
5440 - SCA 5440 Worker's Compensation	\$0.00	\$45.87	\$45.87	\$366.64	\$550.00	\$183.36	\$550.00
<u>Total Insurance</u>	\$434.46	\$1,670.87	\$1,236.41	\$14,541.29	\$20,050.00	\$5,508.71	\$20,050.00
<u>Landscaping</u>							
5100 - SCA 5100 Landscape Contract	\$0.00	\$4,500.00	\$4,500.00	\$49,416.18	\$54,000.00	\$4,583.82	\$54,000.00
5105 - SCA 5105 Irrigation Repairs	\$0.00	\$125.00	\$125.00	\$0.00	\$1,500.00	\$1,500.00	\$1,500.00
5110 - SCA 5110 Landscape Maintenance	\$0.00	\$0.00	\$0.00	\$622.44	\$0.00	(\$622.44)	\$0.00

Southdown Community Association, Inc.
Budget Comparison Report
12/1/2021 - 12/31/2021

	12/1/2021 - 12/31/2021			1/1/2021 - 12/31/2021			
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
5115 - SCA 5115 Landscape Additional	\$162.38	\$0.00	(\$162.38)	\$568.32	\$0.00	(\$568.32)	\$0.00
5120 - SCA 5120 Mulching	\$0.00	\$458.37	\$458.37	\$0.00	\$5,500.00	\$5,500.00	\$5,500.00
5125 - SCA 5125 Trees	\$0.00	\$625.00	\$625.00	\$5,066.10	\$7,500.00	\$2,433.90	\$7,500.00
Total Landscaping	\$162.38	\$5,708.37	\$5,545.99	\$55,673.04	\$68,500.00	\$12,826.96	\$68,500.00
Pool							
5140 - SCA 5140 Plumbing	\$0.00	\$31.25	\$31.25	\$80.99	\$375.00	\$294.01	\$375.00
5145 - SCA 5145 Pool Furniture	\$0.00	\$66.63	\$66.63	\$0.00	\$800.00	\$800.00	\$800.00
5150 - SCA 5150 Pool Repair & Supplies	\$95.07	\$416.63	\$321.56	\$2,742.51	\$5,000.00	\$2,257.49	\$5,000.00
5155 - SCA 5155 Pool Passes	\$0.00	\$0.00	\$0.00	\$415.68	\$0.00	(\$415.68)	\$0.00
5175 - SCA 5175 Signs	\$0.00	\$41.63	\$41.63	\$0.00	\$500.00	\$500.00	\$500.00
5180 - SCA 5180 Pool Telephone Monitoring	\$0.00	\$125.00	\$125.00	\$535.84	\$1,500.00	\$964.16	\$1,500.00
5195 - SCA 5195 Pool Contract	\$1,050.00	\$6,000.00	\$4,950.00	\$61,665.22	\$72,000.00	\$10,334.78	\$72,000.00
Total Pool	\$1,145.07	\$6,681.14	\$5,536.07	\$65,440.24	\$80,175.00	\$14,734.76	\$80,175.00
Taxes							
5630 - SCA 5630 Tax - Property	\$0.00	\$66.63	\$66.63	\$527.71	\$800.00	\$272.29	\$800.00
Total Taxes	\$0.00	\$66.63	\$66.63	\$527.71	\$800.00	\$272.29	\$800.00
Utilities							
5605 - SCA 5605 Electricity	\$512.64	\$566.63	\$53.99	\$6,734.31	\$6,800.00	\$65.69	\$6,800.00
5615 - SCA 5615 Water & Sewer	\$574.53	\$650.00	\$75.47	\$6,438.48	\$7,800.00	\$1,361.52	\$7,800.00
Total Utilities	\$1,087.17	\$1,216.63	\$129.46	\$13,172.79	\$14,600.00	\$1,427.21	\$14,600.00
Total Expense	\$9,611.50	\$24,949.78	\$15,338.28	\$246,328.41	\$299,400.00	\$53,071.59	\$299,400.00
Operating Net Income	\$16,842.40	\$1,000.22	\$15,842.18	\$83,678.65	\$12,000.00	\$71,678.65	\$12,000.00
Reserve Expense							
Reserve Contribution							
9105 - SCA 9105 Access Allocation Reserve Transfer	\$1,000.00	\$1,000.00	\$0.00	\$12,000.00	\$12,000.00	\$0.00	\$12,000.00
Total Reserve Contribution	\$1,000.00	\$1,000.00	\$0.00	\$12,000.00	\$12,000.00	\$0.00	\$12,000.00
Total Reserve Expense	\$1,000.00	\$1,000.00	\$0.00	\$12,000.00	\$12,000.00	\$0.00	\$12,000.00
Reserve Net Income	(\$1,000.00)	(\$1,000.00)	\$0.00	(\$12,000.00)	(\$12,000.00)	\$0.00	(\$12,000.00)
Net Income	\$15,842.40	\$0.22	\$15,842.18	\$71,678.65	\$0.00	\$71,678.65	\$0.00

Southdown Community Association, Inc. 2022 Budget

Southdown Community Association, Inc.

Year: 2022

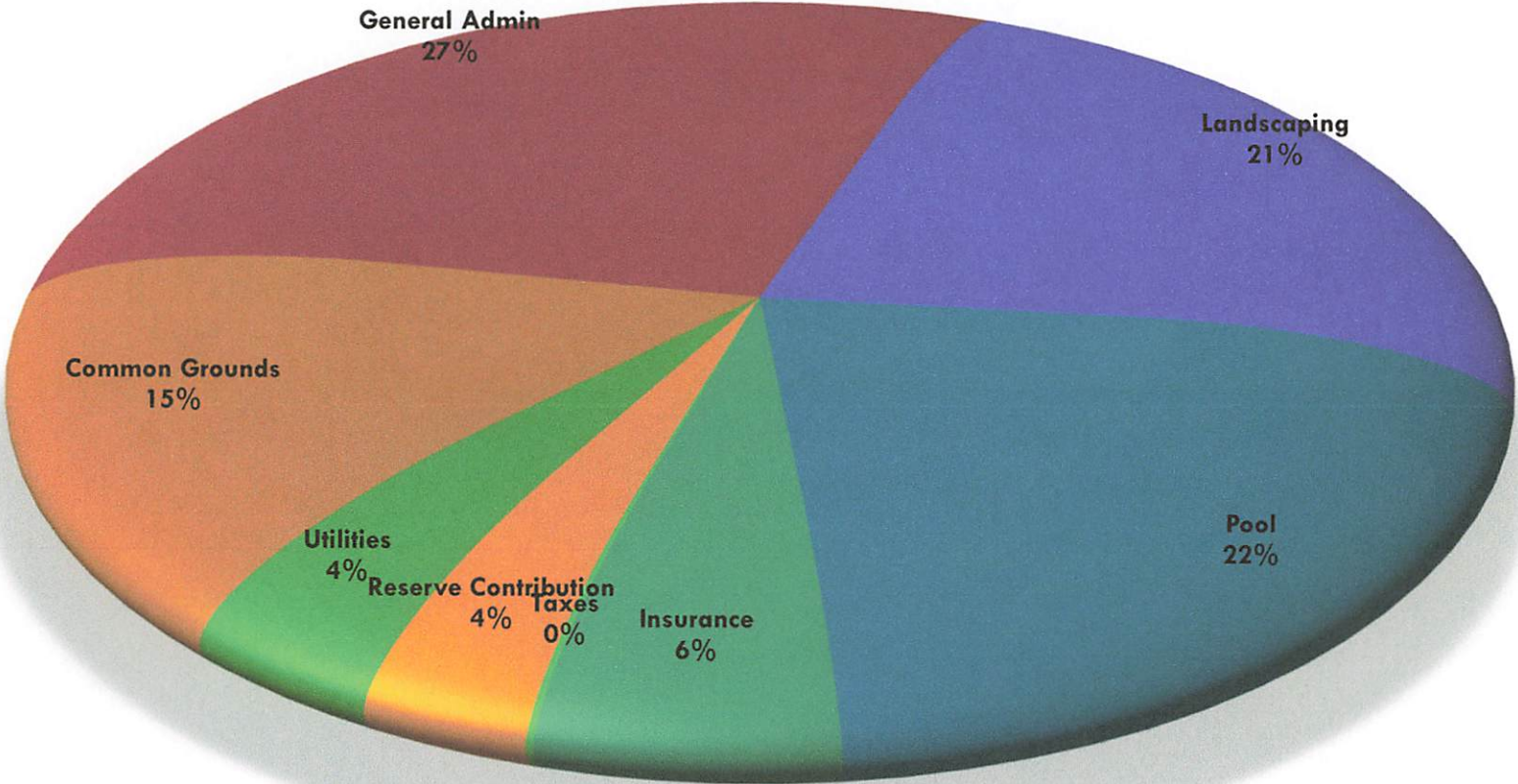
Notes:

4000 - SCA 4000 Assessments	301,400.00
4010 - SCA 4010 Architectural Review Fees	0.00
4020 - SCA 4020 Interest	0.00
4030 - SCA Finance Fees	0.00
4040 - SCA 4040 Complinance Fees	0.00
4050 - SCA 4050 Collection Fee's	0.00
4060 - SCA 4060 Lien Filing	0.00
4070 - SCA 4070 Miscellaneous Income	0.00
4400 - SCA 4400 Late Charges	0.00
4525 - SCA 4525 Collections Legal Fees	9,476.99
Cash-Operating	
Total Cash-Operating	0.00
Cash-Reserve	
Total Cash-Reserve	0.00
Utilities	
5605 - SCA 5605 Electricity	6,800.00
5607 - SCA 5607 Electricty - Street Lights	0.00
5615 - SCA 5615 Water & Sewer	7,800.00
Total Utilities	14,600.00
Common Grounds	
5015 - SCA 5015 Access Gate Repairs	0.00
5020 - SCA 5020 Playground Maintenance	15,003.45
5025 - SCA 5025 Building	0.00
5030 - SCA 5030 Tennis Courts	6,000.00
5045 - SCA 5045 Electrical Repairs	0.00
5050 - SCA 5050 Miscellanous	0.00
5060 - SCA 5060 Repairs & Maintenance	30,000.00
5075 - SCA 5075 Fences	0.00
5080 - SCA 5080 Mosquito Control	0.00
Total Common Grounds	51,003.45
General Administrative Expenses	
5505 - SCA 5505 Accounting / Audits	0.00
5515 - SCA 5515 Bank Charges	457.18
5527 - SCA 5527 Bad Debts	10,000.00
5530 - SCA 5530 Legal	1,000.00
5535 - SCA 5535 Collection Expense	9,348.58
5540 - SCA 5540 Management Fee	63,294.00
5545 - SCA 5545 Misc. Adminstrative	0.00

5550 - SCA 5550 Meeting Expense	0.00
5555 - SCA 5555 Homeowner Activities	1,500.00
5560 - SCA 5560 Homeowner Communications	1,500.00
5565 - SCA 5565 Holiday Decorations	5,000.00
Total General Administrative Expenses	92,099.76
Equity	
Total Equity	0.00
Landscaping	
5100 - SCA 5100 Landscape Contract	54,000.00
5105 - SCA 5105 Irrigation Repairs	2,200.00
5110 - SCA 5110 Landscape Maintenace	0.00
5115 - SCA 5115 Landscape Additional	4,108.15
5120 - SCA 5120 Mulching	0.00
5125 - SCA 5125 Trees	11,000.00
Total Landscaping	71,308.15
Pool	
5140 - SCA 5140 Plumbing	300.00
5145 - SCA 5145 Pool Furniture	1,500.00
5150 - SCA 5150 Pool Repari & Supplies	5,500.00
5155 - SCA 5155 Pool Passes	600.00
5175 - SCA 5175 Signs	750.00
5180 - SCA 5180 Pool Telephone Monitoring	535.00
5185 - SCA 5185 Supplies	0.00
5190 - SCA 5190 Telephone	0.00
5195 - SCA 5195 Pool Contract	63,500.00
Total Pool	72,685.00
Insurance	
5400 - SCA 5400 Insurance Expense	0.00
5405 - SCA 5405 Directors & Adminstrative	3,000.00
5410 - SCA 5410 Fidelity Bond	3,000.00
5427 - SCA 5427 Property Casualty	11,500.00
5435 - SCA 5435 Umbrella	3,000.00
5440 - SCA 5440 Worker's Compensation	550.00
Total Insurance	21,050.00
Taxes	
5630 - SCA 5630 Tax - Property	527.71
5725 - SCA 5725 Property Advalorem Tax	0.00
Total Taxes	527.71
Reserve - Income	
4905 - SCA 4905 Reserve Contribution Income	12,000.00
4910 - SCA 4910 Interest - Reserve	397.08
Total Reserve - Income	12,397.08
Intercompany	
Total Intercompany	0.00
Capital Expenses	
7010 - SCA 7010 Capital Expense (Parks)	0.00

	
7020 - SCA 7020 Capital Expense - Replacement/Reserv	0.00
Total Capital Expenses	0.00
Reserve Contribution	
9105 - SCA 9105 Access Allocation Reserve Transfer	0.00
Total Reserve Contribution	0.00
Income Accounts Total:	\$323,274.07
Expense Accounts Total:	\$323,274.07
Difference:	\$0.00

Southdown HOA 2022 Budget



2021 Accomplishments

- Engaged a new landscaping contractor
- Repairs to plumbing at community pool after severe freeze
- Removed trees and landscape materials destroyed by severe freeze
- Renewed contract with pool management company and updated pool schedule for 2021
- Refreshed kiddie mulch at playground and park locations
- Contracted for tree trimming services in community parks
- Collected approximate \$32,000 in delinquent assessments and legal fees
- Updated holiday decorations

2022 Goals

- Manage a budget of just over \$300,000
- Replace parking area and sidewalks at community pool/park
- Replace landscaping around the pool structure
- Repair and refurbish play equipment as needed
- Conduct reserve analysis to assess replacement schedule for community assets such as the pool, tennis court, and playground/athletic equipment.