

CEDAR COVE HOA
BOARD OF DIRECTORS MEETING
December 30th, 2020

Minutes of the Board of Directors Meeting of the Cedar Cove HOA, Lincoln, Nebraska, held at 4:30 p.m. on the 30th day of December 2020 over Zoom.

I. CALL TO ORDER

The meeting was called to order at 4:30 p.m.

II. ROLL CALL OF OFFICERS

Present: Dan Nissen, Don Stevens, Ken Cousino, Jim Kinkennon, John Knudsen,
NAI/FMA: Jacque Buller (Property Manager), Jamie Meyer.

III. CURRENT FINANIAL CONDITION

Reviewed expense summary for year to date through November 2020:

Total Income: \$105,600

Utilities: \$16,992.88

Maintenance Expense: \$72,000.39

Sprinkler System Repairs: \$10,637.35

Insurance: \$667.00

Management Fee: \$7,152.86

Miscellaneous: \$1,375.87

Total Expenses: \$108,826.35

Year to Date Profit/Loss: -\$3,226.35

IV. NEW BUSINESS:

2020 Budget Review

Jacque Buller presented financial data for 2020 with actual expenses through November and forecast expenses for December for comparison to the 2020 budget. This information is used to prepare the 2021 budget. The major variances are as follows:

- Water usage was budgeted at \$9,600. Forecast water usage is \$16,171 providing a negative variance of \$6,571. (For information, actual water usage in 2019 was \$10,071.)
- Sprinkler and waterline maintenance was budgeted at \$7,000. Forecast sprinkler and waterline maintenance is \$8,737 with an additional other repairs at \$1,700 for a total of \$10,437 providing a negative variance of \$3,437. (For information, actual sprinkler and waterline maintenance for 2019 was \$5,921.)
- Including forecast costs for December, the HOA will finish 2020 with a negative variance of approximately \$1,750. (For information, the HOA finished 2019 with a surplus of \$4,956.)

2021 Budget Proposal

- Water usage: increase budget from \$9,600 to \$16,200 for 2021.
- Sprinkler and waterline maintenance: increase budget from \$7,000 to \$10,500 for 2021.
- The contract with Jason's Lawn and Landscapes, LLC for lawn care and snow removal expires on March 31, 2021. Jason's has submitted increased pricing for 2021. Lawn care would increase from \$4,000 per month to \$4,500 per month. Snow removal pricing would remain the same at \$4000 per month. For budget purposes, lawn care pricing is used for 8 ½ months and snow removal for 3 ½ months. This would result in an increase of \$4,250 to the lawn care budget for 2021.

In summary, the above 2021 budget proposal increases would result in an operating deficit of approximately \$9,000 in 2021 if association dues remain at \$80 per household per month. An

increase in HOA dues to \$85 per month beginning in February was proposed. This would provide an additional \$6,600 of income in 2021 to offset the increased expenditures.

Action Items for Jacque Buller, NAI/FMA:

1. Contact Nick of HNR Outdoor Designs to determine if the large cost in April of 2020 was all sprinkler line repairs or did it include landscaping at the little house covering the second sprinkler main. If the cost included the landscaping, the proposed budget for sprinkler line repairs could be reduced.
Added Jan 12: The expenses in April 2020 did not include landscaping. Discussions with Nick indicated many more sprinkler heads will need to be replaced in 2021 so a reduction in costs should not be expected.
2. Contact Jason of Jason's Lawn and Landscapes, LLC to determine if the increased costs of lawn care would provide a better method of trimming along sidewalks and drives. This was an area for excessive weed growth and complaints during 2020.
Added Jan 12: Jason's has been contacted and he is working on his response.
3. Negotiate with Jason's by offering a counter proposal of \$4,250 for lawn care.
Added Jan 12: Jason's has been contacted and he is working on his response.
4. Obtain additional competitive bids from other lawn care services.
Added Jan 12: Bid requests will go out Wednesday, Jan. 13.

V. MANAGEMENT REPORT

Board minutes and financial reports will be available for homeowners via website.

VII. ADJOURNMENT

The zoom meeting was adjourned at approximately 5:15 pm.