

Liberty Townhomes Association, Inc.

Quarterly HOA Board Meeting

Conference Call via GoToMeeting

<https://global.gotomeeting.com/join/303545581>

Dial 872-240-3212 Access Code: 303-545-581#

December 01, 2020

7:00PM

Open Session Meeting Agenda

7:00PM

(Open to Homeowners)

- I. Call to Order
- II. Designate Board Positions
- III. Review of Financials
- IV. Review & Approve 2021 Budget
 - a. Assessment Increase
- V. Question & Answer
- VI. Adjourn

Liberty Townhome Association, Inc
Balance Sheet - Fund
Period Through: 10/31/2020

Assets	
Cash	
1050 - Veritex Bank Operating	\$27,760.76
Cash Total	\$27,760.76
Current Assets	
1310 - Accounts Receivable	\$15,299.30
1350 - Prepaid Insurance	\$14,300.76
Current Assets Total	\$29,600.06
Assets Total	\$57,360.82
Liabilities and Equity	
Current Liabilities	
2100 - Prepaid Assessments	\$1,899.35
Current Liabilities Total	\$1,899.35
Equity	
3400 - Retained Earnings	\$15,000.00
Equity Total	\$15,000.00
Operating Prior Year Equity	\$34,847.84
Reserve Prior Year Equity	\$0.78
Operating Current Year Net Income	\$5,649.83
Reserve Current Year Net Income	(\$36.98)
Liabilities & Equity Total	\$57,360.82

Liberty Townhome Association, Inc
Budget Comparison Report
10/1/2020 - 10/31/2020

	10/1/2020 - 10/31/2020			1/1/2020 - 10/31/2020			
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Income							
<u>Income</u>							
4010 - Assessment Income	\$6,894.00	\$6,810.00	\$84.00	\$64,448.15	\$68,100.00	(\$3,651.85)	\$81,720.00
4050 - Capital Contribution (CAP)	\$2,160.00	\$0.00	\$2,160.00	\$17,280.00	\$6,480.00	\$10,800.00	\$6,480.00
4060 - Collection Fees	\$45.00	\$0.00	\$45.00	\$410.00	\$0.00	\$410.00	\$0.00
4070 - Delinquency Processing Fee	\$0.00	\$90.00	(\$90.00)	\$0.00	\$900.00	(\$900.00)	\$1,080.00
4080 - Fines	\$0.00	\$0.00	\$0.00	\$50.00	\$0.00	\$50.00	\$0.00
4100 - Interest - Operating	\$0.00	\$0.42	(\$0.42)	\$0.00	\$4.20	(\$4.20)	\$5.00
4115 - Interest - Collections	\$74.52	\$0.00	\$74.52	\$527.09	\$0.00	\$527.09	\$0.00
4120 - Late Fees	\$100.00	\$0.00	\$100.00	\$375.00	\$0.00	\$375.00	\$0.00
Total Income	\$9,273.52	\$6,900.42	\$2,373.10	\$83,090.24	\$75,484.20	\$7,606.04	\$89,285.00
Total Income	\$9,273.52	\$6,900.42	\$2,373.10	\$83,090.24	\$75,484.20	\$7,606.04	\$89,285.00
Expense							
<u>General & Administrative</u>							
5510 - Accounting Fees	\$85.00	\$85.00	\$0.00	\$850.00	\$850.00	\$0.00	\$1,020.00
5515 - Administrative Supplies	\$110.34	\$25.00	(\$85.34)	\$891.89	\$250.00	(\$641.89)	\$300.00
5520 - Audit/Compilation Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$700.00	\$700.00	\$700.00
5590 - Collection Costs	\$105.00	\$83.33	(\$21.67)	\$580.00	\$833.33	\$253.33	\$1,000.00
5750 - Management Fees	\$750.00	\$800.00	\$50.00	\$7,500.00	\$8,000.00	\$500.00	\$9,600.00
5752 - Master Association Assessments	\$0.00	\$1,915.12	\$1,915.12	\$17,311.32	\$19,151.20	\$1,839.88	\$22,981.48
5755 - Tax Preparation	\$0.00	\$0.00	\$0.00	\$345.00	\$0.00	(\$345.00)	\$0.00
5770 - Meetings	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
5810 - Newsletter	\$0.00	\$25.00	\$25.00	\$0.00	\$250.00	\$250.00	\$300.00
5850 - Postage & Delivery	\$4.65	\$0.00	(\$4.65)	\$296.14	\$0.00	(\$296.14)	\$0.00
5930 - Website	\$0.00	\$75.00	\$75.00	\$471.86	\$400.00	(\$71.86)	\$400.00
Total General & Administrative	\$1,054.99	\$3,008.45	\$1,953.46	\$28,246.21	\$30,684.53	\$2,438.32	\$36,551.48
<u>Insurance & Taxes</u>							
7310 - Directors & Officers	\$82.75	\$47.56	(\$35.19)	\$827.02	\$475.60	(\$351.42)	\$570.73
7315 - Excess Liability	\$1,165.67	\$1,125.00	(\$40.67)	\$7,722.38	\$11,250.00	\$3,527.62	\$13,500.00
7330 - Liability Insurance	\$41.67	\$0.00	(\$41.67)	\$416.70	\$0.00	(\$416.70)	\$0.00
7385 - TX Comm Property	\$1,802.16	\$2,000.00	\$197.84	\$19,574.16	\$20,000.00	\$425.84	\$24,000.00
7390 - Umbrella Policy	\$82.25	\$210.71	\$128.46	\$807.08	\$2,107.10	\$1,300.02	\$2,528.48
7410 - Franchise Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00	\$100.00
7430 - Income Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$230.00	\$230.00	\$230.00
Total Insurance & Taxes	\$3,174.50	\$3,383.27	\$208.77	\$29,347.34	\$34,162.70	\$4,815.36	\$40,929.21
<u>Landscaping</u>							
6050 - Irrigation Maintenance	\$179.89	\$100.00	(\$79.89)	\$179.89	\$800.00	\$620.11	\$800.00
6060 - Landscape Contract	\$1,277.17	\$1,284.15	\$6.98	\$11,494.53	\$12,841.50	\$1,346.97	\$15,409.80
6130 - Plants & Shrubs	\$647.50	\$200.00	(\$447.50)	\$647.50	\$800.00	\$152.50	\$800.00
Total Landscaping	\$2,104.56	\$1,584.15	(\$520.41)	\$12,321.92	\$14,441.50	\$2,119.58	\$17,009.80
<u>Maintenance & Repairs</u>							
6330 - Building Repairs	\$0.00	\$0.00	\$0.00	\$235.00	\$0.00	(\$235.00)	\$0.00
6565 - Maintenance & Repairs -General	\$0.00	\$0.00	\$0.00	\$450.00	\$0.00	(\$450.00)	\$0.00
6636 - Pet Clean Up	\$150.03	\$65.00	(\$85.03)	\$2,153.33	\$650.00	(\$1,503.33)	\$780.00

Liberty Townhome Association, Inc
Budget Comparison Report
10/1/2020 - 10/31/2020

	10/1/2020 - 10/31/2020			1/1/2020 - 10/31/2020			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<u>Total Maintenance & Repairs</u>	\$150.03	\$65.00	(\$85.03)	\$2,838.33	\$650.00	(\$2,188.33)	\$780.00
<u>Utilities</u>							
7010 - Electricity	\$337.09	\$416.67	\$79.58	\$2,483.07	\$4,166.70	\$1,683.63	\$5,000.00
7150 - Water	\$291.83	\$750.00	\$458.17	\$2,203.54	\$7,500.00	\$5,296.46	\$9,000.00
<u>Total Utilities</u>	\$628.92	\$1,166.67	\$537.75	\$4,686.61	\$11,666.70	\$6,980.09	\$14,000.00
Total Expense	\$7,113.00	\$9,207.54	\$2,094.54	\$77,440.41	\$91,605.43	\$14,165.02	\$109,270.49
Operating Net Income	\$2,160.52	(\$2,307.12)	\$4,467.64	\$5,649.83	(\$16,121.23)	\$21,771.06	(\$19,985.49)
Reserve Income							
<u>Reserve Income</u>							
9910 - Interest Income - Reserves	\$0.00	\$0.00	\$0.00	\$0.02	\$0.00	\$0.02	\$0.00
<u>Total Reserve Income</u>	\$0.00	\$0.00	\$0.00	\$0.02	\$0.00	\$0.02	\$0.00
Total Reserve Income	\$0.00	\$0.00	\$0.00	\$0.02	\$0.00	\$0.02	\$0.00
Reserve Expense							
<u>Reserve Expense</u>							
9911 - Bank Fees - Reserves	\$0.00	\$0.00	\$0.00	\$37.00	\$0.00	(\$37.00)	\$0.00
<u>Total Reserve Expense</u>	\$0.00	\$0.00	\$0.00	\$37.00	\$0.00	(\$37.00)	\$0.00
Total Reserve Expense	\$0.00	\$0.00	\$0.00	\$37.00	\$0.00	(\$37.00)	\$0.00
Reserve Net Income	\$0.00	\$0.00	\$0.00	(\$36.98)	\$0.00	(\$36.98)	\$0.00
Net Income	\$2,160.52	(\$2,307.12)	\$4,467.64	\$5,612.85	(\$16,121.23)	\$21,734.08	(\$19,985.49)

Liberty Townhomes		2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget- no increase	2021 Budget w/ increase	Comments:
Income								
4010	Monthly Assessments	\$ 45,900.00	\$ 39,590.91	\$ 81,720.00	\$ 64,448.15	\$ 82,080.00	\$ 90,440.00	38 owners paying \$200/mo starting in Feb 2021
4120	Late Fee	\$ -	\$ 353.27	\$ -	\$ 375.00	\$ -	\$ -	
4052	Fines	\$ -	\$ 50.00	\$ -	\$ 50.00	\$ -	\$ -	
4050	Working Capitalization	\$ 66,960.00	\$ 47,520.00	\$ 6,480.00	\$ 17,280.00	\$ -	\$ -	Fee does not apply to homeowner to homeowner sales
4070	Delinquency Processing Fee	\$ -	\$ -	\$ 1,080.00	\$ -	\$ -	\$ -	
4100	Interest Income - Operating	\$ -	\$ 1.67	\$ 5.00	\$ -	\$ -	\$ -	
4115	Interest Income - Collections	\$ -	\$ 617.41	\$ -	\$ 527.09	\$ -	\$ -	
4160	NSF	\$ -	\$ -	\$ -	\$ 50.00	\$ -	\$ -	
4060	Collection Fees	\$ -	\$ 135.00	\$ -	\$ 410.00	\$ -	\$ -	
Total Income:		112,860.00	88,268.26	89,285.00	83,140.24	82,080.00	90,440.00	
Expenses								
General & Admin.								
5850	Postage	\$ 300.00	\$ 145.99	\$ 300.00	\$ 296.14	\$ 300.00	\$ 300.00	
5515	General Admin / Office Expenses	\$ 240.00	\$ 324.27	\$ 1,000.00	\$ 891.89	\$ 800.00	\$ 800.00	Lowered due to actuals
5590	Collection Costs	\$ 1,000.00	\$ 240.00	\$ 1,000.00	\$ 580.00	\$ 500.00	\$ 500.00	
5752	Master Association Assessments	\$ -	\$ 4,657.04	\$ 22,981.48	\$ 17,311.32	\$ 23,081.76	\$ 23,081.76	1,923.48/mo
5770	Meetings	\$ 450.00	\$ -	\$ 250.00	\$ -	\$ 100.00	\$ 100.00	In case needed
5900	Homeowner Functions	\$ 400.00	\$ -	\$ -	\$ -	\$ -	\$ -	
5930	Website Expense	\$ 1,350.00	\$ 1,234.90	\$ 400.00	\$ 471.86	\$ 850.00	\$ 850.00	
Total General & Admin.		3,740.00	6,602.20	25,931.48	19,551.21	25,631.76	25,631.76	
Professional Fees								
5750	Professional Management	\$ 9,600.00	\$ 9,163.90	\$ 9,600.00	\$ 7,500.00	\$ 9,000.00	\$ 9,000.00	\$750/mo management fee
5730	Professional Legal	\$ 500.00	\$ -	\$ -	\$ -	\$ 250.00	\$ 250.00	Just in case needed
5220	Audit	\$ 700.00	\$ -	\$ -	\$ -	\$ -	\$ -	
5755	Tax Preparations	\$ -	\$ -	\$ -	\$ 345.00	\$ 345.00	\$ 345.00	
5510	Accounting Fee	\$ 1,020.00	\$ 935.00	\$ 1,020.00	\$ 850.00	\$ 1,020.00	\$ 1,020.00	
Total Professional Fees:		11,820.00	10,098.90	10,620.00	8,695.00	10,615.00	10,615.00	
Taxes								
7410	Franchise Tax	\$ 225.00	\$ 100.00	\$ 100.00	\$ -	\$ -	\$ -	Reclassified to 5755
7430	Income Tax	\$ 330.00	\$ 230.00	\$ 230.00	\$ -	\$ -	\$ -	
Total Taxes:		555.00	330.00	330.00	0.00	0.00	0.00	
Insurance								
7305	Buy Down	\$ 225.00	\$ -	\$ -	\$ -	\$ -	\$ -	

Liberty Townhomes		2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget- no increase	2021 Budget w/ increase	Comments:
7315	Excess Liability	\$ 18,548.75	\$ 16,468.06	\$ 13,500.00	\$ 8,139.08	\$ 515.00	\$ 515.00	Based on renewal of \$500 plus 3% increase
7310	Directors & Officers Liability	\$ 2,000.00	\$ 967.46	\$ 570.73	\$ 827.02	\$ 1,000.00	\$ 1,000.00	Based on renewal of \$993 plus 3% increase
7380	Property	\$ 19,000.00	\$ 11,004.30	\$ 24,000.00	\$ 19,574.16	\$ 22,707.30	\$ 22,707.30	Based on renewal of \$21,626 plus 5% increase
7390	Umbrella	\$ 910.63	\$ 478.08	\$ 2,528.48	\$ 807.08	\$ 1,017.00	\$ 1,017.00	Based on renewal of \$987 plus 3% increase
	Total Insurance:	40,684.38	28,917.90	40,599.21	29,347.34	25,239.30	25,239.30	
Utilities & Services								
7010	Electric	\$ 4,600.00	\$ 2,399.34	\$ 5,000.00	\$ 2,483.07	\$ 2,500.00	\$ 2,500.00	
7150	Water	\$ 8,900.00	\$ 5,814.47	\$ 9,000.00	\$ 2,203.54	\$ 2,500.00	\$ 2,500.00	1 common area meter
	Total Utilities & Services:	13,500.00	8,213.81	14,000.00	4,686.61	5,000.00	5,000.00	
Infrastructure & Maint.								
6360	Common Area Painting	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	
6330	Building Repairs	\$ -	\$ 492.77	\$ -	\$ 685.00	\$ 1,000.00	\$ 1,000.00	
6632	Pest Control	\$ 300.00	\$ -	\$ -	\$ -	\$ -	\$ -	
6636	Pet Clean Up	\$ 680.00	\$ -	\$ 780.00	\$ 2,153.33	\$ -	\$ -	D&D will maintain pet stations at no addtl cost
	Total Infrastructure & Maint.	1,980.00	492.77	780.00	2,838.33	1,000.00	1,000.00	
Landscape Maint.								
6060	Landscape Maint. Contract	\$ 10,800.00	\$ 6,385.87	\$ 15,409.80	\$ 11,494.53	\$ 10,919.76	\$ 10,919.76	\$909.98/mo contract with D&D
6130	Plants & Shrubs	\$ 400.00	\$ 346.40	\$ 800.00	\$ 647.50	\$ 800.00	\$ 800.00	Replacements as needed
6050	Irrigation Repairs	\$ 1,200.00	\$ -	\$ 800.00	\$ 179.89	\$ 300.00	\$ 300.00	
6140	Residential Lot Mows	\$ -	\$ 957.88	\$ -	\$ -	\$ -	\$ -	
6170	Tree Maintenance	\$ 800.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	
5710	Holiday Decorations	\$ 1,200.00	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Landscape Maint.	14,400.00	7,690.15	17,009.80	12,321.92	12,519.76	12,519.76	
Reserve								
	Reserve Contribution					\$ 2,074.18	\$ 10,434.18	
	Total Reserve Contribution:	\$ -	\$ -	\$ -	\$ -	\$ 2,074.18	\$ 10,434.18	
	Total Expenses:	86,679.38	62,345.73	109,270.49	77,440.41	82,080.00	90,440.00	
	Net Income / (Loss)	26,180.62	25,922.53	(19,985.49)	5,699.83	0.00	0.00	