

Final

Prosperity Heights HOA Agenda

Meeting Name: Board of Directors Meeting

Date: October 13th, 2022

Time: 7:00pm – 9:00pm

Location: Camelot Elementary School (Room: Cafeteria)

Attendees: TBD

Other Attendees: TBD

I. Welcome and Opening Remarks: 7:00 – 7:05 PM

II. Open Forum: 7:05 - 7:20 PM

III. Administrative Matters: 7:20 - 7:40 PM

- A. Approval of Last Board Meeting Minutes (7/28/22): (Sachin)
- B. Homeowner Budget related Communications Shared with Board (Jeff)
 - 1. Chris Reilly: Playground Swing Replacements
 - 2. Michael Hayes: Mosquitos and Poison Ivy at Playground
 - 3. Christian Sotomayor: Pet Waste Stations
- C. Playground Signs, per legal counsel
- D. Board member duties (Jeff)
 - 1. Trash contact
 - 2. Landscape contact
 - 3. Tree removal
 - 4. Playground/including annual mulch
 - 5. Front sign responsibility

IV. Reports: 7:40 – 8:20 PM

A. Financial Management Report (Kevin & Jeff)

- 1. Profit & Loss for 3rd Quarter (Kevin)
- 2. Balance Sheet: 9/30/22 (Kevin)
- 3. Open Assessments (Kevin)
- 4. Tinio Update (Jeff)
- 6. Proposal to Change Banks: Capital One to United Bank (Kevin & Jeff)
- 7. 2023 **DRAFT** Budget Discussion* (Kevin)
- 8. Vote to approve 2023 assessments & budget
- 9. Agree on way to communicate to homeowners the assessments

**If there are any items that board members or members of the community would like considered as part of this budget process, I would encourage them to email treasurer@prosperityheights.org with a description of the item and an estimated cost...Kevin*

B. Architectural Report (Steve)

- 1. ACC Approvals
- 2. Parina Update

C. Website Migration (Milena)

V. Unfinished/Old Business: 8:20 – 8:45 PM

- A. Homeowner Non-Budget Communications Shared with Board (Jeff)
 - 1. Sue Bee: Republic Trash Can Replacement
- B. Inoperable and/or Outdated DMV tagged Vehicles (Sachin)
- C. Disposing of Lawn Debris in Streets & Common Areas (Sachin)
- D. Trees/Bushes Trimming
- E. Yard Signs
- F. Streetlamp Outages

VI. New Business: 8:45 – 8:55 PM

- A. The Board Member count from 7 members to 9 members needs to be discussed
- B. Board Contact Information Discussion (Sachin)
- C. Future Meeting Format In-person vs. Virtual / Hybrid
- D. Finance Committee (Kevin)
- E. ACC
 - 1. Exterior Alteration Application
 - a. Signature Lines, per legal counsel
 - b. Retroactive Option
 - c. Date Stamping: In / Out / Completion
 - 2. Board Member(s) on ACC
 - 3. Final Inspection by ACC
 - 4. Pictures of Homes Sold for Official Documentation
- F. Prosperity Day Recap (Michael)

Active Board Emails:

board@prosperityheights.org

treasurer@prosperityheights.org

VII. Open Forum: IF time permits

VIII. Closing: 8:55 – 9:00 PM

IV. Adjourn

Attachments:

***Board Meeting Minutes from 7/28/22**

***Profit & Loss for 3rd Quarter**

***Balance Sheet: 9/30/22**

***Bank Reconciliation**

***2023 *DRAFT* Budget**

***ACC Approvals**

PROSPERITY HEIGHTS HOMEOWNERS ASSOCIATION
Annual Dues (208 Homes)

HOA Fee \$ 525.00
 # of Homes 208

| Description | 2022 Annual Budget | 2022 Latest Estimate | 2023 Annual Budget |
|--|-----------------------|-------------------------|-----------------------|
| <u>Income:</u> | | | |
| Dues Income | 99,840 | 99,087 | 109,200 |
| Homeowner Packet Fees | 1,000 | 1,000 | 1,000 |
| Interest Income | 60 | 169 | - |
| Total Income | 100,900 | 100,256 | 110,200 |
| <u>Expenses:</u> | | | |
| <u>Operating Expenses:</u> | | | |
| Trash Removal | 76,304 | 80,223 | 84,000 |
| Legal & Professional Fees | 2,000 | 5,565 | 5,000 |
| Prosperity Day & Social Events | 4,500 | 4,500 | 4,500 |
| Landscaping & Grounds | 3,750 | 3,840 | 4,300 |
| Insurance | 2,200 | 2,337 | 2,400 |
| HOA Audit | 3,400 | 3,600 | 2,300 |
| Website | - | - | 2,000 |
| Tree Removal | 4,000 | 1,900 | 2,000 |
| Playground Maintenance | 1,250 | 1,256 | 1,650 |
| Office Supplies & Postage | 1,644 | 1,598 | 500 |
| Gift to Graduating Seniors | 500 | 407 | 400 |
| Electricity | 200 | 156 | 180 |
| Unallocated | 1,152 | - | 5 |
| Reserve Contribution | - | - | 965 |
| Total Operating Expenses | 100,900 | 105,383 | 110,200 |
| Net Income after Operating Expenses | - | (5,127) | - |
| Capital Expenditures | - | - | - |
| Net Income (Loss) | - | (5,127) | - |

Budgeted Items for Discussion

| | Amount | Per Lot |
|------------------------------|--------|---------|
| Playground Swing Replacement | 675.00 | 3.25 |
| Custom Playground Sign | 150.00 | 0.72 |

| | |
|----------------------------|---------------------|
| Cash ending 2021 | 30,423.30 |
| Total Revenue in 2022 | 100,255.87 |
| Projected Expenses in 2022 | <u>(105,382.59)</u> |
| Cash ending 2022 | 25,296.58 |

| | |
|----------------------------|---------------------|
| Cash ending 2022 | 25,296.58 |
| Total Revenue in 2023 | 110,200.00 |
| Projected Expenses in 2023 | <u>(110,200.00)</u> |
| Cash ending 2023 | 25,296.58 |

% of Operating Budget **23%**

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>Proj 2023</u> | <u>Total</u> |
|----------------------|-------------|-------------|-------------|----------------------|--------------|
| Trash Expense | 70,561.92 | 74,160.78 | 80,223.44 | 84,000.00 | |
| % Increase | | 5.10% | 8.18% | 4.71% | 17.98% |
| | | | | | |
| Annual Dues | 432.50 | 455.00 | 480.00 | 525.00 | |
| % Increase | | 5.20% | 5.49% | 9.38% | 20.07% |

Prosperity Heights Homeowners Association

A/R Aging Summary

As of August 31, 2022

| | CURRENT | 1 - 30 | 31 - 60 | 61 - 90 | 91 AND OVER | TOTAL |
|--------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
| Lot #005 | 0.00 | 0.00 | 0.00 | 0.00 | -240.00 | \$ -240.00 |
| Lot #022 | 0.00 | 0.00 | 0.00 | 0.00 | -480.00 | \$ -480.00 |
| Lot #090 | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 | \$10.00 |
| Lot #116 | 0.00 | 0.00 | 0.00 | 0.00 | 1,285.05 | \$1,285.05 |
| TOTAL | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$575.05 | \$575.05 |

Prosperity Heights Homeowners Association

Profit and Loss

January - August, 2022

| | TOTAL |
|--------------------------------|---------------------|
| Income | |
| Association Dues | 1,335.00 |
| Disclosure Packet Income | 800.00 |
| Interest Income | 158.69 |
| Late Payment Fees | 159.50 |
| Services | 99,840.00 |
| Unapplied Cash Payment Income | -1,351.91 |
| Total Income | \$100,941.28 |
| GROSS PROFIT | \$100,941.28 |
| Expenses | |
| FCHS Grad Party | 407.41 |
| Insurance Expense | 2,337.00 |
| Landscaping and Groundskeeping | 3,679.95 |
| Legal Fees | 4,565.00 |
| Licenses / Fees | 115.00 |
| Newsletter /Communications | 88.00 |
| Office Supplies | 101.48 |
| Playground Equipment | 1,256.06 |
| Postage and Delivery | 417.40 |
| QuickBooks Payments Fees | 755.78 |
| Trash Removal | 53,482.29 |
| Uncollectable Dues | 1,017.50 |
| Utilities | 104.47 |
| Total Expenses | \$68,327.34 |
| NET OPERATING INCOME | \$32,613.94 |
| Other Income | |
| Late Fee Income | 122.09 |
| Total Other Income | \$122.09 |
| NET OTHER INCOME | \$122.09 |
| NET INCOME | \$32,736.03 |

Prosperity Heights HOA

Profit and Loss

August 2022

| | TOTAL |
|--------------------------------|---------------------|
| Income | |
| Interest Income | 2.72 |
| Total Income | \$2.72 |
| GROSS PROFIT | \$2.72 |
| Expenses | |
| Landscaping and Groundskeeping | 264.90 |
| Legal Fees | 1,489.00 |
| Licenses / Fees | 115.00 |
| Newsletter /Communications | 88.00 |
| QuickBooks Payments Fees | 30.00 |
| Trash Removal | 6,637.28 |
| Utilities | 26.50 |
| Total Expenses | \$8,650.68 |
| NET OPERATING INCOME | \$ -8,647.96 |
| NET INCOME | \$ -8,647.96 |

Prosperity Heights HOA

Balance Sheet As of August 31, 2022

| | TOTAL |
|--|--------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| Capital One Bank | 63,127.28 |
| Capital One Money Market Fund | 0.00 |
| Capital One Replacementt Reserv | 32,075.22 |
| Koger Bank | 0.00 |
| QuickBooks Checking Account | 0.00 |
| Total Bank Accounts | \$95,202.50 |
| Accounts Receivable | |
| Accounts Receivable | 0.00 |
| Total Accounts Receivable | \$0.00 |
| Other Current Assets | |
| Assessment Paid in Advance | 0.00 |
| Check Received | 0.00 |
| Chevy Chase CD 12/22/08 2.87% | 0.00 |
| Chevy Chase CD 3/4/10 3.49 | 0.00 |
| Chevy Chase CD 4/27/09 1.65% | 0.00 |
| Comm Assoc Banc CD (Mut Omaha) | 0.00 |
| Prepaid Expense | 0.00 |
| Prepaid Insurance | 0.00 |
| Total Other Current Assets | \$0.00 |
| Total Current Assets | \$95,202.50 |
| TOTAL ASSETS | \$95,202.50 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| Prepaid Assessments | 0.00 |
| Temporary Loans | 0.00 |
| Total Other Current Liabilities | \$0.00 |
| Total Current Liabilities | \$0.00 |
| Total Liabilities | \$0.00 |
| Equity | |
| Opening Balance Equity | 87,925.18 |
| Replacement Reserve | 32,757.92 |
| Retained Earnings | -58,216.63 |
| Net Income | 32,736.03 |
| Total Equity | \$95,202.50 |
| TOTAL LIABILITIES AND EQUITY | \$95,202.50 |

PROSPERITY HEIGHTS HOMEOWNERS ASSOCIATION, INC.

Resolution Authorizing Transfer of Banking Services and Authorizing Account Authorized Signatories

WHEREAS, Prosperity Heights Homeowners Association, Inc. (“Association”) is a Virginia Non-Stock Corporation organized for the mutual benefit of its Members, who are homeowners in the Prosperity Heights Neighborhood; and

WHEREAS, the Amended and Restated Bylaws of the Prosperity Heights Homeowners Association, Inc., (“Bylaws”), as most recently enacted as of December 5, 2000, authorizes and directs the Board of Directors of the Association to undertake such acts as may be required to accomplish the purposes of the Association, including the maintenance of bank accounts to hold Association funds, as may be required;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Association hereby adopts the following resolution:

1. Kevin O’Brien is hereby authorized and directed to take such actions as may be required to transfer banking services from Capital One Bank to United Bank, and close all accounts established with Capital One Bank.
2. Kevin O’Brien is hereby authorized and directed to take such actions as may be required to establish a checking account with United Bank for the purpose of holding funds designated as the operating funds (“Operating Account”). The account shall be denominated as the “Prosperity Heights Homeowners Association Operating Checking Account,” or by similar designation.
3. Kevin O’Brien is hereby authorized and directed to take such actions as may be required to establish a money market or savings account with United Bank for the purpose of holding funds designated as the operating funds (“Interest Bearing Operating Account”). The account shall be denominated as the “Prosperity Heights Homeowners Association Interest Bearing Operating Account,” or by similar designation.
4. Kevin O’Brien is hereby authorized and directed to take such actions as may be required to establish a money market or savings account with United Bank for the purpose of holding funds designated as the reserve funds (“Reserve Fund Account”). The account shall be denominated as the “Prosperity Heights Homeowners Association Reserve Fund Account,” or by similar designation.
5. Kevin O’Brien is hereby authorized and directed to take such actions as may be required to purchase a certificate of deposit with United Bank using funds from the Reserve Fund Account, so long as the term of the certificate of deposit does not exceed 1 year.
6. The mailing address on all accounts established with United Bank shall be c/o Kevin O’Brien, 3328 Monarch Lane, Annandale, Virginia 22003.

7. The authorized signatories on all accounts shall be as follows:

Jeffeory Allen

Kevin O'Brien

Milena Santoro

Sachin Telhan

This resolution was adopted by the Board of Directors of the Association on October 13, 2022 and shall be effective immediately.

IN WITNESS WHEREOF, the undersigned has hereunto affixed their hand and the seal of the Association this 13th day of October 2022.

Prosperity Heights Homeowners Association, Inc.

By: _____
Jeffeory Allen, President

CERTIFICATE

I, Sachin Telhan, hereby certify that I am the Secretary for the Prosperity Heights Homeowners Association, Inc., and hereby attest the foregoing Resolution was adopted by the Board of Directors of the Prosperity Heights Homeowners Association Inc. on October 13, 2022.

By: _____
Sachin Telhan, Secretary