

THE BRICKYARD AT WELLINGTON HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

Tuesday, October 26, 2021 at 5:30 PM – 6:30 PM
Virtual Meeting

Call to Order – Scott Conner, Interim President, called the meeting to order at 5:35 p.m.

Board Members Present – Scott Conner, Interim President; Joe Nortnik, Secretary/Treasurer; and Christine Sartoris, Community Association Manager.

Member Input – no members were in attendance. Additional feedback was provided via email and/or verbally for the Board to consider.

Approval of Previous Minutes –

Scott asked for a motion to approve the previous meeting minutes. Joe moved and Scott seconded a motion to approve the September 28, 2021, and October 13, 2021 Meeting Minutes with minor corrections of typos. Motion carried.

Reports

Financials. Christine presented the report for period ending September 30, 2021, reporting total cash on hand at the end of period \$34,868, with approximately \$34,768 in the general fund and \$100 in the reserve fund. Accounts receivables for the period -\$250 reflecting pre-pays. With a review of the Profit & Loss, expenses are in line with the budget.

After researching the issue to address previous questions regarding the reserve funds the following was conveyed. All of the Association's funds prior to August 2021 have been in the only bank account opened by the Association, which is a general or operating fund. Each year a budget was prepared by the Association which reflected a line item for an Annual Reserve Contribution of approximately ten percent. At the end of each year, the board is to review the December financial reports and make a determination to move funds to a separate reserve account. The previous minutes do not reflect any decision made by the previous board to move funds from the general/operating account to a reserve fund. Therefore, all previously collected funds remain in the general/operating fund.

Keep in mind, the Board is not required to move funds to a Reserve Account in the amounts budgeted. If, for example, expenses were greater than budgeted and/or income was less than budgeted, a reserve contribution may or may not be made. Many factors enter into the Board's decision to move funds from the general account to a reserve fund, as once funds are moved, they can no longer be used for general operating expenses.

As noted in in the September Board Meeting Minutes, "...at year's end the board will determine if any funds should be moved into the reserve account. Finally, the reserve study will more appropriately determine the reserve funding requirements."

Grounds/Common Areas. The embankment and settling issue are being addressed by the builder. They filled the cracks which were developing on the northeastern end of the subdivision. The landscape contractor has been tasked with filling in the sink holes, moving the irrigation heads, and repairing the perimeter fencing. The builder was unable to provide a schedule for the remaining repairs.

There was no additional information to report on the runoff as the Association is awaiting the drainage plans from the City.

Irrigation shutdown is complete.

Architectural. Two submissions for signs were approved with modifications. One fence improvement was submitted and is pending more information from the homeowner.

Old Business

Care, Maintenance & Replacement Policy

A question/~~statement~~ from a member at the last meeting noted the Care & Maintenance Policy had been approved. Researching the issue, the two sets of Minutes provided to represent the action taken at the June Board Meeting, one version in task list form, reported the policy approved as submitted. However, it was the Board's approval of the Architectural Control Committee's analysis and recommendations reflected in the final version of the Care and

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Maintenance of General Common Area and Limited Common Area Policy, which was then noted on the task list to be submitted for member review.

The Board determined the policy was not officially adopted as it was on the July Board Agenda for final adoption after the comment period provided to members. Further, the July meeting was cancelled without the policy being approved.

The Board reviewed comments received from members. After considering comments from members, Joe moved to adopt the Care, Maintenance and Replacement Policy with the following changes: 2.b., remove “privacy fencing, not installed by Owner through ACC as an improvement,” and replace with “original privacy screen installed by the builder to provide separation of back lots associated with the units.” Additionally, on the responsibility chart, although the US Postal Service owns and controls the mailboxes, add it to the Association’s responsibility to repair and or replace. Also, under ACC Approved improvements, delete “(Replacement Cost).” With the final language to be reviewed and edited by the Association’s attorney to ensure appropriateness and that the intent is properly conveyed.”

Scott moved to amend the motion. Joe seconded motion to amend. Scott requested amending motion adding for further clarification, “the irrigation components within the limited common element are the Association’s responsibility” and to reflect the change in 2. b. as well. Noting again, the final language and review of the policy to be determined by the Association’s attorney. With a second, the motion as amended was approved.

Bylaw Amendments.

After considering comments from members, Joe moved to adopt the proposed Bylaw amendments as proposed with the following edits, Section 1.2 Purposes. Adding back the word ‘protect.’ Additionally, Section 4.4 first sentence to clarify a quorum is required for action, please state, “a) One or more Directors or the entire Board of Directors may be removed at any meeting of the Members called pursuant to these Bylaws, with or without cause, by a vote of 67% of all Members present in person or by proxy and entitled to vote at the meeting with a quorum established.” With the final language to be reviewed and edited by the Association’s attorney to ensure appropriateness and that the intent is properly conveyed. Scott seconded the motion. Motion carried.

Policy Updates. The Board spent time discussing the current policies noting inconsistencies with the governing documents and current state statutes. Additional updates will be forthcoming.

New Business

2022 Budget. Christine presented the draft budgets—one with no increase in assessments and one with a 10% increase in assessments. After debating the merits of both versions, the board unanimously adopted the 2022 Annual Budget with the monthly assessment rate of \$110. The assessment increase will cover projected increases in contracts, the reserve study, and contributing approximately 10% of the assessments to the reserve fund while continuing to build the operation fund.

Adjourn. With no further business to discuss, the meeting was adjourned at 7:21 p.m.