

**Country Creek Patio Home Association
Annual Membership & Budget Ratification Meeting Minutes
Tuesday, February 28, 2023 @ 7:00 p.m.**

1. Call to Order and Roll Call

- i. Board members present: Linda Clifford(LC), Jan Peterson(JP), John Rodwick(JR), Jean Citkovic(JC), Lynn Holmes(LH), Lance Lehrkind(LL), Ron Snell(RS) Absent: Judy Bennis(JB)
- ii. CIC Management Present: Christine Sartoris(CS)

2. Proof of Notice/Verification of Quorum

- i. LC reported the Notice was mailed on 2/10/2023 and also posted on 2/10/2023.
- ii. CS reported there are currently 238 lots/units in the PHA. Quorum requirement of one-third (1/3) of the lots/units represented in person and/or by proxy. With a total of 141 properties represented, 87 in person and 54 proxies, quorum was achieved.

3. Adoption of Minutes from Semi-Annual Board Meeting dated February 24, 2022 and Semi-Annual Board Meeting dated September 28, 2022

- i. The Minutes were posted on the portal for review. JR moved the adoption of minutes from both meetings, as presented, JC seconded. Minutes adopted unanimously.

4. Welcome and Introductions

- i. New members since September, 2022 were recognized.
- ii. LC introduced the Board Members.

5. Year to Date Review – Presentations

- i. President's Report – Linda Clifford (LC)
 - LC explained last year's transition from a developer-controlled board to a board run by the membership. We are in year 2 where CS will take on vendor management and have an office in the Community Center.
 - LC thanked those who turned in their Age Verification Forms. To maintain our 55+ Community Status, we need to prove that at least 80% of residences have at least one occupant who is over 55 years of age. We are at 86%.
 - LC explained, as approved in September, the Board Election tonight is for 4 Board seats. To correct the rotation / stagger of expiring board terms, three seats will be for the standard 3-year terms; one seat will be for a one-year term. The determination of person filling the 1-year term, would be based on person receiving the lowest vote count of the four or by volunteering to serve only one year.
- ii. Treasurer – John Rodwick (JR)
 - JR explained we are fiscally stable to meet our obligations and to maintain reserves in case of hazards.
 - Budget: JR explained the survey indicated residents want to maintain a premier status as a 55+ Community, a landscaping company to address deferred and ongoing maintenance, continuation of current home services (snow removal, HVAC checked annually, scheduled house trim painting, etc.). Within these guidelines, the Board created the Annual Budget. The \$517k budget with a monthly assessment rate of \$180 for 2023-2024 reflects a 13% increase. Reasons for the increase include additional expense for high-quality landscape ground maintenance (both deferred and ongoing), the Administrative cost of CIC Management (increased to dedicating 75% Full Time Equivalent (FTE), and Community Center building maintenance (both deferred and on-going), and to align with consumer price index.
 - Reserves: Currently there is \$535k in reserves, invested in Money Market and short and long term CDs ranging from 4.3 to 4.55 percent interest. Estimated earnings from these investments upon maturity are \$25-\$27k (\$18,000 anticipated for those maturing this coming fiscal year). The interest on these investments will be added to our reserves at a rate of approximately 5-7% annually, as a hedge against inflation. The Association also reviews the current Annual Reserve Study to determine how much the funds should increase, based on remaining life span of aging structures, improvements, and adjustments of costs of goods and services.
- iii. Landscape/Grounds and Irrigation/RV - Judy Bennis (JB) and Ron Snell (RS)
 - Landscape/Grounds: LC reported (for JB) that we hired WD Yards for our new landscaping contract.
 - Irrigation: RS reported it was normal year with some minor problems. He asked that if you notice an irrigation problem, please let him know. WD Yards will handle irrigation issues.

- RV: RS reported that all is great - all renters are paid up for this year (4/1-4/1). Registration forms are available. The yearly rental prices are: 20' spot is \$80, 25' and 30' spots are \$144, a 40' spot is \$192. Currently, there are 5-40' spots available, 8-20' spots available and there are no 25'-30' spots available. The RV parking spots are now clearly numbered. The gate lock is working well.

iv. Facilities – Lance Lehrkind (LL)

- List of accomplishments:

There's a new public address system in the Clubhouse. The clubhouse is mostly secure at the 7 pm check, a new Lockbox installed on the wall near the office, the pool table leveled, cleaned, felt stretched, and pockets repaired. The bulletin board on Marigold was repaired, and the Center now has trash service.

v. Secretary – Jean Citkovic (JC)

- Board Meeting Minutes are posted on the Clubhouse Bulletin Board.
- Homeowner's Insurance Declarations – Thank you for sending your Homeowner's Insurance Renewal Declaration pages.
- Welcome Meetings are held for new Residents.
- Cat Tales – Monthly, I submit articles and help Peggy Dorr and Donna Wood prepare the Cat Tales Newsletter.
- CIC Portal – Items are posted on the portal.

vi. Activities & Social Committee Report – Jean Citkovic (JC) / Billie Jacobsen (BJ)

- New Clubhouse Activities include Ladies Pool. Outside Activities planned for the Spring are Horseshoes and Cornhole.
- A successful Resident's Art Show and a Village Yard Sale was held.
- Thanksgiving and Christmas Dinners were held. St Patrick's Day dinner is planned for March 17th
- Wednesday Morning Coffee is well attended. The Creekers entertain every third Wednesday.
- Also held was a Village Picnic and a Valentine's Day Luncheon. Thanks to the Social Committee Volunteers!

vii. Advisory Committee – Nancy Burdette (NB)

- A second survey is being conducted. Results will be published after write-in surveys completed.
- The Advisory Committee meets the first Monday of every month at 10 am. At the meeting, there's open discussion among residents, CIC Management and Board Attendees. Recommendations are made to the Board for consideration.
- The Advisory Committee was formed in August, 2021. The first survey was in 2021. The results were presented in January, 2022. Thanks for participating!

viii. Vice-President's Report – Jan Peterson (JP)

- JP discussed her active involvement as Vice President, and excitement in the new improved good-communication developments, especially the Advisory Committee.
- Attends Board Workshops where the Board learns new things and is able to discuss items in depth.
- Attends Contractor huddles to keep the Board in touch with contractor progress and weekly tasks.
- Updated the Architectural Review Committee (ARC) Request form to encompass more items.

ix. Manager's Report – Christine Sartoris (CS)

- CS reported the first year was challenging as any transition would be. However, it was made more so by a number of obstacles, such as the lack of any Age Verification survey, policy inconsistencies, Declaration aberrations, and board member changes, to name a few. This coming year, the Board will continue to prioritize and address the most important issues first.
- LC expressed what a privilege it is to work with Christine. We wouldn't be in the place we are today without her.

6. New Business:

ii. 2023-2024 Budget Discussion and Ratification

- JR advised Budget process began in August/September 2022. We consulted with Jerry Toft, former board Treasurer and a professional CPA. The total budget \$517k. This is a conservative budget, delivering the items members requested. JR asked for questions from the residents.

- Dan Colesworthy asked how much money was spent this year?

JR/CS: The January fiscal report will be released and available after accountant's review is complete. The December financials were presented and accepted by the Board at the January Board Meeting and will be posted to the portal.

- Kelly Dosier asked when will the members be able to see the end of year financials to justify the proposed budget?

CS: The end of year is March 31st. The fiscal year is April through March. We will have end of year financial statements posted on the portal, including Balance Sheet, Profit and Loss compared to the budget and a Cash Flow Statement. Other questions addressed regarding oversight: The President and Treasurer review the Operating Account funds, with online access to the account. Only the President, Vice President, and Treasurer have access and are signatories on the Reserve Account which protects \$500k plus of the Association's funds. The Balance Sheet was not provided at the meeting and will be posted to the portal pending the CPA review.

- Linda Roush wanted to see a more detailed budget, and asked what is the amount allocated for Board Training and what is the amount allocated for Legal Fees?

CS advised the amount allocated for Legal Fees is \$5,000. This is due to legal reviews needed due to inconsistencies and things in the governing documents, (Covenants, Conditions and Restrictions which are not in compliance with current state statutes. Because these are legal documents, an attorney is needed to review these inconsistencies. The detailed budget was presented and discussed at the Advisory Meeting. If anyone wants to see the detailed budget, make an appointment with Christine. The Summary Budget was approved by a prior Board and has been over the years the standard provided to members.

- Kelly Dosier asked how much is allocated for Board Training, what is that and why?

JR advised \$3600 is budgeted to Board Training which will be used to educate the board of changes in the law and how it affects and / or nullifies what may be stated in policies and/ or the declarations. There are other training opportunities to help make the board more effective and efficient and for them to understand their legal obligations to the membership.

- Kelly Dosier asked about sidewalk repair/replacement - budgeted \$6k, only spent \$2k this year. Why?

CS advised that Fruita had an 80/20 Program in 2022 and contributed to the sidewalk repair. We have not been informed if funding will be available for the coming fiscal year. In the Summary, sidewalk repair is a Reserve Item, under Other Income and Expense.

- Dan Colesworthy asked for an explanation of Release of Funds from Reserves, \$25k?

CS advised the \$25k from Reserves was to help pay for the severely deferred maintenance (back unit trimming work done by WD Yards). This is a Reserve item because it is beyond ordinary, routine maintenance.

- JR moved the Budget for 2023-2024 be adopted as presented. Seconded by Peter Clifford

CS explained the Budget Ratification Process, i.e. unless the majority of all members reject the budget, the budget will stand. What is being rejected or approved is the Assessment rate as expenses are guides to what the Association anticipates over the course of next fiscal year. With 238 properties as of today, it will take 120 votes to reject the budget.

A vote was conducted, CS "Who in this room would reject this budget?" 8 people, voting for themselves and proxies, have voted to reject the budget. With no other objections, there were not enough votes to reject the budget, therefore, the budget was duly ratified. As a show of support, the remaining members approved the budget by affirmation.

iii. 2023 Board Election

- Candidate Presentations and Q&A

LC explained the process. Each candidate will have 2 minutes to present. In the Open forum session, each member will be give 3 minutes to speak.

Candidate Presentations: The following candidates presented: Jean Citkovic, Scott Humphreys, John Moir, Paula Perrill, Jan Peterson, Sharon Prather, John Rodwick, Absent: Peggy Sisk and Kathleen Wilkins (Nancy Burdette presented on Kathleen Wilkins' behalf)

Open Forum: The following members spoke: Corky Backlund, Nancy Burdette, Kelly Dosier, Linda Roush, Jan Peterson, Dan Colesworthy, Darlene Drake, Steve Sides, Peter Clifford, Billie Jacobson, Paula Perrill, Ruth Dawson.

Voting

CS explained the Ballot counting process. Ballots are kept for one year.

Ballots were collected and counted. The results will be announced tonight, printed in Cat Tales, and published in an eBlast.

7. Open Forum

- ii. Speakers included: Bonnie Skidmore, Linda Roush, John Rodwick, Linda Clifford, Ron Snell, Nancy Burdette, Dan Colesworthy, Corky Backlund, Lynn Holmes, John Rodwick, Kelly Dosier, Jan Peterson, Ellie Schulz, Jerry Toft, Jean Citkovic. Note: two speakers were not identified.
- iii. Suggestions/Comments included: consider adding solar panels, replace buffalo grass with blue grass, do not adopt the Policy Governance model, Compliments to the Board and WD Yards, Executive Sessions were questioned, development of the Emergency Policy was explained, budget detail should be available (Christine will provide detail by appointment), Board decisions with reason for the decision be available (refer to Cat Tales and the Minutes posted on the Bulletin Board and in the Portal), Negativity should be replaced by Positivity.

8. Election Results

- ii. LC Thanked the registration table workers: Ron & Sandy Stuck, Jim & Jacquie Hawkins, Phil & Pat Dahlberg, Carole Johnson and Donna Wood.
- iii. LC Thanked the ballot counters: Dee Toft, Donna Wood, Jim & Jackie Hawkins
- iv. Top four candidates selected to the Board: Jean Citkovic, Scott Humphreys, Kathleen Wilkins, Paula Perrill

9. Actions taken by the Members of the Association

- ii. The 2023/2024 Budget was approved.
- iii. Elected Jean Citkovic, Scott Humphreys, Kathleen Wilkins and Paula Perrill to the Board.

10. Adjournment: 9:15 pm