

Minutes for the Board of Director's Meeting  
Village at Country Creek Patio Home Association

Date: Monday, December 14, 2015

1. Call to Order and Roll Call

The meeting was called to order at 9:01 a.m. Members present were: John Moir, Bob Vogel, Vern Werth, Eldon Miller, Dan Colesworthy, Mary Jo Ward, Bev Stone and Lee Beasley.

2. The Agenda was reviewed and adopted.

3. Minutes from the last meeting of the Board on November 9, 2015 were approved.

4. Bev Stone was welcomed to serve on the Board as Treasurer. She brings a wealth of experience in bookkeeping. Bev served for five years as Treasurer of a Homeowner's Association in Missouri. She currently manages the books for her own company, and she has experience working for a building company. Welcome, Bev!

5. Presentation and Discussion by Board Members

a. Landscape Maintenance . . . Lawns, Trees and Shrubs  
(Eldon Miller and Vern Werth)

Eldon had nothing to report.

Vern reported there were 250 calls to the hotline from January 2015 until the present time. He said the calls have been well documented and reflect the age of the community regarding tree growth and gutters needing to be cleaned. The Siberian elm trees at the border of the yards near the wash have been thinned out, and the area looks uncluttered and well cared for. John said the plan is to clear the area near the pond next year as it has been noted that it is becoming overgrown.

b. Facilities Report (Bob Vogel)

Bob reported no problems with the Clubhouse facilities. He has received some complaints that the doors have been left unlocked. We will put another reminder notice in the Cat Tales Newsletter.

c. Activities Director (Mary Jo Ward)

Mary Jo asked if it would be advisable to have house numbers painted on curbs to help identify addresses. The numbers are not visible at night, and the back units in the quads are especially difficult to identify at night. Single family homes do not have numbers that are readable during the day

or at night. Bob asked if the painter could be asked to put a reflective paint on the numbers for better visibility.

John said the PHA is not responsible for painting house numbers on the curbs, although the City approves. It would be at the homeowners' discretion to hire someone to do the work. It can be a costly proposition. Lilly Fechner (1132 Primrose Lane) asked if she could have a railing installed on her front entranceway. She was referred to Herb to make recommendations for responsible installers. It is important that the railing meet the safety standards currently being used in the construction of homes in the Village at Country Creek. The Association does not provide a list of installers because we would not want to give the impression that we endorse any particular company. John suggested that homeowners use the Nextdoor Website when requesting current information.

65 people attend the Thanksgiving Dinner this year. The same number has signed up to participate in the Christmas Dinner.

In January 2016, the Social Committee has agreed to use Social Committee funds to replace the cushions on the chairs near the entrance to the Community Center and the carpet in the vestibule that is beginning to show wear.

The response to increasing the coffee fee from fifty cents to one dollar has been negative. The Social Committee will revisit this issue.

A Soup Night is planned in January 2016. There will be a charge of \$4.00 per person.

There will be a gathering planned for St. Patrick's Day.

There is a Welcome Committee being established to help new members assimilate into our community. We appreciate the enthusiasm of this group to provide information to new homeowners as they move in. We discussed the suggestion that one of the Welcome Committee members be asked to join the Board so that good communication is established regarding important issues to be presented to newcomers. It would also be beneficial for the Welcome Committee to become familiar with the governance of our Association. John agreed to speak with one of the people he met with recently and ask if she would be willing to serve as a member of the Board.

#### d. Covenants Ombudsman (Dan Colesworthy)

Dan brought to our attention that, according to our Covenants, the Annual Meeting in February is the time we need to elect new board members. A quorum is required to elect a new member, and with 150 member households, we need fifty votes in person or by proxy. Our Covenants require that we replace one third of the Board Members every year. This ensures that more members participate in the activities of the Board and learn how our Association works together to provide an enjoyable and wholesome community experience.

Dan also suggested that we begin to help Association members realize that in a few years, John will turn over the management of the PHA to the members. We need to prepare for and be willing to make important financial decisions ourselves in accordance with our covenants. Establishing a community of people willing to work together for the benefit of the Association is essential to continuing the smooth transition from John, as manager, to self-management by the Board.

e. Treasurer (Dan Colesworthy and Bev Stone)

Dan agreed to work with our new Treasurer, Bev Stone, to let her know the process he has established to review our accounts. We use Sage for our accounting software system. Bev will be provided a copy of the Treasurer's Job Description for her review.

See section 6b for results of Dan's review.

f. Secretary (Lee Beasley)

Nothing to report.

6. New Business

a. Comments about coffee price increase

There has been strong negative reaction from the community regarding increasing the coffee contribution from fifty cents to one dollar. The Social Committee will reconsider this issue.

b. Result of Audit from Dan Colesworthy

Dan presented his review from April through November 2015, which included matching invoices paid with bank statements. He also reviewed the Bank Statements, including Money Market and Savings Accounts, as well as CD's. Dan designed a spread sheet for ease in matching checks with invoices. He reported everything is in order.

Dan suggested better tracking is necessary for maintenance of air conditioning units in the spring, which is paid for by the Association. He said creating a spread sheet by street addresses will make it easier to track expenses and ensure that we are not billed twice for the same address.

John reported we have an Agreement, not a Contract, with Hawks Air Service, Heating and Air Conditioning to service our units in the springtime. Some homeowners choose to use their own contractor for maintenance.

c. Review of Financials to Date

John reviewed, in detail, the Financial Report attached to the agenda for this meeting. We are in a better financial position than last year by approximately \$6,000.

Last year we upgraded the kitchen in the Community Center, and so the building maintenance cost was doubled. Utilities have been lower this year. It's difficult

to identify why they are lower because there are so many variables to consider. When we replaced the variable frequency drive, that may have made a difference. We do not use the time consuming and cumbersome Cost Accounting system to report the services provided by Manuel. Instead, we use the bottom line to assess where we are in our budgeting compared to the previous year. Under our current method, if the bottom line needs to be adjusted, we look at areas where we can cut spending.

Manuel is employed through Express Employment Professionals in Grand Junction. They take care of his payroll requirements, including cutting checks weekly and withholding for taxes. We pay approximately 10% to Express for providing those services. Manuel receives a straight salary. He agrees to work up to 50 hours per week. We keep track of his overtime, and he is paid in comp time for the overtime hours he has worked. Express agrees that this is an acceptable arrangement.

We have accounts with the Co-op, Valley Grown and Western Implement for ease in purchasing.

Mike, who provides snow removal services, will make his final payment of \$2,000 on the equipment he purchased from VaCC by January 2016. We continue to pay the monthly expense for snow removal at \$2,000 per month.

d. Further discussion regarding Budget for 2016-2017.

If there are deficits, as is noted in the financial report for Allocation of Reserve Funds for FY 2016, we need to decide how we will address them. We have the choice to lower our fund projected amounts or we could increase dues. The current allocation report shows a deficit in funding of \$10,916. This amounts to \$6.06 per month, per unit. John requested that we consider how we want to address this deficit in time to discuss it at our next meeting. If we choose not to fund reserves fully, then we will need to consider the possibility of requiring special assessments in the future. An increase in dues of approximately \$5.00 per month per household may eliminate the need for special assessments later. Whatever the Board decides will be presented at the semi-annual PHA meeting to be addressed in the 2017-2018 budget. There would be no increase in dues in 2016. If an increase is presented to the PHA, it must be approved by a majority of addresses present at the semi-annual meeting in February 2016.

John asked that Bev Stone include a Special Assessment Study on the VaCC Website for review by people interested in reviewing our documents. John will provide the document to Bev, who manages our Website.

We will need to include Management fees in our budget after John passes management of the association to the Village at Country Creek membership. This transfer will occur sixty days after conveyance to purchasers of 75% of the total number of Lots that may be created by the Declarant under this Declaration (See Declarations, Article VI – Executive Board, Section 6.3 Declarant Control Period, p. 18). Management fees are typically approximately 10% of total income.

e. Reserve Fund Discussion

John reviewed with the Board the Maintenance Fund Guidelines (see attached Guidelines updated in December 2015) established in 2006. The names of the funds have been changed to better reflect the vocabulary used throughout the documents of the Association. There are descriptions for each Reserve Fund account so that members are aware of how the funds may be used.

It is our policy to invest in low-risk vehicles although we receive a lower return on our investments, because we value the relative safety of the funds. Balances in each account do not exceed the amounts guaranteed by the FDIC.

John said he will discuss funding for the Maintenance Shed at a later time.

f. Transfer Fee charged by Association upon sale of existing home (\$50 is common)

The Board voted unanimously to assess the Transfer fee of \$50 to homeowners selling their homes. This fee is meant to cover the costs of time and energy spent in transferring property from the seller to the buyer.

g. Date for next Board Meeting is Monday, January 11, 2016 at 9:00 a.m.

We also scheduled a meeting on Monday, February 22, 2016 at 9:00 to address any outstanding issues before the Semi-Annual PHA Meeting on Thursday, February 25, 2016.

g. This Meeting adjourned at 11:21 a.m.

Respectfully submitted by Lee Beasley, Secretary