

**Rockwell Farm HOA
Board Meeting Minutes
January 17, 2016**

Board Members Present:

Glenn Coppock, Justin Brown, Rachel Chenot, Ed Saunders, Laurie Varma

Homeowners Present:

Joshua Stidham, Allison & David Maguire, Karen Coppock

Glenn called the meeting to order at 7:01 p.m.

President's Update:

Glenn stated that the 2015 budget was \$50,754, and actual expenses were \$57,107. The budget was \$7,000 over estimated expenses, and another \$7,000 over and above what the HOA took in as 2015 dues. Dues were \$250 last year; the maximum expected was \$44,750.

In October Ed transferred funds from the HOA Money Market account to cover expenses through the next dues season. This was done at the advice of the previous Treasurer; the previous Board authorized an earlier transfer of funds from the Money Market account, making Ed's transfer the second for 2015. The Money Market account was depleted over the course of 2015 from \$30,338 to around \$21,135. A balance of around \$40,000 is customary.

David Maguire asked what the biggest ticket item accounting for the budget overage was. Glenn replied it was the streetlight refurbish. It was needed but not budgeted; utility payback was expected to compensate for some of the extra expense over time.

The Board acknowledged that the Money Market account is funded by initiation fees. This provided for plenty of funds for special projects when the neighborhood was new and more homes were selling. Now we average 8-10 sales per year, which provides a relatively small amount. Karen Coppock, a realtor, said that the neighborhood had 18 sales in 2015. Glenn suggested that the Board consider a \$25 increase in dues, with the \$25 per home going straight to the Money Market account; he wants to bring the Money Market balance back up to \$40,000. Ed said this plan would provide approximately \$4,500 in initiation fees this year. Glenn asked whether we had any outstanding 2015 dues still to collect; Ed and Laurie said that there were at least two. Glenn suggested budgeting for 10 sales this year.

The budget overages and draining of the Money Market account results in the need to put off addressing the previous Board's recommendations to repair cracks in the pool and replace the pine trees at the front entrance.

Glenn stated that in the next 6 months, the Board should identify prospective new Board members and speak to them; two Board positions will be open in October 2016. Laurie stated that in the past, in the fall, Board members divvied up calls to prospective nominees. Sometimes new homeowners (i.e., in the neighborhood 2 years or less) were identified and called; sometimes the streets were divvied up, and Board members called everyone listed in the Neighborhood Directory.

Grounds Committee Update:

Justin presented the Evenly Cut proposal for 2016.

The contract has grown over time; it survives as several docs up to this point. Evenly Cut has prepared a single document for us. A new contract will be rewritten in the next few months.

Glenn pointed out that the information includes routine maintenance and no special projects.

Justin followed up with Petree for advice on whether we need to replace all the pine trees at the front entrance, per the previous Board's recommendation. He expects to meet with a Petree representative named Nathan on Tuesday. Nathan doubts all trees are dead; Petree has done this work for a number of subdivisions. Petree will guide us on all options. The quote the previous Board received involved "premium" service, including cutting down all trees and grinding/removing stumps.

Glenn reminded the Board that we have the option of a phased approach. The 2016 budget proposal that the previous Treasurer prepared shows \$11,000 for the tree job.

Ed stated that we could save costs by cutting stumps and covering them with pine straw rather than grinding them down. Glenn and Ed discussed doing some of the work ourselves or holding a neighborhood-wide work day.

Allison Maguire asked how the proposal came about...were trees dying, and why? Ed said our understanding is that the issue is the age of the trees. Pines have a lifespan of 15-20 years.

Pool Committee Update:

Rachel stated that she will pursue three proposals for janitorial services during the swimming season: the person the previous Board switched to, the previous provider, and one other she has received as a recommendation.

The pool needs repair. The previous Board quoted \$14,000 for the repair. Quality Pools has suggested that a patch would be acceptable for a couple years. It would cost \$1,000. Quality Pools would like to install the patch right before the pool opens.

Rachel pointed out that if we wait until opening, we can't get three bids. Pursuing bids in April would delay pool opening and services would be booked. Quality Pools wants to be on the schedule in next 30 days.

Rachel recommended to the Board that we install the patch to carry us through this summer and get the resurfacing bids in the summer when the pool is open. The Board agreed. Rachel can be onsite to view the spot that needs the patch to be sure it's needed. She requested Ed include the \$1,000 patch as a line item in the 2016 budget.

Rachel stated that the previous Board suggested there might be a leak in pool; she thinks it could be in the pool house. Ed said water usage has been 0 gallons for pool house water for last 2 months.

David said years ago there were leaks, gaps in tile; repairs done at that time seem to have lasted about 10 years given the timing of the recommended repairs. Glenn said these kinds of predictable periodic items should be budgeted for.

David pointed out that the new pool chairs (bought in 2015) are not sturdy; people could get hurt if they break while they are sitting in them. Laurie pointed out that they are flimsy and may continue to break; at least two broke last summer.

Treasurer:

Ed prepared the 2016 budget for this meeting based on \$250 dues; our budget is approximately \$41,000, based on expected routine bills. Dues of \$275 would bring in \$49,225; \$250 dues would bring in \$44,750, which Ed thinks is tight if expenses are \$41,000.

The pool house phone service is off now, but we may need it during the summer. Rachel will look into whether we need phone service during the swimming season.

Ed stated that 2 years ago, dues notices went out on March 1, and dues were due on Mar 31; in 2015 dues notices went out on January 1, and dues were due on February 1. Glenn said our bylaws quote a December due date; Rachel said she believes there was an amendment adjusting that bylaw and offered to locate it.

Glenn stated that he wants dues notices to go out on February 1. Ed said that 2 weeks isn't enough lead time for him to prepare the notices. He wants to send out dues notices out on March 1.

Karen said our dues are a lot lower than other similar neighborhoods; she suggested we might want to consider an increase. Most of the neighborhoods with higher dues have HOA management companies.

Glenn said he doesn't want to raise dues past the allowable 10 percent, requiring a vote and justification to homeowners. David Maguire responded that this is a good time to address an increase due to the evaluations that have taken place, issues with trees and pool repairs, and last year's problems. Glenn stated that he wants to present higher dues next October.

Allison pointed out that special assessments can be done for a crisis or large special project.

Justin said the Board should focus on communication with homeowners. Glenn said that we will assess the need to raise dues yearly. Dave said that we could increase dues for a specified amount of time, then shorten the timeframe if finances become comfortable sooner.

Rachel suggested including a budget explanation to go with the dues notices, presenting the status of our finances in layman's terms. Ed and Glenn will craft a statement.

Glenn stated that the extra dues and initiation fees would bring in \$8,000-9,000 in 2016.

Karen suggested raising the initiation fees rather than dues, as well as putting down on paper the special long-term items we know are coming.

Ed's last comment addressed overdue 2015 dues and late fees on a Willowcrest house that is on the market. The owners owe \$200 to the HOA. Ed contacted them and got a letter back saying they had arranged with Walt to pay in installments (roughly quarterly); they referenced difficult circumstances and that they got no recent billing to say what they owe. They offered to pay \$50 checks in three installments to pay \$150 by the time 2016 dues are due. Ed told the homeowners we would be voting tonight about putting a lien on the house. The homeowners didn't recognize late fees of \$50.

Laurie suggested dictating the first check date, or all three, because they said they would pay by the due date for 2016 dues. Ed said we could suggest due dates each 2 weeks apart. Glenn directed Ed to watch the sale and collect at the time of sale.

Secretary/Social Committee Update:

Laurie asked whether any of the HOA areas of concern needed homeowner help. She will send out a request for help in the near future.

Some areas of help include Decorating Committee and Neighborhood Watch block captains. Laurie will check in with those homeowners originally listed as block captains 3-4 years ago and update the listing.

Rachel said she could use volunteers to keep an eye out for issues when they are down at the pool and report them. Allison agreed to be a back-up for Rachel.

Laurie is welcoming new neighbors, passing new owner info to Ed, updating the Neighborhood Directory, web site, and Facebook page.

The Egg Hunt is scheduled for March 20th, and the Neighborhood Sale is scheduled for April 23rd.

Neighborhood Beautification votes for the grand prize winner will take place by email. Glenn asked all Board members to look at the three quarterly-winner houses in the next few days so that we can vote in the next week. Laurie will initiate the email vote.

****By email, Rachel agreed to buy envelopes and stamps and take the dues notices package to Copies N More. Laurie will print address labels and give to Rachel. Ed will print the dues notices and give to Rachel.****

****Laurie requested that Board members having recently departed predecessors ask their predecessors for their set of keys, if they have not already received them.****

****Laurie requested that Ed put a line item of \$152 on the 2016 budget for four quarterly newsletters, as well as a line item of \$275 for this year's payout for the Neighborhood Beautification contests (one quarterly prize and one grand prize).****

Discussion items:

The Board briefly discussed strategies to fill open board positions. Glenn suggesting calling on anyone who we think would be a good candidate and talk to people at our social events.

Allison suggested calling people who were at the special meeting in September.

The Board approved a \$25 increase for 2016 dues. Laurie asked when, how, and from whom communication would go to homeowners informing them of the increase. The Board decided that homeowners will be informed of the increase when they receive their dues notices.

Glenn adjourned the meeting at 8:12 p.m.