

PARK WEST COMMUNITY ASSOCIATION
Board of Directors Meeting
Tuesday, September 20, 2016

Location: Robinson Secondary School, Room 505.

Directors Present: Art Gile, Mark Griffin, T. J. Hanton, Rich Juchnewicz, Steve Lubore, Joan Murphy, Matt Strain, and Joe Underwood.

Directors Absent: Masha Stoyanova.

Guests: Susan Underwood (Hospitality Chair / Block Captain Coordinator), Lori Randall (Summit Management Services Community Association Manager), and five residents.

Call to Order: The regular monthly meeting of the Park West Community Association Board of Directors was called to order at 7:04 p.m. by the Board President, Mark Griffin with a quorum present.

Agenda Changes/Approval: Under New Business an IRS Resolution has been added. A hard copy was distributed.

Open Forum: No open forum issues were brought up by any of the attending residents.

Approval of Minutes: A motion was called for and seconded that the August meeting minutes be approved as amended. The motion passed unanimously.

Contractor Presentation: Mark introduced Walter Rowe, Summit Management Services Senior Accountant. Walker explained our four major monthly financial statements and talked about our investments. The Board asked questions regarding the interest that we earn on our securities and how that interest is accounted for on the statements. Curtis McGiffin advised that the Board makes fiscal decisions based upon anticipated interest. The Operating budget is based on member's quarterly dues plus the interest earned on our securities. Where the interest is shown on the statements is confusing since it is a different accounting process than we have worked with in the past. The Board discussed building the Operating budget by using only the assessments with the interest directly applied to the Reserve account.

The Board discussed 2017 expenses. Phases Two and Three of the Asphalt Rehabilitation project is scheduled for completion in July 2017. Mark reported that we may need a special assessment to pay for this expense and still have funds in the Reserve account to cover emergencies. The industry recommendation for Associations with our capital requirements is to maintain \$100,000.00 in the Reserve account to cover emergency or unanticipated expenses. The Board discussed the options. The Reserve Account could go down to zero. We could withhold payments to contractors assuming the risk that the contractors may stop performing services and sue for damages for defaulting on existing contracts. We could let the account go to zero and

react after an emergency occurred. Mark prefers to do the special assessment in an organized manner. He presented three options:

1. Approximately an \$800 special assessment per unit. No increase in quarterly assessments.
2. Approximately a \$700 special assessment per unit and a 10% increase in quarterly assessments (\$280 per unit per quarter).
3. No special assessment and a 10% increase in quarterly assessments for each of the next five years.

The covenants allows a 10% increase in dues each year without having a member vote. Several members of the Board agreed that they did not want to be at zero dollars in the Reserve account. They questioned how long would we be at zero dollars. According to the current Reserve funding model the Reserve account would be at or below zero for one quarter and by the end of 2017 would have a projected balance of \$14,000. This assumes that we have no unexpected expenses. Joe suggested increasing the dues 10% and pursue financing options. Mark asked that we have a Board member pursue obtaining a loan with Wells Fargo. Steve offered to contact Wells Fargo.

President's Report: No Report.

Secretary's Report: No Report.

Treasurer's Report: Steve reported that he sold two securities.

Manager's Report: Lori reported that she has not received the required request form back from a resident that requested records. The resident questioned the costs to the Association for this information. Lori has started a spreadsheet to identify which documents requested are immediately available as opposed to in storage. There is a revised draft of the Resolution, "Regarding Policies and Procedures for Responding to Requests for Examination and Copying of the Association Records" in the Board package.

Lori referred to the ACC hearing spreadsheet enclosed in the Board package. Five accounts had charges applied for inclusion in their fourth quarter invoice.

Lori reported on a request for a note taking service. One quote obtained for a minute taking service is \$200.00 up to two hours for a minimum of six meetings per calendar year and a \$5.00 per page transcription cost.

Lori talked about the annual meeting documents enclosed in the Board package.

Committee Reports: The President requested committee reports as necessary.

Architectural Control: Art reported on the fall architectural inspection – first letters will be mailed on September 30th.

Communications / Webmasters: T.J. reported on the new website and the current newsletter. He sent a draft newsletter to Mark and will forward that to the Board.

Environmental Control: Matt reported on the hang tag process. Some of the hang tag violations were not reviewed in time to take further action.

Parking: Joe reported that requests for parking permits are quieting down. He stated that he has one issue with an owner that the Board will discuss in an executive session.

Pool: Rich reported that the pool covers were put on this week by Atlantic.

Streets and Sidewalks: Pro Pave started on Phase One of the Asphalt Rehabilitation project.

Hospitality/Block Captains: No Report.

Unfinished Business: The request to approve spending the remaining funds for tree maintenance was tabled until next month.

Mark reported on the Asphalt Rehabilitation project. A letter was distributed to those residents that will need to move their cars. He advised that he signed off on additional work. Pro Pave discovered there was no sub-surface under the sidewalks. There is a lot of dirt to dispose of and Mark is trying to figure out how to use the dirt to fill in the places around the community.

The Board discussed the railing on the wood fence along the foot path near Carriagepark Rd. **Steve motioned that we replace the railing with a metal railing. Matt seconded the motion and the Board discussed. The metal railing will match the tot lot footbridge railings for a more unified look. The motion passed unanimously.**

Mark reported that he has received more requests for an electric vehicle charging station.

The mailbox replacements are on hold until we have a clear picture of our finances.

New Business: The Board discussed a proposal for erosion control. **Matt motioned to accept the bid to do erosion control on Carriagepark Road not to exceed \$2500.00 out of Reserve funds. Art seconded the motion and the Board discussed. Steve and Joe opposed the motion to pay out of the Reserve account.** Walker Rowe advised that the Reserve Study states that erosion control is a Reserve expense within the Storm Water Drainage System Allowance line item. **The motion passed with two opposed.**

Joan reported on the Chili Cook Off that is scheduled for October 29th at the pool. Halloween activities and prizes are planned for the children. There is going to be an organizational meeting for this event next week.

The Board reviewed the following resolutions:

Policy Resolution Regarding the Investment Policy of the Reserves. **Joe motioned that we approve this Resolution and add the phrase, “and other appropriate accounts” to 3. Guidelines for Reserve Investments, XI Money Market Funds insured by the FDIC. Matt seconded the motion and the Board agreed unanimously.**

Policy Resolution Regarding Policies and Procedures for Responding to Requests for Examination and Copying of the Association’s Records. **Steve motion to approve this resolution. Rich seconded the motion and the Board agreed unanimously.**

Association Resolution for Annual Revenue Ruling 70-604 Election and Tax Filing Classification. **Mark motioned to approve as written. Art seconded the motion and the Board discussed.** Steve recommended that we get a ruling from the auditors. Walker Rowe said that this is required annually by the IRS and we must be in compliance before we prepare our tax returns. Joe moved to table this until the October meeting.

At 9:10 p.m. the regular session was adjourned and the Executive session was called to order at 9:11 p.m.

Executive Session: The Board discussed a parking issue. A guest pass was lost or taken by a previous tenant on Carriagepark Road. This is the second time this residence has lost their guest pass.

Executive Session Adjourned: The Executive Session was adjourned at 9:20 p.m.

In the Executive Session **Joe motioned that we reissue another guest pass for a fee of \$100.00. If the lost guest pass appears on a vehicle in our community, the residence will lose all parking privileges for sixty days. Steve seconded the motion and the Board approved unanimously.**

The next monthly Board of Directors meeting will be held on October 18, 2016, at Robinson Secondary School.

At 9:22 p.m., **Mark moved and was seconded to adjourn the Board meeting. The motion passed unanimously.**