

MERIDIAN VALLEY MAINTENANCE ASSOCIATION
MONTHLY BOARD MEETING MINUTES
June 10, 2015

CALLED TO ORDER BY PRESIDENT Frank Wisdom at 7:00 p.m.

ATTENDANCE: Frank Wisdom, Jack Ottini, Eric Zerr, Jan Lewis, Roger Wall, Mike Rucker,
and Cheryl Havener
Guest: Nick Sutton
Absent: Brian Goodell

PREVIOUS MEETING MINUTES: Approved as written

TREASURER'S REPORT: Brian Goodell – absent – report distributed

- Financial performance is favorable through May 2015. Revenues are on budget. Expenses are on or below budget to date. Reports are available for review and discussion.
 - We anticipate unbudgeted expenditures for later in the year.
- Five homeowners have not paid dues on time. This represents about \$2,000 in revenue to the association. All have been contacted by phone or in person:
 - Two made commitments of full payment by May/June (Lot 96 & 267).
 - Two have asked (hardships) to make periodic payments for the year (Lots 173 & 274).
 - One property is being transferred to new ownership or is in foreclosure (Lot 205).
- Federal income tax forms are partially completed. Lowlights include:
 - We have filed for an extension and submitted a \$10,500 payment of estimated taxes to the IRS. We have a choice of filing as an HOA or a business.
 - IRS form 1120H appears to be our better option. This is a filing specifically for HOAs as it taxes only dividends, interest, and realized gains on our reserve fund @30%, not our operating income. Total tax on form 1120H would be \$6,193.
 - IRS form 1120 (standard business filing) would tax our net operating income @15%. We are waiting for Shannon to show us their work product for a useful comparison.
 - Plan is to leave the overpayment with the IRS for safe keeping until next year.
- Investment Committee met in May 2015. Their findings and recommendations include:
 - Total reserve funds are approximately \$460,000 in equities and fixed income securities. This is consistent with the long range plan for yearend 2014.
 - Asset allocation plan is 60% equity and 40% fixed income. We are currently high on fixed income securities relative to plan.
 - The Committee recommends:
 - Contribution to reserves for 2014 should be \$28,000. Funds are being held in savings. An additional \$13,000 is being held in the Vanguard money market fund.
 - Rebalance our asset allocation for 2015 by purchasing an index fund – Vanguard Total Stock Market Index Fund Admiral Shares (VTSAX) – with cash of \$40,000.
 - Continue with our “ladder” of fixed income CDs by adding a \$10,000 “step” at 5-7 years when one of our CDs matures in August 2015.

- Treasurer concerns:
 - Truck maintenance expenses are running high. We should discuss the appropriate time to replace this asset. Report on truck related expenditures will be ready for next month.
 - Many projects have been discussed as a follow up to the security and safety meetings held this year. Rather than take them one at a time, could we list them in a reasonable priority for planning purposes. High cost examples: increasing the height of the barriers at two of our gates versus setting up a real time video monitoring system for those same gates. What does each one cost and what is the time line? What other projects might give us more security for the same or less money?

COMMITTEE REPORTS:

FACILITIES: Jack Ottini

- Gas line repair is finished on S.E. 254th Street. Patches in roadway will have a final patch within 60 days.
- Photo cell for lights is out, Jim Marter will fix.
- Barbwire reported down on one lot. Also, fence needs some work on the north end where trees come into our property. Trent will fix both if possible.
- Four reflectors are missing.

SECURITY: Eric Zerr

- The June 2nd Safety Fair was a hit and I wanted to thank Janet and Kim for all their hard work. Kim put in a lot of off time getting this together and I want to make sure she gets compensated. When I get the hours I will inform the Board and draw up a letter granting her a “project bonus” for this work.
- Kim and I have decided on a vehicle sticker for residents. I have an example at the guard shack for other Board members to look at and comment on. I think they should be placed in the lower driver’s side windshield area (exterior). \$540 for 2000 of these stickers.
- Nick Sutton, our IT guy, has asked the Board to look into upgrading our DSL line so that we can fully use the ability of the installed camera and recording system. This way the Guards can watch video in real time from the gate cameras and utilize the existing cameras as motion sensors to pick up unwanted activity.
- To better utilize the Guard’s Office space I suggest that we have 3 work monitors located on the desk and a TV placed on the existing monitor mount in the upper corner of the shack. This would involve buying a 17” monitor and a 32” TV. All the wiring is in the shack. The working space would change by moving the printer from the front desk to the wooden stand and getting rid of the old CRT TV. Better work flow and would only cost us the price of two electronic items.
- Nick suggested we cut a hole in the wooden desk, down by the guard’s feet, so that the enclosed computer equipment can cool down (maybe a fan).

MVCC: Mike Rucker

- The Club is sending out a ballot to vote on whether to move forward with the hole 4 and 5 changes.
- Will soon have the number of people who live in MVCC and also belong to the Country Club.

COMMON PROPERTIES: Jack Ottini

- The common properties were in good condition for the Washington State Open.
- Two types of grass plants will be added at the main gate.
- Craig Benson is hooking up a water outlet for MVMA to use along 144th at the south end.

ARCHITECTURAL: Roger Wall / Jan Lewis

- We have handled over 20 project requests since our last meeting. Full range of roofs being replaced, houses painted, windows replaced, trees removed, landscaping done, gutters installed, etc.
- We have discussed, used, and followed up on the following language concerning outside projects:
 - The normal hours and days of work on Outside Projects (For example: roof replacement, painting, deck repair, tree removal, landscaping, construction, etc) by Contractors is 7:30 am until 6:00 pm, Monday through Friday. Saturday work requires prior coordination and approval with us. We do not normally approve work on Sunday. Holiday work on Outside Projects by Contractors will be considered on a case by case basis. Anyone requesting outside work by a Contractor on a Holiday will be responsible for coordinating with your neighbors for concurrence prior to contacting the Architectural Committee. Upon being advised of the status of concurrence by the neighbors, the Architectural Committee will then make a decision on the Holiday work request and advise the requestor.
 - M/S/P for the above Policy to be placed on MVMA Web Site concerning Hours of work for Contractors on Outside Projects.
- Jan read the proposed policy to be placed on MVMA Web site concerning Information for Realtors; copy in file.

PRESIDENT'S REPORT: Frank Wisdom

- The next newsletter will be sent in July. All articles should be submitted by July 3rd.
- All Board members should be actively looking for residents to run for the Board.

MEETING ADJOURNED: 9:35 p.m.

Minutes prepared by Cheryl Havener