

**MERIDIAN VALLEY MAINTENANCE ASSOCIATION**  
**MONTHLY BOARD MEETING MINUTES**  
**November 11, 2015**

**CALLED TO ORDER BY PRESIDENT** Frank Wisdom at 7:03 p.m.

**ATTENDANCE:** Frank Wisdom, Jack Ottini, Brian Goodell, Roger Wall, and Cheryl Havener  
Absent: Eric Zerr and Jan Lewis

**PREVIOUS MEETING MINUTES:** Approved as written

**TREASURER'S REPORT:** Brian Goodell

- Financial performance is favorable to budget through October 2015. Reports are available for review and discussion.
  - Revenue from dues and other sources is at budget.
  - Expense highlights:
    - Guard pay costs are under budget but will be close to budget by year end.
    - North and south gate improvement projects are anticipated to cost over \$20,000. [This will result in our gate expenses being over budget for the year.]
    - New windows for the guard house will be installed this month.
    - Reconfiguration of the gate camera systems (budgeted) is not complete and will be in part a 2015-2016 project.
    - Other expenses are projected to be at or below budget through year end.
  - Cash position:
    - We have adequate cash for projects under discussion for the remainder of this year. Our estimated year end cash for 11/30/2015 is ~\$55,000 prior to the planned contribution of \$28,617 to reserve funds.
    - Projected cash on hand at year end is \$26,248
  - History:
    - Our usual beginning year cash ranges from \$25,000-\$45,000.
    - Our beginning cash for 12/01/2014 was ~\$52,000 in part because we did not complete projects budgeted for 2013-2014 and we delayed contribution of \$25,000 to the reserve fund.
    - We chose to raise dues to \$800 for 2014-2015 in anticipation of these delayed projects and our new status as a “for profit” corporation paying (an unknown amount of) Federal Tax. [Tax bill ended up at \$6193]
- Reserve funds are \$476,851.81 and near target for 2015 (as of October 31, 2015).
  - Fund balance is slightly up from a year ago.
  - Plan to transfer \$28,617 to the reserve fund as our cash position permits in January

- Goals for Remainder of FY 2014-2015: Identify probable operating expense increases and projects which will/should be implemented in 2016. Estimate the cost.
  - Cleaning storm drains: Last cost (actual) was ~\$15,000. (Necessary)
  - Repair asphalt cracks in road system. Estimate ~\$20,000 (Necessary)
  - New windows for guard gate: Estimate \$2200 (Necessary but could be completed during FY2014-15)
  - Reconfiguration of the gate camera system: No estimate yet. (Necessary)
  - Replace truck: Estimate \$25,000. (Optional)
  - Add flower boxes and water to main gate signs: Estimate \$2000. (Desirable)
  - Cash flow for landscape and other liens: 2ea @ \$1000 (Necessary)
  - Estimate 1-3% increase in some operating expenses.
- Audit Committee
  - Met October 21, 2015 to review current financial performance, and budget options for 2016. Report of the committee is attached.
  - Recommendation: Raise annual dues to \$825 (+3.5%) or more to cover new or necessary improvements and expected increases in operating expenses.
- 2015-2016 Budget (Draft) Assumptions:
  - For operating expenses
    - Increases in some expense accounts of 1-3% including utilities and services
    - Expected HOA-wide ballot for MVCC housing development
  - For large projects to be completed in 2015-2016
    - Clean storm drains (~\$15,000)
    - Repair asphalt cracks (~\$20,000)
    - Complete upgrade of guard house A/V systems (~\$3000)
  - For contribution to reserve fund, year-end cash permitting
    - 8% of dues less cost of cleaning the storm drains (~\$14,500)
- M/S/P to submit the proposed budget to the General Membership at the December meeting.

TREASURER'S COMMENT TO THE AUDIT COMMITTEE AND BOARD:

- There will be a "perfect storm" of projected increases in operating expenses and cash required for new (necessary and/or required) projects in the next budget year 2015-2016. This includes ~\$20,000 for asphalt repair which became a project after our Audit Committee meeting.
- A dues increase of \$50 (~5.8%) adding ~\$20,000 to cash would be required to complete all currently anticipated projects and still leave us with our usual year end cash. As some of the budgeted expenses are "guesswork" and may come in lower, it is feasible to limit the rate increase for 2015-2016 to \$25. It should be clear there will likely be a need for another \$25 in 2016-2017.

- The attached spread sheet which displays both rate increases and our current (November 11, 2015) expense estimates for next year.

## **COMMITTEE REPORTS:**

### **FACILITIES:** Jack Ottini

- The south gate is scheduled to be installed starting on November 18<sup>th</sup>. The barbwire will be installed on both gates after that.
- The low bid of \$18,000 plus tax was received from Lind Paving for crack sealing our roads. Work will be scheduled in early 2016.
- The low bid to replace five windows in the Guardhouse for \$2,080 was received from Skansell Glass. They are to complete the job by December 1<sup>st</sup>.
- Guardian Security performed their quarterly check of all gates last week. Most of the work was done on the north inbound gate.
- The Guardhouse had several maintenance items that were fixed:
  - The small refrigerator was replaced.
  - A first aid kit was purchased.
  - The rear view mirror was lowed.
  - Lights and wiring were fixed.
  - Door hinges were adjusted.
  - Insulation has been added.
  - The gutter has been fixed after being hit by a truck – we will be reimbursed.

### **SECURITY:** Eric Zerr

- The ongoing issues with the residents and family at Lot #269 have been resolved. Now the only people coming to the address is a string of contractors working on the interior of the home.
- Comcast has updated all of our modems and we are now getting a robust feed from both gates. This will enable us to put in better cameras at the gates, if we choose to do so.
- Most of the updates to the systems in the guardhouse have been completed and they now have double the work space and more monitors to keep track of the video and resident information. Nic will finish moving a few switches for the gates on Friday then the updates will be completed.
- The resident at Lot #231 has asked for, and been given, overnight parking passes to accommodate relatives coming over to help deal with a medical emergency. We will be monitoring this to make sure it isn't abused; Kim and the guards are in constant contact with the resident.
- Several residents have reported street lights out in the neighborhood and Kim has filed online reports with PSE to get them fixed. Some of these were filed months ago, but nothing has been done to this point by PSE.
- I will talk with Brian about how we are doing on our budget to see if any random patrols could be scheduled during the holiday season to make sure we are proactive in thwarting another round of delivery thefts.
- I spoke to Sam Shirley and he stated that he would forward a Bio to the Board and will run for a position.

**COMMON PROPERTIES:** Jack Ottini

- Trent and his crew are working hard to keep all areas clean. They are checking catch basins every week to keep them open.
- The sprinkler systems are turned off and water blown out of the lines for the winter.

**ARCHITECTURAL:** Roger Wall / Jan Lewis

- Fourteen requests were processed.
- Drafts are being worked on for the “Dog Walker Policy” and “Notice to Real Estate Agents”. A draft letter to a homeowner concerning the request policy was reviewed.
- A real estate agent asked about nets on the fairway homes, she will be told they are not allowed.

**PRESIDENT’S REPORT:** Frank Wisdom

- Discussion was held concerning the Security Guard’s end of the year bonus. M/S/P to give the same amount as last year.
- All newsletter articles are to be sent to Cheryl as soon as possible.
- The election ballots will be mailed November 16<sup>th</sup>.
- The next meeting will be December 2<sup>nd</sup>. We are not sure if the club house will be open.

**MEETING ADJOURNED:** 8:27 p.m.

Minutes prepared by Cheryl Havener