

TC HOA Board Meeting

9-20-07 6:00 PM

Participants: President South, Gayle Voyles, Cynthia Selder, Jennifer, Ken Patrick, Judy Brewster, Jennifer Nearing, and John Clock.

President South called the meeting to order.

- Record for the minutes votes by phone or e-mail:
- Painting and wood-rot repairs to the maintenance building prior to this meeting.
- Approved emergency phone, and it has come in; removal of pay phone and installation of the new phone is scheduled for Sept. 26, 2007.
- 2008 budget- bids for security camera will be included—John is working on this.
- Camera by the workout room, pool area, and business center. What liability is involved with having surveillance camera? Purpose: documenting vandalism done on community's property. Careful NOT to market it as security system.
- Bids on replacing yield signs with stop signs. Cynthia spoke with City of Leawood; someone is going to try to stop by tomorrow to provide the specifications required by the city. Any sign changes at all must be approved by the City.
- Put to bed, the Patti Fogerty issue; all board members have seen the letter that was sent out to Patti.

August financials: Any questions?

Linda South said she had several:

Page 2 – Clubhouse Expense \$3,500 and we budgeted \$3,200.

John explained that the difference is because of the expenses of exercise equipment repairs.

Page 3 – Misc. Expenses; 2nd Item – Furniture Rental – seems low; we have rented chairs twice. Cynthia explained that the chair rental expenses were listed under clubhouse expense.

John's Financial Report:

Total Income YTD – \$528,748; Total Expenses YTD \$595,422; we've spent \$66, 674 more than we made. If following the budget's projected income for remainder of the year, and maybe \$211,000 additional expenses. We probably will be off by \$10,000 or \$15,000. We will end up dipping into reserves; under the circumstances we have done fairly well. At least we have made major improvements across the property.

Delinquency Report –

President South explained that for the last three months (since June) there had been duplicate names on the list. Linda's concern was that we got reports in June and July that indicated a homeowner's delinquent payment had been paid and taken care of, but it appeared again the next month.

President South then explained that according to home office a homeowner is listed as delinquent, but the homeowner shares that she has paid it. The homeowner has bank records that say one thing and the management company's records say something else. Cynthia shared that the homeowner refused to provide the bank documentation to The Tiehen Group. Ken said that it isn't worth alienating a homeowner over \$17.00. President South assured the homeowner that the delinquency sheets had been marked off each month. If the homeowner's paid October's dues it shows as paid. John said this was a timing issue. Remember, we are looking at *year to date, through August 31st*- on Sept. 20th – people have paid or not paid through the end of August. He added, when I come to a meeting I ask accounting to give me an updated list; that indicates additional payments. This really was set on the books from two years ago; the amount was too small to go after. When homeowners pay dues on the first of the month it goes to outstanding debt. Ken: If we have a one-thirty day category that shouldn't be true. It seems that there is still a \$17 delinquency each month. However, it isn't more than 30 days past due. John explained that the accounting issue was because we're into Sept. but the report is for August.

Ken: What do we need to do to make this homeowner happy?

John offered to call and explain the situation and apologize to the homeowner. Cynthia said she would give John the homeowner's phone number.

Judy: We send out notices; paying for the mailing. Would it make sense to just eliminate anything under \$25? Linda thought phone calls to the individuals might take care of their delinquency status.

Judy: Questioned the \$125 over 90 days; the person ignores Cynthia's voice mails (26H).

John: The person owing the most money; his court date is Sept. 27th. His unit is for sale. He made a plan for paying off his debt, but ignored. The attorney said since he failed to follow the previous plan, his advice is that the Association will not garnish his pay or bank account as long as he pays *on time*, equal payments over the next six months, monthly on top of his current dues. **The board agreed to allow him to do this.**

Homeowner Request: Gerald Clambors as a vendor for technology services. Cynthia shared that in 2006, the total related services equaled \$483.89 for computer repairs, which were on a "will call" basis/3 calls. From Premier; Page 2; number 13. Hourly fee was \$60 an hour. During 2005, the invoices of related expenses totaled \$494.65.

President South: Gerald's request included a total cost of \$7,000 a year. Obviously we haven't been spending that much. Cynthia's suggestion: Maintenance Plan – he could come make sure no one has done something they aren't supposed to do.

Linda: You would call, and John would approve, if Cynthia thinks the business center computers need a maintenance check.

Ken: I'd rather have a company independent of the community.

John: We could spend \$600/year without having to file a 1099.

Linda: Do we want to try using Gerald, on a basis of only when called upon, for \$40/hour?

Ken: I think there is a lesson we have to learn; this is the second time, remember the package lady volunteered and then this volunteer wants to be paid for more services than we need. Long term, we need to learn that volunteer status needs to be clearly communicated. If they do volunteer work that is what it will always be.

Other thoughts? Judy: We could stop it now, or we could level it off for the remainder of the year. Judy cleaned up cookies in the business center and looked at Cynthia's computer; the crash was really the computer locking up. Once this starts the computer will die. So, Judy shared that for \$500 (after rebates) you can get a new computer that could do the work that Cynthia's computer currently does. Any new machine would have a two-three year warranty and you wouldn't have any expenses when something goes wrong. I don't know what the budget for computers is, but the business center's computers run really slow. The one with Vista runs really slowly. Gayle shared that she also thought it might be better to invest in a new machine.

Linda: Should we table this and come back to this issue, and finish important information? Board members agreed to table the issue.

Seal Coat bid – Was the seal coating included in our budget for 2007? **Yes (?)** John has talked with other complexes that used Midwest and all of those using Midwest were very pleased with their work. John was impressed with their references. Tiehen Group primarily uses McConnell; but we've had trouble getting them to respond to our calls, so that is why we chose MidWest over McConnell (they were the two lowest). John would like to recommend that we try MidWest. Earlier part of October is filled, but if we approve tonight the third week of October should be ok for doing the work. The work needs to be done, but could wait until next year. Bid totals a little over \$15,000; \$21,000-\$25,000 IF we include the driveway repairs. John did visit with the Better Business Bureau and confirmed that MidWest was in good standing. **The board unanimously approved going with MidWest.**

Directory Issue – It doesn't cost us anything; people can pick them up in the office. Mailing was speaking of sending it out to off-site owners. Update sheets are about to be mailed out (from The Tiehen Group). Our new policy is we don't want things hung on the door. On site owners could pick them up in the office. Cynthia could call the off-site owners.

John Clock – **2008 DRAFT Budget – The board's guidance and input is requested:**

Notice – The budget does not include a dues increase and there is a legend at the bottom of the page.

Time Warner payments stop in May. John has contacted them and they should get back with him regarding whether they would offer the same deal.

Goal for 2007 – Redo Bylaws and Distribute – John wondered if it would be this year or next; so he'd know how to budget the related legal expenses.

Payroll for Cynthia and Bill: Jim Tiehen has been in Europe; the draft budget reflects current level of pay.

Snow removal – budgeted amount doubled

\$16,000 for irrigation repairs

Next page, legend explains – money for flag pole

Insurance may not increase and may actually decrease in the process of getting competitive bids

Back page – Reserve - \$3,000 reserve –treated as an expense

Tennis Court – money for that, plus other asphalt work throughout the property

Money for new pool furniture

\$15,000 for painting the pool

\$2,500 is budgeted for income tax.

\$8,000 for siding repair – Paul thinks maybe just a few thousand dollars for
\$251,000 Legal and postage and Cynthia and Bill's wages – would increase this.

If we signed Time Warner we would probably be able to balance. John will continue getting information to help us finalize.

August repairs – John thought we had to make the repairs before the system was shut down. Landon said some should be done, but not all would have to be done before the system was shut down. John thinks it is important to do, but doesn't have to be done by November.

The board unanimously approved making the necessary irrigation repairs that need to be done before the system is shut down.

Replacement on the Covenants Committee: Let's table; meet in two weeks to finish our business. President South will propose possible meeting dates.

**TC HOA Community Meeting
September 25, 2007
7:00 PM**

Approximately 25 homeowners attended the September meeting.

I'd like to introduce our latest board member, Judy Brewster. Welcome to Judy; she is already hard at work.

The minutes of the previous HOA meeting were read; a motion was made and approved (by those present) to accept the minutes, as read.

John Clock gave the financial report:

- Total Income year-to-date was \$14,460 more than anticipated.
- Administrative Expenses were \$1,551 over budget as we paid \$2,001 to attorney Blackwell Sanders.
- Service Contracts' expenses were \$2,325 over budget as we paid \$3,642 to Raintree for fountain and pond work for the past three months. The association is still under budget year-to-date for fountains.
- Repairs & Maintenance Expenses were \$4,782 over budget, as we paid JB Cub the final \$3,080 of their concrete job, and paid Bordners \$3,967 to repair 6 roofs.
- Utilities' Expenses were \$6,944 over budget due to water & sewer. You are still under budget for water year-to-date.
- Non-Operating Expenses: We paid The Painting Division \$29,868 for painting and \$2,350 for wood & siding replacement.
- In summary, Total Expenses year-to-date were \$11,523 more than anticipated and Net Income year-to-date was budgeted to be a loss of \$69,611, but was only a loss of \$66,674.

We should be in much better situation next year, assuming no new big problems pop up. It still looks like we're in the \$15,000 - \$20,000 range. A major snow storm could mess that up, but that's the story. The board just approved seal-coating the driveways; we have a new company that gave us a good bid; the work should be completed the third week of October. President South: For clarification: The driving lanes –driveways, parking stalls, parking spaces will come next year.

Homeowner Questions: Why is revenue higher? John Clock: You are making more in bank interest. I try to keep most money in money market; we transfer money back and forth in order to maximize homeowners' investments. Besides, when I budget, I try to be conservative on the income portion; you can't count on 100% dues being paid each year. Part of it is also pre-payment of dues. Some people have paid dues for the entire year. Bank interest has been \$6,300 more than what we had planned, and we collected \$1,200 more in late fees than we had planned.

We are not repairing the parking areas? Some of them really look bad. Considering this hasn't been done for four years, do you think this is a wise decision? From the budgetary viewpoint, we decided to only repair the cracks, at this time, in the driveways.

Next year, when not painting we will be more aggressively addressing maintenance and repairs. It is great to do everything, IF you have the money. We are trying to work within the budget, the best we can.

President South: Are there any other questions?

Cynthia gave the Property Manager's Report:

Exterior painting should be completed by Sept. 30th. I'll be inspecting the remainder of buildings by next Friday. Don't hesitate to let me know if there is something related to the painting that you are not happy with.

Pet Stations – excellent idea; we're not seeing as much pet waste across the property's lawn. I'm asking residents to continue to use *their own* waste bags. If they don't we'll have a reoccurring cost of replacing the bags. They can use ours, but it does cost money.

Homeowner Question: When will the Yellow Painting/ Firelanes project be completed? We have three more needing to be done. Cynthia admitted that she had pulled Bill off that task to do other tasks, but would get him back on the project.

Don't hesitate to report issues on the property. The landscaping crew chief does stop by and submit a report of what they've done on the property each week.

Architectural Standards Committee: Jori Church, chair, reported that the committee would start surveying the property to make sure everything is in compliance. It will take some time to get everything addressed.

Social Committee:

Pool party is Sunday; RSVP to Cynthia – let her know what you'll bring. Backyard Burgers will cook here and bring baked beans. Veggie burgers and beans are also provided. Doggy swim will be the following Sunday; the pool will close immediately after the doggy swim.

October – Halloween party for humans and Pet Parade for the puppies.

Old Business: Our attorney is currently reviewing the revisions of the HOA governing documents. By early October we should have these available on the website.

New Business: Is there any new business to be discussed this evening? There was none.

Announcements:

Position opening on the covenants committee; if interested please let Cynthia know. We will be appointing someone, hopefully, within 30 days.

Reminder...Beginning Saturday, Oct. 6th – there will be no more Saturday morning package pickups. Make arrangements with Cynthia. Early morning package pick ups will be on two days a week; Linda gave Cynthia's work number. Reminder: Cynthia is not always in the office 9-5; she has to be out on the property meeting with contractor, etc.

President South thanked everyone and asked if there were any additional announcements.

President South then added, we do try to address homeowners' concerns. Issue: algae on the pond – we have had a killer added to the pond; when it rains the algae washes down the creek. Hopefully, nature will help us clear the rest of the algae in the near future.

We are looking into expenses of pond dredging for future budgets. We are making some irrigation repairs before it is shut down for the winter. Those will happen hopefully in the next couple of week. We've taken care of all of the residents' concerns.

Recycling Issue: We are still collecting information and hope to have information to share at the next meeting.

President South then shared that the board was recommending quarterly homeowner meetings. The HOA Board would still meet monthly (the third Thursday of each month, at 6 pm) and homeowners are always welcome to attend and observe the board at work. If homeowners wanted to be on the agenda, they should send an e-mail request with the topic of what they'd like to be heard on, or call Cynthia. We are available to you. Monthly financial statements are always available in the office, upon request.

Homeowner: It seems like the geese are not as prevalent as they previously were. Others shook their head that it seemed to really be helping. The board is looking into using this method in other areas of the complex. Around the ponds, closest to buildings, 18 in. high wire has been strung. You will still encounter goose poop as you walk the perimeter of the property.

Additional Announcement Made by Cynthia – A large dumpster will be on site the weekend of Oct. 19 – 21 (Friday – Sunday). Cynthia will post the rules for what can be dumped and what can't.

Homeowner: Resident meeting will be reduced to quarterly. That is a big change; what is the reasoning for that?

President South shared that in 2006 the board went to monthly meetings, but now felt it was time to try the quarterly; Hopefully, homeowners would find the website, monthly newsletter and other publications helpful with staying up to date on HOA business.

We will be here anyway. We've discovered we need a lot of time to do the business of TC; the 6-7 PM Meeting isn't enough time. Therefore, we have to meet several times a month. We're hoping we'll be more efficient.

Ken: In the beginning the board meetings were not open; now we encourage homeowners to attend, and the Sunshine Law came into effect. We hope to have as good a communication, or better.

Our board meetings will run 6 – 8pm; we're hoping to also have a broader turn out if we go to quarterly. We do appreciate the faithful participants. Homeowners will have the ability to share concerns or ask questions, through submitting a request to be added to the board's monthly meeting agenda.

Anita: Quarterly meetings – Could we have an agenda ahead of time? If that was posted it might generate interest. **Linda South:** I think that has been suggested before.

Homeowner: I'm not sure this is a good time to go to quarterly.

President South: What I neglected to tell you is that if we have meetings on Declarations and By-Laws we will be calling special meetings (October or Nov); a special meeting concerning the proposed 2008 Budget and Elections – in December. It doesn't negate any special meetings. If we determine after a few months that it isn't working we can go back to the monthly. Yes, we will post the agenda for Quarterly Meetings.

These are almost always on our agenda:

Pets

Parking

Trash

Doors

Landscaping

Need for conducting an audit of the HOA Books

Irrigation Issues

Homeowner Idea: Suggestions for Topics for Quarterly Board Meetings

President South: If there is nothing further, I wish you a good night.

The meeting was adjourned at 7:39 pm.

Respectfully Submitted,

Gayle Voyles,

TC HOA Secretary and Treasurer