

MINUTES
VLPOA BOARD OF DIRECTORS
Meeting of January 20, 2010

The meeting was called to order by President Sue Alandar at 1:30 p.m.

Pledge of Allegiance

Roll Call: Present were: President Sue **Alandar**, Secretary Joe **McCord**, Treasurer Judy **Mabie**, Members Tony **Fiore** and Chet **Homan**. Lori Norris was unable to attend because of work demands.

Lori has submitted her resignation effective March 30th. Accepted with regret.

Also Present: Community Manager Jack **Donovan**.

1. **Minutes:** Unanimous approval of the minutes of December 19, 2009 upon a motion from Joe McCord and a second from Judy Mabie.

2. Committee Reports:

a. **Architecture:** Laura Miller. The Committee has processed 33 requests, completed 36 inspections, and 9 home resale inspections.

b. **Maintenance:** Dave Bracken. Dave reported a flood in the ladies room at the Rec Center. It will be repaired either this afternoon or tomorrow.

c. **Lakes:** Jack Donovan reported that the lakes are in the best shape he has seen and they are clear of any debris.

d. **Finance:** Judy Mabie The committee did not meet in December so there is no report.

e. **Landscape:** Jack Donovan. Contractors took a rain day Tuesday. Residents are complimenting their work. The Gardens are doing well also.

f. **City Liaison:** Joe McCord The City Council has funded the design and landscaping plans for the alternate truck route. It probably won't be built until 2012, but it is in the works. The City does not plan to increase city taxes for next year due to good advance planning.

3. **President's Report:** Sue Alandar. After a meeting with Colby new, more stringent rules have been adopted on unpaid assessments.

4. Treasurer's Report:

1. THE COLBY FINANCIAL STATEMENT

The December financial statements were received on January 15, 2010 and were accepted as presented except for the usual discrepancies created by stating the assessments received using the accrual accounting method instead of the actual cash received.

2. EXPENDITURE STATUS - MASTER

Looking at our major expenditure areas our year end balances are as follows:

<u>Expenditures</u>	<u>Budgeted</u>		<u>Actual Exp.</u>
Maintenance	529,320	(-10,857)	540,177
Utilities	438,970	(-15,370)	454,340
Supplies	2,800	(+1,872)	928
Adm	306,003	(+15,628)	290,375

Comparing the categories of operating income and expenditures one might conclude we are ending the year with a surplus of \$30,508. However, when the total December homeowner assessment arrears figure is deducted (27,742.75) our surplus would actually be \$2,765.93.

3. EXPENDITURE STATUS - GARDENS

Total expenditures for the Gardens are \$104,749.49 out of a budget of \$105,448 leaving a surplus of \$698.51. If the Gardens homeowners in arrears figure was to be deducted, the surplus would become a deficit.

4. MASTER RESERVE AND CASH BALANCES

CD brokerage invested in Wells Fargo	477,000.00
Current Value of Wells Fargo CDs	485,306.68
* 8 Additional CDs	533,517.36
Wells Fargo Money Market	325,939.35

Wells Fargo Account Balance Summary	709,991.95
Cash Balance	103,242.12
Colby Total master Reserves	\$1,344,260.97

Wells Fargo is still in the process of changing our accounts from one division to the other.

5. GARDENS RESERVE AND CASH BALANCES

CD Brokerage Invested in Wells Fargo	177,000.00
Current Value of Wells Fargo CDs	178,277.04
Wells Fargo Money Market	72,635.50
Wells Fargo Account Balance Summary	250,912.54
Cash Balance	12,045.59
Colby Total Master Reserves	260,887.50

6. DELINQUENT HOMEOWNER ACCOUNTS

The number of homeowners in arrears has dropped from 86 to 56 in December, but the total arrears figure is never the less \$27,742.75 which is almost the cost of our water, gas and electric bill for the month of December. Half of the 56 homeowners in arrears our one quarter or less, yet 22 homeowners are 9 months or three quarters in arrears.

It concerns me that demand letters (from Colby) have not been sent since June or July to 8 homeowners listed as owing large amounts.

The Finance Committee proposal which will be discussed would correct this situation but it remains to be sent if it would be accepted by Colby.

Wells Fargo is paying very low interest on our Money Market Account. Judy moved and Joe seconded a motion to find a better interest rate and move our account. Unanimous approval.

Our CD value has changed. The 2007 audit recorded interest without confirmation. When the confirmation came in, it was added again. Judy moved that we have a full audit by Cathy Queen. Joe seconded the motion. It will cost \$10,000, but Jack will attempt to get our taxes included in that price. Unanimous approval.

We will collect some of the arrears and some will be written off. Currently there are 12 demand letters and 4 bankruptcy/trustee sales.

Treasurers report accepted unanimously after a motion from Joe and a second from Tony.

5. **Manager's Report:** Jack Donovan reported 84 oleanders have been cut back and we will have to wait and see if that solves the blight problem.

We are currently heating 2 pools and all 4 spas.

The solar supports will be inspected on January 29 and then we can get our rebate. Joe and Cathy Carlot were helpful in getting the inspection date.

All holiday lights should be down. The steam room is back in operation. The bench at Memorial Park has been replaced. Jack will see if insurance will cover the cost. The North Park pool gate has been repaired and the gate replaced at the Yacht Club.

6. **Operations:**

As of January, 2010 there is a new code requirement for kitchen vent hoods. A bid of \$1,724.83 from ACS was unanimously accepted for the job after a motion from Judy and a second from Tony.

Jack reported three methods for removing the Canadian Geese. The recommended method is feeding corn for 3 weeks and then switching to tranquilized corn. The geese can then be collected. The cost is \$500.

Unanimous approval of a motion from Joe and a second from Sue.

7. **Old Business:**

a. There is no accreditation for reserve studies. Judy moved and Chet seconded a motion to use Association Reserves at a cost of \$8,800. Unanimous approval.

b. Unanimous approval to sign another year with Valley Crest Landscaping at \$249,000 which does not reflect a raise. Chet made the motion and Tony seconded.

c. Ventana Lakes Rules. It will be necessary to have one Board member constantly review the rules to assure that they stay up to date and agree with the CC&R's and Bylaws.

Homeowner Rules: Rule 1 pulled for further work.

Rule 2 V addition: if tree overlaps neighbors patio cover, tree owner will take care of trimming. Approved after motion from Tony and second from Joe with Tony abstaining.

Rules 3-7 unanimously adopted with motion from Joe and second from Tony.

Board Rules: Rule 2 Treasurer needs to be brought into compliance with other rules. Motion from Joe, second from Tony unanimous approval.

Committee Rules: Joe moved and Tony seconded unanimous approval with reimbursement procedure to be included.

Election Committee Rules: motion from Judy second from Tony with unanimous approval. Joe asked that the committee consider a later cut off for candidates.

Finance Committee Rules: not ready.

Lake Committee Joe move, Tony second unanimous approval.

Gardens Rules: approved with motion from Tony and second from Joe. Tony abstained.

d. Contingency Fund: Motion by Joe and second from Judy to create a contingency fund to handle unexpected expenses to be placed in an interest-bearing account and not to exceed \$40,000.

Motion to table from Tony second from Chet. Failed with no votes from Judy, Joe and Sue and yes from Chet and Tony. Original motion passed with yes votes from Judy, Joe, and Sue. No from Chet and abstention from Tony.

e. Architectural Committee Appointments: Dick Matsuishi is the new chair effective February 1, 2010. Carl Ford is a new member. Janez Tazioli and Roger Wilson are alternates. Laura Miller will continue to do resale inspections. Appointments unanimously approved after a motion from Tony and a second from Judy.

f. Gardens Advisory Committee Appointments: Pat Hollod Chair, members Joe Broschka, Brian McLaughlin and Tony Fiore. Gardens Landscape Committee: Iris Broschka chair, members Brian McLaughlin and Tony Fiore. Appointments approved with a motion from Judy and second from Joe. Tony abstained.

8. New Business:

a. Motion from Judy and second from Tony to only heat two spas during the colder months effective February 1. Approved. Joe abstained.

b. Chet moved and Judy seconded approval of an assisted living facility near Walgreens. Unanimous approval.

c. Approval of the following new collection plan after a motion from Joe and second from Judy.

Any homeowner who anticipates being unable to meet the full scheduled assessment should contact the Community Manager at the Management Office to request alternative payment arrangements. A written response will be provided indicating the acceptance or rejection of the proposed payment plan. No fees will be charged for this process.

If homeowners are in arrears and did not seek an alternative payment plan with the Community Manager, Colby will take the following steps.

COLLECTION PROGRAM

The Association requests Colby Management to perform the services listed below in an attempt to collect a debt owed by their unit owners on their behalf. The Association understands that all fees will be paid to Colby Management at the time of service and that the fees will be applied to the homeowners balance to be collected along with delinquent assessments or fines. The Board has authorized Colby to attempt collection of delinquent assessments using the following pre-set conditions. Once in the program the Board will not be contacted at each level, but gives Colby the authority to proceed through level four by signing this authorization. Monthly updates will be included in the financial packet.

Authorization has been given to enter collection program when delinquent assessment amount reaches 60 days past due.

LEVEL ONE – DEMAND LETTER

At the end of the 2nd month of each quarter billed the account is reviewed and a letter is sent to the homeowner. The letter requests they contact us for payment arrangements or remit payment in full. The letter will advise them the next step is a collection agency. \$40 charge to Association; charged back to homeowner account as part of balance due.

LEVEL TWO – PAYMENT ARRANGMENT

If a homeowner requests to make payments against a delinquent balance we will send out a payment arrangement form they must sign and return. The account will be monitored to be sure payments are received on schedule. (This can be done during level one or level three) \$25 charge to Association; charged back to homeowner account as part of balance due.

LEVEL THREE – COLLECTION AGENCY

If no response to demand letter after the 1st day of the 4th month delinquent account will be turned over to national collection agency. They will send out 6 letters over a period of 100 days, along with 3 telephone campaigns. If no response, the homeowner will be reported to the 3 credit bureaus so that it will appear on their credit report. \$65 charge (no contingency fee) to Association; charged back to homeowner account as part of balance due.

LEVEL FOUR – LIEN FILING at Board discretion

If no response to collection agency, the account will be reviewed to determine if a trustee sale is pending, or if the balance due is all fines. A lien will be filed with the county against the property by Colby Management on the Association's behalf. (While the assessment is an automatic lien, recording a document helps to assure that it appears on any title search) \$125 charge to the Association for the lien including eventual release; charged back to homeowner account as part of balance due.

Meeting adjourned at 3:47 p.m.

Respectfully submitted,

Vada Bowers
Recording Secretary