

**Building #10 - Zeta Home Owners Association
Annual Homeowners Meeting
July 11, 2009 – 11:30 a.m.**

MEMBERS PRESENT: Tim Shangraw (President) & Janet Shangraw, Bob Stapp

MEMBERS PRESENT BY PROXY: Al Belisle, Lisa Walter, Brent Robbins, Marilyn Visconti, Michael Daigler (Note: CMC received a proxy from James Iacoponi on Monday July 13th)

OTHERS PRESENT: Brian Lence (CMC President), Matt Priebe (CMC Property Manager)

WELCOME BY PRESIDENT, TIM SHANGRAW: President Tim Shangraw called the meeting to order at 11:37 a.m.

ROLL CALL/PROXY COUNT/QUORUM:

- A count was taken of the members present & proxies received. It was determined a quorum of 50% of ownership was met.

APPROVAL OF 2008 ANNUAL MEETING MINUTES:

- A motion was made to approve the July 12, 2008 meeting minutes. The motion was seconded and the minutes were approved as written.

ELECTION OF BOARD MEMBERS:

- Tim Shangraw's term on the Board expires 2009.
- Tim Shangraw was nominated to the Board as President, seconded & approved for a 3-year term expiring 2012.

MAINTENANCE UPDATE:

a. Review Spring Complex Report

- Matt presented the Spring Report, which was also sent to homeowners by mail.
- Initial application of fertilizer/grass seed mix was done, and additional will be applied to areas that need it. The application of weed and feed fertilizer/grass seed was done after the tree removal was completed. Dirt will be spread over the seed & the areas will be watered by sprinkler or by CMC water truck. **Action Item: Matt to have lawn fertilized/seeded & sprayed for weeds.**
- It was mentioned that indentations in the gravel were noticed after the lawn was cut. **Action Item: Matt to instruct crew to rake the gravel where they make turns with the mower after cutting the lawn.**
- The crawlspace was inspected and everything looks good.
- The carpet will be power washed on all 3 levels. **Action Item: Matt to look at burned area of carpet to see if it can be patched or replaced, & will email Tim.**
- Touch-up painting will be done around the ground level.
- The step up to the northern entrance seems to be high from the ground. **Action Item: Matt will look at the step. Perhaps the gravel needs to be raked or more gravel added. Matt will let Tim know.**
- The chimney was just swept, which is scheduled for every 3 years.
- Matt mentioned that CMC offers a full service maintenance department of licensed general contractors that can help with homeowner repairs. Labor rates start at \$35/hour.

b. Long Term Replacement Study

- Matt presented the Long Term Replacement Plan.
- The roof will be replaced this year as indicated in the plan. Tim signed a contract with Turner Morris over a month ago. Based on the bid, the cost will be approximately \$23,000, which includes the base bid of \$21,500 plus a contingency for wood and insulation replacement if moisture is discovered beneath the existing surface liner. This amount is covered by the Maintenance Reserve. The life of the new roof is estimated to be 20-25 years. Matt passed around a sample of Duro-Last, which is the new roofing surface liner. The manufacturer will warranty the roof system for 15 years, The warranty includes protection against internal damage from roof leakage. After installation, the roof will be inspected by the manufacturer to assure the warranty. Installation will take 3-5 days and will be done during the week of 21 July. **Action Item: Matt to contact RendezVous regarding upcoming changes to the roof with the intent of offering them an opportunity to enhance the integrity and appearance of our roof construction if that improvement might help them sell their townhomes.**

- The plan shows the deck carpeting was replaced in 1990 when it was actually replaced in 1999. The plan will be revised to show the next replacement date for the deck carpeting is 2019. **Action Item: Matt to update the Long Term Replacement Plan with the correct deck carpeting dates.**
- The hot water heater is in good shape & is inspected once a month.
- Exterior painting is scheduled for replacement in 2011. In the meantime touch-up painting will continue where needed.
- Matt noted the Association regularly maintains the building which keeps it in good condition. **Action Item: The Association will continue with preventative maintenance actions.**

FINANCIAL UPDATE:

a. Balance Sheet – Fiscal Year Ending 5/31/09

- Brian presented the Balance Sheet as of 5/31/09.
- The Millennium Bank CD maturing on July 15th in the amount of \$25,358 will be transferred to the money market account for payment of the roof improvement, as instructed by Tim. The CD interest rate was 1.6%.
- Total cash in bank was \$43,178, which is enough to cover the Reserve Fund & operating expenses.
- Tim asked that after the roofing bills are paid, the remaining reserve balance be put into a new CD. **Action Item: Brian to review cash & reserve fund balance around the end of August and recommend a CD investment plan.**

b. Income Statement – Fiscal Year Ending 5/31/09

- Brian presented the Income Statement for fiscal year ending 5/31/09.
- Income from bank account interest & finance charges billed to delinquent owners was not included in statement. Therefore, income was slightly understated.
- Utilities (water & sewer, electric, gas & heat) were under budget.
- Gas & heat showed approximately 40% over budgeted for 2008/2009, but this was due to a budgeting error in 2008. In reality, actual gas and heat costs were lower than costs incurred in 2007/2008. The 2009/2010 budget will be based on actual costs incurred in 2008/2009, plus inflation as discussed below.
- The total year operating costs were \$5,860 less than operating income. This surplus will be transferred to the Maintenance Reserve Fund immediately.
- **Action Item: Brian will do a comparison of heating costs between 2007 & 2008 to see if the new windows are helping to reduce that expense.**

c. 2009/2010 Budget Proposal

- Brian presented the 2009/2010 budget proposal in which income & expenses balance to zero. The expense budget is based on actual 2008/2009 usage, plus the following inflation assumptions:
 - Water & Sewer to increase 5%.
 - Electric to increase 10%.
 - Gas & Heat to increase 20%.
 - Business Management & Association Maintenance will increase 2.5% or approximately \$200/month.
 - Cable increase of 7% is in line with the 2009 increase.
 - Road & Trash remained the same, & Recreation Fees change a little bit. These were based on the new rates effective 6/1/09 billed by the Master Association (discussed further, below).
- Maintenance Reserve contribution will remain the same as 2008/2009.
- Analysis of the current Insurance Fund allocations indicated the fund would be under funded in the 2009/2010 with an estimated 7% increase to the current policy premium. Therefore the budget includes an increase to the owner's monthly insurance fund contribution.
- Overall, the lower operating expense budget offsets the increase to the insurance fund contribution, so the 2009/2010 budget proposes a slight decrease in homeowner's monthly assessments.
- A motion was made to approve the 2009/2010 proposed budget. The motion was seconded and the budget was approved, effective 06/01/09. **Action Item: CMC to insure the approved budget is in place and the owners are billed accordingly beginning with the July billing (August 1st statement).**

OLD BUSINESS:

- Matt found extra paint in the crawlspace. There is also some in the CMC Maintenance shop.
- One of the trees planted by RendezVous is showing a root ball. **Action Item: Matt to contact RendezVous about the tree.**
- Tim attended the Hi Country Haus Recreation Association meeting held in June & provided the following update:

- The Recreation Association requested feedback from the buildings regarding road paving. A vote was taken at the meeting & the road paving issue was tabled.
- The Recreation Association has taken down about 600 trees so far. Tree removal was done early this year before the beetles migrated.
- The Recreation Association conducted an internal audit & there was discussion about the accounting rules they were using. They are still in the process of evaluating audit recommendations, cash flow vs expenses, and cap funding vs cap improvements. However, based on preliminary numbers current cash flow appears to adequately fund projected expenses and capital improvements. Therefore, Rec Assoc income will not increase for 2009/2010 fiscal year.
- The Rec center men's locker room was renovated last year and the women's locker room will be renovated this year. In order of priority, and budget permitting, the HCH entrance signs will be upgraded and common areas will be landscaped.

NEW BUSINESS:

- **A motion was made, seconded & approved that placement of advertising signs for sale or rent of a unit are limited to the inside of the unit's windows. This will be added to the House Rules.**
- Brian Wilson distributed Building 10's House Rules to unit owners in November 2007 via email. **Action Item: Tim will send Brian Lence a copy of the House Rules. CMC will add the new advertising rule to the House Rules and upload them to the association's online website.**
- The building received a letter from the insurance company regarding the gaps in the hand-railing on the stairs & decks. The gaps are too wide & the railing height is too low per a new ordinance. Brian Lence believes if they are not corrected, the insurance company will not cover a claim if there is an accident. Matt said he had quoted other buildings between \$1,500 & \$3,000 to bring the hand-railings up to code, & those building accepted the bid because it was less expensive than if there were a claim not covered by insurance. **Action Item: Matt to get bids for the hand-railing & send to Tim.**
- Michael Daigler's proxy asked "Parking lot paved. Can we vote to have that done as a community?" Paving the road was discussed at the Recreation Association meeting & it was turned down. Paving the building's parking area was discussed at this Association meeting & it was voted down.

SCHEDULING OF 2010 ANNUAL MEETING:

- A motion was made & seconded to move the annual meeting to the month of June. Therefore, the 2010 annual meeting was scheduled for Saturday June 19, 2010 at 1:00 p.m.

ADJOURNMENT: A motion was made & seconded to adjourn the meeting. The meeting was adjourned at 1:10 p.m.

Minutes recorded by Becky Varga of CMC & reviewed by the Board of Directors prior to distribution. Minutes are not formally approved until voted on at the next Homeowners Meeting.

Building #10 - Zeta Home Owners Association
Annual Home Owner's Meeting
Saturday, July 19, 2008 - 10:00 A.M.

MEMBERS PRESENT: Lynnda Gies, Aldorien & Colleen Belisle, Timothy Shangraw, Brian & Jessica Wilson, Robert Stapp

MEMBERS PRESENT BY PROXY: Christina & Michael Daigler, Marilyn Visconti, Brent Robbins, Mike & Lisa Walter

OTHERS PRESENT: Noreen Frye, CMC Accounting & Association Business Manager, Matt Priebe, CMC Property Manager, Donna Lively, CMC Accounts Receivable

CALL TO ORDER: The meeting was called to order by President Tim Shangraw at 9:17 a.m.

APPROVAL OF ANNUAL MINUTES: Minutes are approved.

ELECTION OF BOARD OF DIRECTORS: There is one 3 yr term up for grabs. Al's term expires. Nominations: Bob declined for health reasons, Linda declined, and Al is nominated and accepted, and passed. Positions stay the same.

MAINTENANCE UPDATE:

- Matt went over the spring report.
- D&M is doing a roof report; hopefully it will last a few years. Will be doing a walk around the building, and touching up where the snow was against the bldg.
- Extra paint may be in boiler room. If not, Matt will get the right color.
- New windows look good. Insulation in soffit seems to have worked. Repaired where insulation had fallen.
- Vacuum and/or blow decks weekly. First level is dirty. Would rather be vacuumed. Please vacuum only. Please make sure all levels are done.
- The parking sign is missing.
- The Rec assoc is responsible for grading where trees have been removed. The dumpster needs the door fixed and that also is the Rec Assoc responsibility.
- Linda was asking about the drainage problem. Also the Rec Assoc responsibility. The issues have been resolved between all buildings, so the drainage should be better.
- Much discussion about the drainage problem. Brian will get in touch with Beavers and get some answers.
- Heat loss was brought up. Even after insulation install. The break in the insulation is right at floor level, so it needs to have insulation blown inside the walls. Tim heat taped the pipes to keep them from freezing. Laundry room outside wall stayed warm from the furnace. Maybe the pipe could be replaced and the laundry room made nicer. Matt will quote on the pipe replacement.
- Laundry room could be updated. The step could be replaced. Need new W/D.
- Vote on new laundry area - tabled. W/D is for owners only. Re key and send keys to owners. Repair door jamb. Matt offered his crew's services for all.
- The discussion of grass seed was discussed.

- Matt will be doing it again; the top soil was washed off the last time. Sprinkler is working good, he be moving sprinklers. Maybe tap in to water line and add a new spigot on the picnic table side. Matt will be checking into that. Maybe clean up the back side of the bldg.
- Bicycles need to be off the porch, tenants need to be informed and bikes must be put in racks. New sign?? New bike rack? Upgrade house rules and send out.
- It was asked that Matt please scrape and paint the upstairs where ice has scraped it off.
- Matt went over long term report. Carpet replaced in 99? Boiler is good. Good shape. Funding is good.
- Boilers are checked twice a week and billed quarterly.
- Discussion over long term and detail report. Raking not in contract, haven't been charged in past, but are now in force. Other charges will be reversed.
- Mansard replacement, quotes: 16000 or 26000. Table that.
- Bldg looks good; Matt was given a grade A. Good job!!!
- More parking where trees were cut down. Move road base over and grade. Sign for Bldg 10 only. Have Rendezvous share their leftover from swale work.

FINANCIAL UPDATE:

- Noreen presented Balance Sheet. Discussion on that. Income Statement was then presented and discussed. Bulbs were replaced and electric cost went down. June Balance and Income were discussed.
- Windows are all paid. Some discussion on past due accounts.
- Windows are the best thing that has happened to the bldg in a LONG time.
- Budget. Noreen suggested keeping things as is.
- Insurance: Aluminum wiring is an issue. Farmers Insurnace are the only one that will insure aluminum wiring.
- Noreen detailed the information on the Insurance Reserve sheet and stated the funding of the account was on track.
- Discussion followed. The question was presented if funding in maintenance reserve is enough to cover Matt's bids that were discussed earlier? Funds were discussed.
- The discussion of better rates on cd's at Edward Jones. Advise to move the money to them. Discussion followed. Noreen was given the ok to continue negotiations with Edward Jones. Tax issues were discussed.
- A motion to approve the budget was presented, seconded and approved.

REC CENTER UPDATE:

- Brian went over the rec update.
- New locker rooms, Cutting trees, Paving, Signage, New mapping, Landscaping

GENERAL DISCUSSION:

- Bicycle on porches were discussed. What is the solution? A letter to all homeowners. It has been tied to decs and bylaws. Email followed by hard copy.
- Bldg needs to be accommodating, purchase another bike rack or two. Discussion followed.

- Smoking on decks, need to place butt cans in strategic places?
- No driving on path, except for moving things.
- Communication is key. These meetings are for that.
- Have Matt get a price on bicycle rack.
- Rentals were discussed. HCH is different than Base Camp.
- Marketing is important.

SCHEDULING OF ANNUAL MEETING: July 11, 2009 tentative
11:30.

ADJOURNMENT: 11:26

APPROVED