

**MARINA PARK
BOARD MEETING
SEPTEMBER 22, 2012**

MINUTES

1. **Call to Order.** The meeting was called to order at 4:05 p.m.
2. **Affirmation of Attendance and Quorum.**
 - A. Board members in attendance were Rich Rutledge, Greg Waters, and Bruce Mitchell. A quorum was established.
 - B. Also in attendance were Andy and Sonya Holley, Unit C19.
 - C. Representing Mountain Managers was Phil Wells.
3. **Owner Forum.** No comments at this time.
4. **Approval of Minutes from the 6/2/12 Board Meeting.** A motion was made, seconded, and passed to approve the minutes as written.
5. **Repair and Maintenance Report** was reviewed and covered the period from 05/12 through 07/12. It was noted that the posts and chains installed in the parking lot were not on the report. This could have occurred prior to May and therefore not reflected on this report. There has been no negative feedback received and the traffic has lessened considerably. The Holley's asked about the strip of land between "B" and the commercial area. The grass is very long. Mountain Managers will ensure staff is aware they are to mow/weed whack this area.
6. **Financials.**

July financials were reviewed. Dues payments are below the budgeted amount by \$509. It was noted that unit D18 has sold and the HOA was made whole at closing, including legal fees. This is not reflected on July's financials but should show next month. With \$1,509 in reserves collected on the sale of a unit and \$43 earned in interest, total income was \$1,042 over the budgeted amount year-to-date. On the expense side, most items were under budget. Legal was over but these financials do not reflect payment from unit D18. Window washing was an unbudgeted item. It was on the MCR but was paid for out of the operating funds. Overall, the HOA was \$8,985 under budget on expenses year-to-date and showed a net surplus of \$10,027 through July. (This will increase substantially when the D18 payments are reflected.)

Utilities continue to be under budget due to a mild winter and low gas prices. The actual gas usage will be checked when the next bill comes in to see how much was saved with the pool closed. This information is important since whether or not to close the pool due to cost will be discussed at the HOA meeting. It's believed that the pool is a big draw on utility usage. The same boiler runs the ice melt system and the difference without the pool will be determined. The original decision to turn up the pool temperature vs. buying a new hot tub was based on the fact that the boiler had to be running anyway, but the utility bills have continued to rise and utilities are the single biggest expense on the budget. Most people really enjoy the warm pool and there were very few complaints about the loss of the hot tub.

When the pool/hot tub issue is brought up at the HOA meeting, there is likely to be a difference of opinion between owners who have private hot tubs and those who don't and also between owners who rent their units and those who do not. Whether or not a unit is rented, amenities can be an important factor for re-sale value.

When unit D18 sold, it was part of the negotiation that the Board agree to have 10% of income go into reserves. This is a requirement for many lenders. Reserves will keep building but the HOA must still ensure that there is enough money in the operational fund to pay for the day-to-day expenses in addition to contributing the 10% to reserves. The HOA needs to contribute about \$15,000 to \$16,000 annually to meet the 10% requirement. The current strategy is to keep dues as low as possible and assesses for painting every 6 years. Marina Park units continue to sell and the dues amount does not seem to be a factor for sales in higher end complexes.

The balance in the checking account was \$12,845.96 and the money market account balance was \$56,372.54.

There were no serious delinquencies – Unit D19 still owes for the dryer vent clean and fireplace inspection.

7. **Old Business.**

- A. Estimates for extending the height of the fence so people cannot reach over, unlock, and gain access to the pool were reviewed. It seems to be common knowledge throughout Frisco that the Marina Park pool has easy access for unauthorized use. Whether or not to defer this until a decision is made on the pool was discussed. It was noted that even if the pool is gone, owners will probably want some sort of amenity (new hot tub). Appraisers look at common area amenities when appraising units. In addition, the decision on the pool may not be made this year. There are liability issues to consider even with the signage. After discussion a motion was made, seconded, and passed unanimously to proceed with the estimate from Cooks Welding (\$585).

If a new hot tub is put in, the cost would probably be \$40,000 to \$50,000 for a high quality, commercial tub (the original hot tub was a cheap, residential model). Heating the tub will have to be considered. The same plumbing might be able to be used for a self contained above ground tub. Some tubs use internal mechanisms to heat the water with no separate heating system required but it is unknown if this would be available for a commercial grade tub.

8. **New Business.**

- A. Having a 2nd window cleaning done in the fall was talked about. Other HOA's typically do one cleaning per year and some do none. Mountain Managers has used Gore Range because they are very inexpensive and do a good job. They will also do interior windows at a very reasonable cost. While \$1,495 is reasonable, the Board felt this was too much to spend while trying to build reserves and keep dues down. A 2nd window cleaning will not be done.
- B. HOA meeting preparation will be needed. It is recommended that the Board schedule another meeting a week or two in advance of the HOA meeting to go over agenda items and make sure there are no questions, etc.

Greg's term will be expiring this year and he stated that he will not be running for re-election. Andy Holly was asked if he'd be willing to serve and agreed. His name will be added to the ballot as a declared candidate.

The HOA meeting is scheduled for 12/1/12, 4:00 p.m. at Mountain Managers. Conference calling will be available if needed. It was decided to hold a Board meeting on November 17, 2012, 4:00 p.m. at Backcountry Brewery. It is hoped that the October utility bills will be in by then. The three big topics for the HOA meeting will be the pool question, budget, and reserves and the Board wants to make sure they are all on the same page. Mountain Managers will have the budget out to the Board a week prior to the Board meeting. There currently is no reserve line on the budget and all felt it would be good to have this reflected. Mountain Managers can break out the dues line into two separate line items, one for the amount of dues used for operations and one showing how much of the dues payment is allocated to reserves. Mountain Managers will assume the pool remains open when preparing the budget.

Once the utility numbers are in, they will be taken to an expert for analysis (the gas company, an engineer, etc.). The professionals should be able to give good estimates on the cost difference between heating the pool to 85 degrees vs. 105 and the difference between retaining the pool or closing it down. A better estimate could be obtained by doing the comparisons in January/February when both the ice melt system and pool were running at full strength but this is not feasible. As much information as possible is needed for people to make an informed decision. For now, a conversation will definitely be started but there may not be enough information to make a final decision at the HOA meeting. A second HOA meeting could be held in June/July if necessary.

The amount of savings should dictate whether or not it makes sense to close the pool and put in a new hot tub. If the savings on doing away with the pool are substantial (\$30,000 per year), a new tub could pay for itself quickly. If the savings are not significant, it would be better to retain the pool even if a dues increase is necessary. Compared to other HOA's Marina Park's dues is relatively middle of the road when based on square footage. It was noted that for a new hot tub, an assessment in the neighborhood of \$60,000 would be needed (close the pool, cover it over, put in new hot tub, etc.)

10. **Schedule Next Board Meeting.** The next Board meeting will be on 11/17/12 4:00 p.m. at the Backcountry Brewery.
11. **Adjournment.** There being no further business, a motion was made and seconded to adjourn the meeting at 5:14 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary (minutes prepared from a tape recording of the meeting).

APPROVED:

Approved via e-mail

10/12/12

Rich Rutledge, President

Date