

**MARINA PARK  
BOARD MEETING  
NOVEMBER 16, 2013**

**MINUTES**

1. **Call to Order.** The meeting was called to order at 4:10 p.m. at the Back Country Brewery.
2. **Affirmation of Attendance and Quorum.**
  - A. Board members in attendance were Rich Rutledge, Bruce Mitchell, and Andy Holley. A quorum was established.
  - B. Also in attendance was Bob Stanley, Unit B6.
  - C. Representing Mountain Managers was Phil Wells.
3. **Owner Forum** – no comments at this time.
4. **Approval of Minutes from the 6/22/13 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 5/13 through 9/13.
  - A. The sprinkler head leak in A4 was discussed. Several units in building A have had similar problems. It's an expensive repair because the building must be shut down, glycol drained from the system and then put back in when the leak is repaired. Fire sprinkler systems are inspected annually but if there's no leak evident at the time of the inspection, there's not much else that can be done.
  - B. Window washing was done too early in the season. Schedule after pollen flies next year.
  - C. There have been a lot of birds nesting in the eaves. The nests can be removed once the birds have migrated. This must be done before the birds return. There is an almost invisible netting that can be hung that will keep birds from nesting. This will be looked at in the spring.
6. **Financials.**
  - A, September financials were reviewed. Income was \$3,216 ahead of budget through September. Most expense items were at or under budget. Pool and ground expenses were over. Overall, the HOA was \$2,954 under budget on expenses year-to-date and showed a new surplus of \$6,171 through September. Three delinquencies were noted – none over 30 days.

The balance in the checking account was \$17,722.66 and the money market account balance was \$90,394.42.
  - B. 2014 Proposed Operating Budget and MCR.

Dues are based on the current dues structure. Expenses are based on existing contracts, anticipated increases, actuals, or averages. Expenses are budgeted at \$122 less than budgeted in 2013. With expenses projected at \$144,684 and

expenses at \$144,244, this results in a cash flow of \$440. When the short sale settlement on unit D18 was reached, a \$16,000 transfer was put into reserves in 2012 and another \$16,000 was put into reserves in 2013. This satisfied the lenders requirement that 10% of income go into reserves annually. To retain an adequate reserve contribution dues would need to be increased 11%. Dues are reasonable but the Board's philosophy has been to hold dues as low as possible. Assessments can be used to fund major capital expenses. It was noted that there is also a surplus in the operating account which can be transferred to reserves. New laws require an owner vote and at the HOA meeting, the Board will recommend that any surplus operating funds be transferred to reserves. Painting is on a 6 year cycle and an assessment will be needed when painting is done again. Dues were last increased in 2012 (2.5%). The Board discussed whether or not to do a large increase now or increase 5% for 2014 and another 5% in 2015. After discussion, the Board agreed that the best approach would be to do a 5% dues increase in 2014 and apply any surplus operating funds to reserves. The operational account should retain 1 ½ to 2 months of operating expenses. This approach fits in with the historical philosophy of keeping dues as low as possible and assessing for major capital expenses. The Board will present this information to the homeowners at the December annual meeting. The 2014 budget will be revised to reflect a 5% dues increase effective 2/1/14.

A motion was made, seconded, and passed to approve the 2014 budget with a 5% dues increase.

7. **Old Business.**

Changing the annual meeting date to 12/28 followed by a holiday party for homeowners was discussed at the last meeting. When minutes were sent out, they included a short note asking owners to e-mail comments/suggestions to Rich. There was no response and plans for changing the meeting and holding a holiday party were not pursued.

8. **New Business.**

- A. The annual meeting agenda was reviewed. The 5% increase in dues will be added under financials. The collection policy should also be an agenda item. Rich and Bruce are both to be listed as declared candidates.
- B. Collection policy: New laws have been passed that require all HOA's to adopt a new collection policy that meets certain requirements. The Board will have some discretion on late fees (maximum of \$50 per month, interest (maximum of 24% per annum), and a grace period of desired. Section 7.2 will be revised to clarify that "direct deposit to the bank" simply means that all payments should go directly to the bank and not to Mountain Managers. There are several payment options in effect for owners to choose from. After discussion, the Board agreed to a monthly late fee for delinquent accounts of \$50. Interest will continue to be charged at 18% per annum (\$1.5% per month). Payments are due on or before the first of the month and late after the 10<sup>th</sup>. A motion was made, seconded, and passed to adopt the collection policy as discussed. Owners will be sent a copy of the policy and a letter of explanation. Bank payment options will be included with the information.

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9. **Schedule Next Board Meeting.** The Board will meet immediately after the 12/14/13 annual meeting to elect officers and set a date for the next Board meeting.
10. **Adjournment.** There being no further business, a motion was made and seconded to adjourn the meeting at 5:30 p.m.

Respectfully submitted:

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

**APPROVED:**

Approved via e-mail

12/7/13

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Rich Rutledge, President

Date