

**Qualchan Hills Homeowners Association Board of Directors Meeting**  
**6 PM Monday, July 18, 2016**  
**Upper Room Trading Company Grocery Store**  
**Minutes**

Attendees: Willie Masten QHHOA Board President; Ann Warren QHHOA Vice President; Dan Skindzier QHHOA Board Secretary; Warren Franks QHHOA ARC Chair; Bill Butler WEB Properties; Eric Lundin WEB Properties

1. Minutes from April 11, 2016 Board meeting were approved as written.
2. Old Business
  - a. Financial Update Eric Lundin
    - i. YTD Income as of 6/30/2016: Actual \$60,635.44, Budget \$52,345.00, Variance \$8,290.44.

(Variance was due to receipt of delinquent dues and penalties)

1. Delinquency – 4702 S Pender Ln.: \$2,859.37 as of June 30<sup>th</sup>.

Board members voted after discussion voted to proceed with collection processes. 4702 S Pender Ln had previously stated that the bank was in possession of the house, and the bank is responsible for the dues. Several attempts were made by legal counsel of QHHOA to contact the owner of 4702 S Pender Ln for information, but they did not respond with the bank information or details of alleged responsibility of the HOA to fix something.

- ii. YTD Expenses as of 6/30/2016.
      1. Actual \$49,492.74, Budget \$47,631.00, Actual \$1,861.74.
    - iii. Account Balances as of 6/30/2016.
      1. Operating Account - \$12,349.14
      2. Savings Account - \$3,480.49
      3. Reserve Account - \$27,837.28
      4. Park Account - \$2,824.98
      5. Total 46,491.89

Discussion occurred about the savings amount. It was mentioned that in 2014, the board had to transfer about \$10,000 from savings into the operating fund. In 2015, the board transferred about \$6000 from savings into the operating fund, and in 2016 the board had to transfer about \$6,000 from savings into the operating fund. Some of the problem stems from delinquencies, snow plowing is also an issue. Persimmon Woods Dues Review

- iv. Kip Lane plowing and de-icing costs
    - v. Electric charges calculated by percentage of lights on Kip vs. lights in HOA

This continues to be a complicated issue. WEB properties presented a summary of expenses that need to be shared by Persimmon Woods in various fraction amounts. After a lengthy discussion, Dan suggested that an accountant be hired to assist in vetting out the expenses and possibilities to begin discussion with Persimmon Woods. Bill offered that he could provide a person other than

an accountant to review our records and agreements/CCREs to come up with a number that can be explained in detail. Bill hopes to provide cost estimates for a 3<sup>rd</sup> party review to the board.

- b. Official Audit Ballot Report – At the April Board meeting, we had received 25 ballots. With two subsequent mailings, we have received 46 total ballots. Of these, 42 have voted to waive the audit, and four have voted to complete the audit. We need 65 votes to waive the audit, and we sent an additional mailing at the end of June.

Dan offered that we will wait until the end of July to see if more members respond to the June mailing. After that time, WEB should provide the board with a list of members that have not responded yet, and board members will go door to door to seek votes from those members.

### 3. New Business

- a. Tree at 4715 S Keyes Ct – Tall Tree service inspected the tree in May and stated that Western Pine Gall Rust and Diploid Tip Blight had infected the tree. He feels the tree is compromised, but not in imminent danger of dying or falling. The tree may stand for 8-10 years, and would benefit from pruning and fertilization. Our other Vendor, Mountain Valley Tree Service also inspected the tree. He feels that the tree is fine and is not in danger of falling at this time. Both vendors expressed their concerns about removing the tree as it is in a precarious position, and stated it would be a difficult and possibly costly removal. Both declined to bid on the project.

WEB suggested that Board members visit the site on common land and see the tree first hand. Additional discussion will occur at the next meeting.

- b. Christmas Decorations – At the last meeting, it was brought up that we might invest some money in decorating the monument at the entrance to the community. What level of expense is appropriate for this project?

Cost estimates are needed to discuss further. Bill asked Ann Franks to provide some estimates for the next meeting.

- c. Discuss Dues - Current budget deficits for the last three years are \$(5,073.89) in 2013; \$(1,004.90) in 2014; \$(183.00) in 2015; with projections of \$(11,479.14) in 2016. This will be offset a bit in 2016 by delinquency collections.

After some discussion, the board determined that additional information is needed to determine an appropriate dues increase with details to present to the membership. These will be addressed again at the October Board meeting. Willie was tasked to look in his box of records for copies of agreements that require dues from the two Overlook HOA's that contribute to our account.

Your reserve account currently has \$27,837.28, and is projected to end 2016 with an approximate balance of \$24,000.00. Major upcoming reserve expenses include repairing the approaches to the private streets, and re-paving the private roads. Bids collected for the approaches are \$12,175.00 and \$8,630.78. The reserve study estimate for re-paving the roads are \$163,116.00 over two years, 2019 and 2022. Current Annual reserve contributions are projected to be \$12,300.00.

It appears that the Board may need in the range of \$15,000 annually to meet our goals. The Reserve Fund review will continue at the next hearing in concert with the HOA dues review.

- d. Create “Utilities Reimbursement” line item – This can be done.

Dan suggested this item be discussed to identify in more detail the re-imburements for the utilities at the front monument for electricity and water, as well as the re-imburements to Geana Van Dessel for the water of the vacant park land on Pender Lane. The board determined it was not necessary to create any new utility categories. These expenses are currently tracked sufficiently in other categories.

- e. Create separate Income/Expense line items for PW – This can be done.

The board determined also at this time there is no need for new line items.

- f. Qualchan Gardens

- i. Additional repairs necessary?

A discussion occurred primarily on the pond. Warren presented photos of the pond that indicate the pond has not been sufficiently cleaned this year. Dick Thiel once again drained the pond and cleaned the pond. When checking the records, it was found that the person the board thought had been hired to do monthly maintenance on the pond had felt that nothing needed to be done yet. Dan suggested the Dick be approached to see if he would like to be hired to maintain the pond for a fee. WEB will investigate the matter first with the company that was contracted with last fall. The Board also stated the pond must be properly drained and covered for the winter, and cleaned properly in spring.

- ii. Speak with Donna or her son to set up automatic payments for the annual donation to the park.

Eric stated that he had called Donna a few weeks ago, and Donna suggested Eric call her son. Eric did call the son, but was unable to speak directly with him, and he had not returned a phone call yet to Eric. Warren said he would provide John’s phone number to Eric to call.

#### 4. Open Forum

Bill requested the dates be published again for the next scheduled meetings:

October 24th, 2016

January 9th, 2107 (Planning meeting for the annual)

January 30th, 2017

#### 5. Adjournment: 7:30 PM

Dan Skindzier  
QHHOA Secretary