

Call to Order

Roll Call

Leaseholders Present: 22

BOD: Kate Higgins, President

Linda Enger, Secretary

Lynn Brem, Officer at Large

Staff: Barb Gilger

President's Opening Statement

Everyone has been doing an excellent job raising funds for the septic project. You all have done great! Before we begin committee discussions, I'd like Barb to give an update on the project. *Update Attached*

Committee Discussions:

- Activities
 - Annual Meeting
 - We have a dance Friday night – we're in good shape for that
 - Activities for Annual – *ATTACHED*
 - Bocce Ball
 - Please organize your street – if you don't have at least two to four people you can't play
- ALRC
 - No discussion
- Document Review
 - No discussion
- Election
 - No other candidates have come forward. The two candidates are Char Schulz and Mary Wynn
 - Char is out of town – back for the BOD Meeting
 - We will have a social directly after the 07/27/2018 meeting so Char can participate and folks can ask Char and Mary questions
 - For those who are interested, Diane Phillips and Judy Hoxsey are the renters
 - August 3, 2:00pm in the office
- Finance
 - Finance team met today to review January thru June financials. We will present at the Annual Meeting:
 - Accountant statement
 - Financial summary
 - Reserve
 - Special Assessment vote
 - In the lease, new leaseholders can have the same dollar dues for a year. The Finance Committee recommends a change to make accounting much simpler.
 - Locking in the fee for one year creates a nightmare in the budgeting. If someone takes a name off a lot or changes the name on a lot it locks in.
 - Every HOA charges everyone the same amount of dues from whenever they buy.
 - We can change the wording on the lease going forward - the Finance Team presented a recommendation to the BOD:
 - Delete the words "For the first lease year, ..." and the word "Thereafter".Revision for all new leases would read as:

BOD Work Session

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6:00pm

- The monthly maintenance charge shall be \$XXX.XX. The monthly maintenance charge shall be determined by the Lessor, and shall be based on a pro-rated share of real estate...”
- Example:
 - New leaseholder buys in June, they pay the same monthly fee as everyone else through December, and then start paying whatever the fee is in January.
- Green
 - No discussion
- Long Range Planning
 - No discussion
- Pet
 - No discussion
- Safety
 - No discussion

Business

- Assessment Vote
 - If you will not be at meeting, give your proxy to Linda Enger who will vote for the BOD recommendation OR give it to another leaseholder and ask her to vote for your preference.
 - The vote is a paper ballot taken at the time of the meeting
 - Option One: most expensive at 2477.00 per lot, keeps Radclyffe replacement in Reserves
 - Option Two: 2032.00 per lot, takes Radclyffe replacement out of the Reserves and lowers the assessment amount by approximately 400 dollar
 - Option Three: NO assessment, close the park
 - We have a significant amount in the Reserve to replace Radclyffe
 - We don't need to replace Radclyffe so we can reduce the reserves to just maintain Radclyffe
 - If the building deteriorates to the point of needing to be replaced, we would either have to close it OR do fund raising to get the funds needed to replace it. There are very real consequences in taking replacement out of the Reserves, which is why it is going to the community to vote on.
 - You said that if the vote is at 40 % for each assessment, we have to vote again
 - Yes, if neither assessment option gets 60% of the vote, the lower percent option gets eliminated and a second vote is taken for the other assessment option VS no assessment
 - How long would it take us to raise enough money to build a new Radclyffe
 - We wouldn't raise reserve money to build a new Radclyffe, a new building would no longer be in the Reserves.
 - How much are we taking from the Radclyffe Reserve?
 - Kate reviewed specifics of the letter that had been put in all leaseholder mailboxes.
 - Kate previewed the assessment payment plan.
 - Expecting most to pay their portion by October 15, 2018
 - Will we have a more firm estimate by October 15
 - Yes, we should be breaking ground by then

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- Before the septic issue became an issue, the general consensus was not to replace Radclyffe anyhow.
- Do you know when you'll hear back from the contractors?
 - We won't get any bids until we have a design
 - We will share the bids once we get them, we have a team of volunteers ready to help review bids
- We are all in different economic situations, if we don't use the Radclyffe money, we should keep it as a cushion. I think we need to think about what else might happen at the park, and keep that cushion for that.
- Has there ever been a discussion about selling this building as a way of raising funds to cover the septic?
 - No – selling park assets has never been considered
- We are talking about keeping that cushion, I understand that, we're kind of in the middle. That extra 400.00 might devastate another leaseholder. We need to keep that in mind.
- ADC will give us a couple of possibilities?
 - No, Rocky decided during the last visit that the drip system is THE solution
 - The 390k estimate is for creating a third drain field, going to a drip system, and retiring the lower drain field.
- Who is going to front the money for those who need payments?
 - We will basically borrow from the reserves
- For those who have to borrow, how much more will they have to pay?
 - A few plans will be offered
 - On a three year payback plan, the difference between Option A and Option B is about twelve dollars/month. That isn't that much
 - For some, it is
- I'm confused. Do we have any plans or drawings yet?
 - Engineer is working on it now
 - There has been a one week slow down due to the retiring state engineer. The ADC engineer meets with the state next week.
 - We are expecting to get an answer some time in September
- We will do the voting at the Annual Meeting, when will we get the results?
 - At the meeting
 - We are hoping to have more information to share about the septic at the Annual Meeting
- So, the engineer puts in the pre-design report and submits it to the state. When the state approves it, we move on to creating plans.
- What happens if the assessment ends up being more than we need?
 - The money will likely go back to the Reserves – the BOD will decide how to manage it
 - If I pay the assessment, sell my lots, and the bill is lower than we anticipated, can I get a refund?
 - I don't think it is realistic to expect it to be significantly less than the assessment
- But you are padding it by 50k
 - We are not padding it
 - The engineering firm put in the 15% contingency plus the engineering fees which brought the estimate to 390k
 - So there is a pad built in

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- No, when you manage a project, you have to put in a certain amount of money for unexpected events, it's called a contingency.
- While we seriously doubt there will be a surplus from the septic assessment, the community will be asked for input regarding what to do with any surplus.
- ***There was more discussion about the anticipated costs of the septic and the Reserves in general. The bottom line is that the Reserves for the septic were under funded and we are playing catch up.***
- There was a general feeling that this building was on its last legs. Lynn Brem, Silé Donnelly, Barb Gilger and other carpenters inspected the building to find out if that is true. Our assessment is that this building is structurally sound. It has some aesthetic issues and it's no longer big enough to hold the entire community well, but structurally, it is solid. That suggests there are several paths forward and we can explore them AFTER THE SEPTIC. That will be an important conversation for the community, and since we're not ready to have that conversation now, it would be wise to build as much flexibility as we can into the decisions we are currently making.
- I've heard several options like modify the current building, remove the current building and replace it with a new one in the same location, or keep the current building to use for a different purpose and build a new community center at another location. Here is what's relevant now; of those options, some of them you can use Reserve money for and others you can't. If we want to remodel this building, or replace it with a new building at the same location, we can probably use Reserve money, depending on what we want to do. However if we decide the current building is worth keeping but no longer suitable for our community center, we would not be able to use money saved in the Reserve Fund to bring in a new building that will be located somewhere else. That money would have to come from the Capital Improvement Fund. This is important now because we are voting on whether we keep Radclyffe replacement money in the Reserves.
- ALRC and Document Review will be working on
 - Tiny Houses
 - Definition of an acceptable tiny home for DBR, etc.
 - Solar Panels
 - HOAs are not allowed to prevent people from putting solar panels on their roofs
 - ALRC will put together guidelines on acceptable forms of solar power
 - Solar panels will NOT be allowed on the property other than on the roof

Motion to adjourn: Linda Enger

Second: Lynn Brem

Meeting Adjourned: 7:15pm