

**HOLBROOK HEIGHTS COMMUNITY ASSOCIATION
ANNUAL HOMEOWNERS MEETING
March 23, 2011, 7:00 PM, Round Table Pizza, Olivera Crossing
Minutes**

Board Members in attendance: Cynthia Swainbank (President), Russ Meier (Vice President), Julie Haley (Treasurer), Marianne Bazzini (Member at Large), and Laurie Verkest (Member at Large).

Jean Bates & Associates Representative: Gayle Gardner, Management Representative

Home Owners in attendance: Vern Ballew, Cookie Moran, Phyllis Rockwell, Joe Haley, Janet Gray, John and Marila Reisinger, Ann Johnson, Carol Jordon, Daniel McLaughlin, Suzanne Morgan, Lidia Bidenost, David Wannerstrom, Phillip and Cindy Ward, Tracey Carlson, Brian Clack, Jalayne McCune, Hannah Danto, Stuart Watson, Devin Watson

7:04 PM Meeting called to order

7:06 PM Cyndie noted that Louise Edgar (Secretary) was not present and Tim Titsworth (former Member at Large) had resigned earlier in the year due to work/family time constraints. Cyndie asked Gayle of Jean Bates and Associates if we had a quorum to continue the meeting. Annette verified that yes, she had received 190 ballots and 187 were needed; a 20% quorum had been received.

Gayle notes via e-mail on 3/29/11 to have the following included in our March 23, 2011 Annual meeting minutes:

The Inspector of Elections reports the following results of the EXCESS FUND RESOLUTION BALLOT:

- 1. Move any excess at 12/31/2011 to a Reserve Account: 97 yes votes received.***
- 2. Move any excess at 12/31/2011 to Operating Budget: 31 yes votes received.***
- 3. Refund any excess at 12/31/2011 to Owners: 47 yes votes received.***

This verbiage must be included in the Minutes of the Annual Meeting of 3/23/2011:

EXCESS FUNDS RESOLUTION: By a majority vote the following Resolution was adopted:

Any amounts collected by or paid to the Association in excess of the operating expenses for the year ended December 31/2011 shall be set aside as reserves for future financial needs as provided by the guidelines established by revenue rulings 70-604 and 75-371. Such amounts shall be deposited into insured interest bearing accounts. Allocations of

any amounts so added to the reserves shall be allocated to various components of the reserve accounts.

7:10 PM Cyndie introduces herself and requests that the Board members in attendance do the same. Julie notes that since Louise was not present, review of the previous meeting minutes would be approved at the HOA meeting.

ACTION ITEM: Approve previous HOA meeting minutes at next HOA meeting.

7:15 PM Treasurer Report

Julie comments on handouts she prepared for the meeting:

2010 Income & Expense highlights:

- Netted \$31.5K in income over expenses, due to
 - being Under budget by \$12.5K (mostly in less Delinquent Account write-offs & Payroll costs)
 - We earned \$19K in income from non-budgeted items - including
 - \$1.3K in Bank Interest
 - \$12.8K in Pool Fees
 - \$4.5K in Late Fees on delinquent accounts
 - \$273.00 earned on Insurance Refunds

2011 Budget for Estimated Expenses – How your dues are spent!

- Again, No increase in 2011
- Dues or Assessments average only \$25 per month, per home owner.
- Allocation of dues by Expense
 - 40% allocated to the management of Pool use, and upkeep of pool, play areas & park areas
 - 13% (or 1/8th) allocated to Association management expenses
 - 47% allocated to building up the Reserves for future repairs & replacements as the property ages

Reserve Balances vs. 2009 Reserve Study Replacement Costs:

- Reserve Balances are based on suggested Replacement costs, as estimated by the tri-annual Study
- We added \$129K to the reserves from the 2010 assessments, est. added \$130 in \$2011
- Reserve balances total just under \$670K as of 12/31/10
- The majority of the reserve balance (about 63% or \$421K) is held for replacement and repairs of
 - \$332K for Concrete for the 2 pools, decks, & walkways
 - Main pools has a 5 yr remaining life
 - Concrete walkways and main pool decking have 0-2 yrs remaining life
 - \$55K for the pool linings
 - \$34.5K for the play equipment
- \$70K of reserve balances are available for suggested replacements or repair in the next year or so
- There is slightly over \$300K available for the possible building renovation project

Julie mentions she is leaving the Board & thanks everyone for their support and dedication.

7:25 PM

New Board Member Position Results:

Cyndie notes that there were 4 available positions and 5 people ran for those open positions on the ballot. In reality, there are 5 open positions, so all 5 people who ran for Board Member Positions have been elected by default due to the HHCA meeting our quorum.

7:28 PM

Financials Continued:

Julie further notes that we have \$668,795 in reserves and that most of our monies goes towards maintaining and running the pools.

7:30 PM

BREAK

7:40 PM

Q&A

A homeowner raised the question of having a sliding scale HOA fee based on age. Cyndie commented that many 30-40 year old are currently unemployed and also on limited income. She further noted the HOA dues have not been raised since 2007.

Vern Ballew (homeowner) commented on the Dana Estates development having their own private pool, but no HOA dues. Russ replied that to use the pool is approximately a \$400 annual fee. Vern further made a motion to request that JBA send out a ballot to all of the homeowners to eliminate/abandon the HOA.

ACTION ITEM: Laurie to contact Jean Bates & Associates and ask to request on behalf of Vern what can be done regarding this request. Laurie to then contact Vern with the results.

Cindy Ward (homeowner) commented on using the park as a Farmers Market to create additional income for the HOA. Russ suggested that she could volunteer this project. Laurie further commented (after the meeting) that Cindy should contact the City of Concord to inquire of any permits that might be required to have this type of venue at the park.

ACTION ITEM: Laurie to contact Jean Bates & Associates and ask if a Farmers market could be held at our park and then report back to Cindy the results.

A homeowner comments on the 2 school closures and its effect on our neighborhood (association). Cookie stated it depends what the city decides to do with the buildings. Cyndie noted that Richmond schools (where she had previously worked) added portables. Brian Clack noted that by 2013 if the student to teacher ratios were not at 20:1, the schools could be reopened.

Tracy Carlson (homeowner) noted that we have \$799,000 in reserves and that we are funded well and that the reserves are on track. She asked if the HOA dues could be reduced. Julie commented that the items shaded in green need to be taken care of right away and that contingencies need to be in place to have the needed reserves for higher maintenance/replacement costs. Julie stated she wasn't in a position to comment on the dues being reduced. Tracy also inquired what the \$10,000 in management fees pay for. Julie commented that Jean Bates

and Associates gets paid to collect the dues and mail out mailings. Most of this answer was deferred.

A homeowner noted that many homes are vacant and asked what can be done about it. Cookie suggested to call Neighborhood Services and that their number was posted on the backside of nearly every newsletter.

Cyndie noted that she has driven down all the streets in the HHCA at one point noting all the homes with weeds, trash or for sale signs in their yards. She then sent that list to Jay Lewis of Neighborhood Preservation Services of the City of Concord. He then sent out letters to those neighbors to clean up the problem, further reducing unsightly homes in the neighborhood.

Cookie noted to not leave feed, dog or cat food out where rats, possums, and raccoons can get to them. Cyndie noted extermination fees to rid of rodents can be costly.

8:07 PM The meeting was adjourned