

Oct. 9, 2010 - GM POA Semi-Annual Meeting Minutes

OPENING REMARKS:

The meeting was called to order by Rich Messner, President. Quorum was attained; ten owners were present. Rich stated the meeting was moved to October hoping to get better attendance.

SECRETARY REPORT:

The previous meeting minutes were accepted as written. A copy of the April 10, 2010 meeting minutes was available for those who were interested. Minutes are also posted on the website.

TREASURER'S REPORT:

Joel Carley presented the Treasurer's Report. He reviewed the balance of 3 bank accounts.

Fifth Third Checking: \$4,688.55 (for daily check writing expenses)

ING Direct Savings: \$ 10,908.73 (savings account for the General Fund)

ING Emergency Fund: \$11,405.68

The ING emergency fund was created and is funded by road paving assessment payments that were collected since the roads were paved.

Two owners still owe for road paving; one is a member in good standing who is making payments; the other is not making any payments.

Joel reviewed the Accounts Receivable information:

Total receiveable: \$16,891.86

Road paving - \$11,191.86

Annual Dues - \$ 5,700.00

2008 – 1 person still owes

2009 – 5 people still owe

2010 – 17 people still owe

Joel reviewed a handout on the budget and the status of budget which runs from June 2010 to June 2011. (see attached)

Joan Conway asked about legal fee expenses which exceeded the budget by \$1,115.00. Joel explained the overage was due to the charges for foreclosure activity on Lot #67 (Spates).

GARDEN CLUB

Rich Messner thanked the following community members:

- Alan, Crystal and Max Ledbetter who did landscaping work at the front entrance. Allen and his family supplied mulch, grass seed, and several hours of labor. Allen also covered all the material expenses from own pocket.
- Peyton Miller who acquired and installed new spotlights for the entranceway signs. The lights are on timers so they go off around 11PM. Hopefully, this will prevent vandalism

which has been a problem in the past. Peyton also covered all the material expenses from own pocket.

- Ron and Linda Tadlock who hauled water for all the plants at the front entranceway to keep them alive during this past summer's drought.
- Joel Carley who trimmed weeds and grass around the water tank.

Garden Club Report – Linda Tadlock announced that not much was done this year because it was too hot and dry. Linda would like to do something at the T in the road once the weather improves.

UPDATE ON NON-PAYING LOT OWNERS:

Lot 39 (near the guard rail) is owned by the POA. It is for sale; listing price \$29,900. The listing real estate agent informs us that since the middle of this year, the local market has come to a standstill.

Lot 67 – (Spates) The POA foreclosed on the owners after spending one year trying to communicate with the owner about making payments. The owners refused to communicate. The POA foreclosed on the lot and we now own the property. It was just mowed so potential buyers can view the lot. The same listing agent who has lot 39 for sale will list this property. She said it is worth about \$58,000. Rich Messner said some people in the community have talked about using this as a common area. It would be nice to have a common place for members, however there is no funding to support it. Dawn Fitzgerald also noted that the lot has limited parking because of its topology. The lot has a nice flat spot for building, but access is difficult due to a narrow, steep driveway. Kelly Combes suggested it could be used to house a storage building for POA equipment, salt, etc.

Both lots cost the POA annual property taxes and no annual dues are collected, so the overall general fund is reduced by \$500. The POA will continue to try to sell both lots.

Dillon Robinson suggested that other POA owners might be interested in trading the lot for a lot they own. This might work well if it would allow the POA to get a lot that has better access for a potential community common area. Both lots will be listed in the next GM newsletter. Aside from the newsletter or e-mails, Rich asked if there were any other suggestions for marketing. Joan Conway suggested we continue trying to sell the lots for the minimum we will accept in today's slow real estate market.

Lot 70 - The house that was previously unfinished has a new owner (Federico). Mr. Federico has completed the house exterior and paid his dues for this year. The POA collected the funds that were due to the community (including legal fees) when the property transaction was completed.

Lot 67 (Spates) was foreclosed. The POA now owns this lot. No one, except the POA, bid on the property when it was sold on the courthouse steps.

Lot 60 (Benz) has not made any payments on the road assessment, and the POA has not been successful with any communication with the owners. The POA has a lien on the property and interest is accruing. The owner currently owes the POA about \$10,250, excluding attorney fees. We are continuing to pursue paths to collect the outstanding balance.

Outstanding dues. Some owners are several months overdue with 2009 payments. One person, who owes for 2008, paid \$50 and promised to pay more and hasn't paid since. This presents a problem when we're near the end of our fiscal year and money owed to the community is still outstanding. At one point last year, we were down to a \$700 balance because we were still waiting for dues from some owners. Rich emphasized the importance of paying dues when the invoice is received.

COMMUNITY WORK DAY:

The POA wants to set another work day in autumn. Our scheduled spring work day was rained out. We need to paint the fence at the front entrance (along Ashworth Road) and do some trash pickup. Nov. 6 (the first Saturday of the month) was discussed as a good work day for everyone attending the meeting. Everyone agreed to start at 9AM. To keep expenses down, the POA will supply hot dogs, drinks, and burgers. If anyone wants to bring side dishes, they will be gladly accepted. The Amsbarys volunteered to host lunch at their house after the work day.

ROAD FUND PROPOSAL:

The Road Fund proposal was distributed to attendees (the same proposal that was sent to owners before the meeting). Rich explained more money was needed to properly maintain the community. Our community has only had one year where we spent less than \$20,000 (our annual receipts from POA dues). Every other year we have spent more than \$20,000. We are currently trying to do Phase II paving project tasks (ditch / culvert repairs, repair road shoulders, etc.) using the general fund.

To implement a road fund, the POA will need to amend the covenants by obtaining a 67% approval from POA members. Voting for the amended covenant will be accomplished via a special meeting and proxy votes. Rich Messner explained the Board is trying to keep the annual payments reasonable, especially given the current economy. It will take time to collect the desired balance and to accomplish the necessary repairs. Rich explained the Board put safeguards into the proposal so road fund money cannot be spent for anything but roadway repairs and maintenance. No frivolous expenses will be allowed, AND road fund money can only be spent after funds are spent from the general fund.

Rich explained there were two sections of the roadway that will require repairs soon; near Lot 6 (sharp turns before the T) and the section with a guardrail. The POA cannot afford to fix both sections because we don't have adequate funds to repair these sections while still maintaining a reserve for unanticipated problems.

Peyton Miller met with two people to discuss these road issues. He was informed by both parties that if we move more than 1 acre of dirt to conduct repairs, you need an environmental impact study and a permit that requires about a \$6,000 payment. Failure to obtain this permit could result in steep fines (about \$20,000).

Repairing the road near Lot 6 would best be accomplished by paving over the section of roadbed that has settled, and recanting the road so rainwater runs towards the ditch near the mountain rather than over the edge of the road. This should help prevent further erosion from undermining the roadbed. The mountain is too steep at this section of the road to move the road towards the mountain. Fortunately, this section of roadway has not settled much more since the culvert was repaired. One asphalt contractor (A1 Paving) quoted \$6,000 to repave this section of road and repair a section before the gate that is crumbling.

Repairs near the guardrail could be accomplished by moving the roadway closer to the mountain, extending culverts and installing new guardrails to keep people from driving on the outer section of road. (We would need to bore holes through the existing asphalt to keep traffic off the road shoulder) The roadway is currently eroding near the guardrail, and everyone who has looked at this section of the road (including engineers) has forecasted *this section of road will fail*. No one can predict when, just that it eventually will fail. One way to reinforce the roadbed at this section of the road is to install a wire basket retaining wall which would cost \$70K to \$80K. This is cost prohibitive for our community, so the alternative of moving the roadway about 3 feet towards the mountain is the most feasible solution. Allan Mobley (grading contractor) estimated the cost to do the grading and repair culverts is \$4,000; this does not include paving and installing guardrails. Guardrails cost about \$26.00 per foot.

The entrance area near the mailboxes also needs paving repairs. This section is the original section of asphalt that was not repaved when the gravel roads were paved.

The Board has struggled with getting paving vendors to provide us with quotes because we have requested so many quotes in the past that have not resulted in any business for contractors. The Board is also struggling with finding contractors who have insurance.

COMMENTS AND FEEDBACK FROM MEETING ATTENDEES:

A suggestion was made to include a road fund review every 3 to 5 years. During this review, the community would decide (by voting) if the fund amounts (both required balances and amount collected) should be modified once our community has more experience with the costs of maintaining the paved road.

Another suggestion was made to establish a rate structure that charges full-time residents a different rate than part-time residents or raw land owners. The consensus was that this was not a fair proposal because all owners, including land owners, benefit from keeping our community roads in good condition.

Suggestions were made about information to include in the proposal to the community.

A motion was made and approved to accept the proposal with minor modifications. The Board will develop a proposal for the community based upon feedback from the property owners.

ELECTION OF OFFICERS:

There were no new volunteers to participate on the Board. Everyone present agreed unanimously to keep the current board in place.

OTHER BUSINESS:

The next POA meeting will be held in April. A date will be scheduled at a later time.

Dawn Fitzgerald asked for decision about an outstanding balance that she owes the community. She had purchased salt last winter for the roadway and wanted to deduct that amount from the dues she owed for last year. She explained this was the policy with previous Boards. Rich explained the Board cannot have individual people deciding on how community funds will be spent, especially since we have such a tight budget and limited funds. He also explained other neighbors have spent money on doing things for the community and don't ask for refunds. Rich said the Board would discuss her request at the next Board meeting and provide Dawn feedback. Dawn agreed to pay once the Board provides feedback.

Rich emphasized that going forward, if there are issues with the road, owners should contact the board. Owners should not take it upon themselves to address the issues and then expect the board to reimburse the owner for their expenses. The Board does plan to stock pile sand and/or salt this winter to help with slippery road conditions in areas where there are known issues.

Lynn Miller commented on motorcyclists that have been coming on the mountain via dirt trails. She tried to confront them and ask them to leave, but they refused to stop. Different methods (signs, fences, etc.) were discussed about keeping trespassers out of our community. Everyone agreed the first course of action is to contact the local sheriff and ask for assistance when this happens again.

Respectfully submitted,

Chris Amsbary, Secretary

Grants Mountain POA Budget - 2010-2011					
	Budget		Expenses to date (10/9/2010)		
INCOME					
Annual Dues (81 x \$250)	\$ 20,250.00		\$ 15,750.00	Dues Collected	
EXPENSES					
Administrative Expenses					
Postage	\$ 200.00				
Office supplies (incl print & copy)	\$ 160.00				
Tax Preparation ¹	\$ -				
Bank Service Charges	\$ 25.00				
Website (hosting & URL)	\$ 95.00		\$ 75.00		
Insurance (liability & gate coverage)	\$ 470.00		\$ (134.00)		
Legal Fees	\$ 300.00		\$ 1,415.30		
Town Hall Meeting Rental (2 POA mtgs)	\$ 100.00		\$ 50.00		
Refreshments (POA mtgs)	\$ 50.00				
Utilities	\$ 535.00		\$ 167.13		
Property Tax (Lot #39)	\$ 93.00		\$ 90.42		
Subtotal Administrative	\$ 2,028.00		\$ 1,663.85		
Community Maintenance					
Gate Repairs	\$ 820.00		\$ 87.71		
Fence repairs	\$ 150.00				
Mailbox maintenance	\$ 50.00				
Community Workday expenses (includes some work materials and lunch for participants)	\$ 400.00				
Landscaping supplies (mulch, flowers, weedkiller, etc.) for entrance	\$ 300.00				
Subtotal Community Maintenance	\$ 1,720.00		\$ 87.71		
Road Maintenance					
Entrance area mowing	\$ 1,230.00		\$ 720.00		
Roadside mowing	\$ 3,000.00		\$ 3,700.00		
Snow Removal	\$ 1,100.00				
Culvert Repairs (3 culverts)	\$ 1,500.00				
Grass Seed (erosion control)	\$ 200.00				
Asphalt repairs (cracks)	\$ 5,622.00				
Landslide & Ditch repairs (2 yr history)	\$ 2,250.00		\$ 200.00		
Ditch / culvert cleaning	\$ 1,600.00				
Subtotal Road Maintenance	\$ 16,502.00		\$ 4,620.00		
TOTAL EXPENSES	\$ 20,250.00		\$ 6,371.56		
<i>There is no allowance for reserve funds to cover unexpected or necessary major repairs</i>					