

**TC HOA Board Meeting
11-01-07**

**Nov 15th – Meeting About By-Laws
Dec 20th – Annual Meeting**

Participants: Cynthia Selder, John Clock, Jennifer Nearing, Linda South, Ken Patrick, Gayle Voyles, Carolyn McKelvey, and Judy Brewster.

President South called the meeting to order.

Minutes/votes taken and approved by phone or e-mail.

- CD to higher rate
- Did not approve waiving of the clubhouse rental expense

Budget Discussion:

Revised Budget (11/1) per questions sent to John Clock

We have another CD \$26,639.81 matured; Bank MidWest 5.35% for 9 months; next best 5.30 % for 15 months. If you want 12 months the interest rate will be 5.05%. Ken recommended locking it in for 5.30 for 15 months. President South wondered how this would impact the investment ladder that was set up. October – for 9 months; this one 15 months, another coming due in November, and another coming due in March. They are all about \$26,000

January 08, March 08 and June08 next year, February 09. John added that we have \$155,000 in a money market which can be pulled out. The board unanimously approved locking in the rate for 15 months.

Last one Gayle was the signer, along with Jim Tiehen and John Clock. January we'll need new bank signature cards anyway.

Budget:

Page 1: Any questions? No dues increase – income flat straight line.

Questions – Late fees – as John looks at Year to date late fees and divides by number of months it comes out \$3,900. Therefore, John believes it is accurate.

NSF – keep the same

Bank interest – money markets (\$14,000) John feels this is a safe estimate. Currently 4.5 % ; projection is based on what we earned this year.

Clubhouse Income \$1,300; we have \$1,200 on the revised budget
Cable currently\$6,300 a quarter; estimated \$6,000.

More than willing to renew again. Could agree a 7 year agreement; 5 year will be less revenue; 4 year will be no revenue.

Cable income is estimated through the end of the year. The new FCC Regulation issue was just announced this past week. Cynthia wondered if the board should send a survey out on this issue. Some can do ATT over the phone line, as does Sprint. The Time Warner agreement was in place when we took possession of the complex. Fiber optics \$218,000. The board has agreed that this is the way the board wants to move for 2008. So, for budget purposes John's estimated will be accepted.

\$784,682 Total Revenue

Page 2 of Revised Budget – John Clock Explained...

By-Laws – When will we have the associated costs? \$4,500 in February; we'll have a bill for this year and if we have him do anything else there will be more expenses. Budgeted for an audit, after the tax season; Linda thinks October would be a good time to have the audit done; \$5,000 seems to be a good estimate. Should audit be in a category of its own? John will change the expense to October.

Salaries Question –

Increase for property manager (\$1.00/hr increase) and maintenance person (.75/hr increase); No management company increase and Holiday Bonus (\$300/Cynthia and \$100/Bill was given last year). The board approved the recommended raises and the usual Holiday Bonus.

Clubhouse expense (computer and new treadmill)

Social \$1,000 in June, Sept, October, and December

Fountain Contract – they take your aerators out in December and put back in March; treat water each month; late months the cost is less. We've spent about \$7,000 so far this year; so \$8,550 is about right. We always need money for algae removal.

Landscape Contract - \$74,100 spreading it out over 10 months. They won't be doing all of that work in February, but will do more in April and May. There will be a flat bill for 10 months of the year.

64,000 square foot of grass seed has already been done.

Janitorial Question - Clubhouse cleaned every two weeks; some months there is an extra week's work

Snow Removal – doubled what was budgeted last year.

Tiehen Policy regarding snow removal will be sent out (if we approve) to let homeowners understand when the snow will be removed and that ice will not be removed, unless the board decides to do it. The board made the decision to remove ice; snow removal (more than 2 inches). Good idea to have the letter go out in December, with the letter about the annual meeting- so we don't have an extra mailing. In the event of a major ice storm, as we experienced last year, we will have ice removal.

Trash Removal – Spring dumpster is figured in. The board thinks possibly we want a fall dumpster figured in, too. John will take care of it.

Pest Service Contract: 3750 does include yearly renewal.
Landscape Services; \$3,000 tree trimming; 6,000 bushes, irrigate pool landscaping, irrigation repairs, and removal of dead trees.

Roof and Guttering Expenses – Usual repairs + \$4,000 in May to clean gutters. We've never cleaned them; budgeted 2,100 last year.

Painting and Decorating – is in each year; but we haven't done it, yet. Table and rug for clubhouse and window treating.

\$25,000 for concrete for 2008.

\$30,000 for drainage improvements (might be a little on the heavy side)

Pool – Opening and Closing – Suggested that we put more money in to cover the extensive work – he'll charge more.

Supplies (shutters) – using new attachment piece)

Key Track System – We have a large box that holds all of your keys. You press a code to get specific keys out – records who takes keys.

Fire Sprinkler – May – main expense; covers testing of back flows and fire safety system;

\$2,500 in June to cover repairs that they may find.

Maintenance Equipment (9) tires and battery for golf cart

(10) stop signs

(11) OSHA rated storage cabinet -- \$575

The board wants the stop signs purchased and installed as soon as possible. John believes we have \$25,000 to the plus; we aren't doing the \$20,000 seal-coating. He has \$5,000 for Nov. and December – probably covering one storm each month. If the weather cooperates we could end up with \$20,000 - \$25,000.

Stop signs at each intersection; every yield sign will be replaced with a stop sign. One four-way stop for the big intersection (between the clubhouse circle and dumpster). Cynthia will get the stop signs.

Utilities – inflating factor was 6% electricity and 10% for water. Increased this year's by 6% and 10%. John is aware that changing the watering schedule may reduce the water expenses. The board approved.

Income Taxes: Accountant set us up on a quarterly basis. \$500/quarter. We've made more in interest income, so he raised the quarterly income tax payments to \$600. Tax preparation also costs about \$300. \$1,400 Total Cost

\$64,750 insurance; coverage going up 6%; cost is going down 60,500 – savings of a little over \$4,000. We'll cut the check in January. John has been actively been receiving other bids; it is over \$67,000.

Real Estate Taxes - \$12,050 per year

Furnace and Air Conditioner – Life Expectancy Issue – Tiehen is working on getting estimates, but the property was built in 96; furnaces usually last 12 -15 years; we haven't had any problems. John thinks we could wait to budget purchasing them for another year or two.

Last Page of Revised Budget –

Furniture Rental – About \$200 each time; quarterly meetings \$200 x 4 = \$800

\$300 license is the pool license.

I have at the moments \$3,000 a month going into your reserves. Paying yourself \$36,000/year.

Seal-Coat – to do in the spring

Tennis Court Crack

Asphalt repair and additional seal coating

Interior Trim of Clubhouse

Painting the Trash Area (wooden frame)

Painting metal fences and handrails

Pool furniture, if needed

Security cameras \$4,000

Flag Pole

Paint the Pool – John thinks it won't need to be done in 2008

Siding Repair (\$8,000)

Lower Rt Hand -\$43,312

If we didn't pay ourselves the \$36,000 – one option

Trade-offs, as needed

The board agreed that the recommended budget needed to balance.

The board felt the amount being put into reserves was reduced.

Ken – This coming year was to be a golden year – without having painting.

Painting expenses are being replaced with asphalt repairs.

Budgetary Standpoint – this is only using revenue generated.

The board will continue discussing the revised budget and get back to John Clock.

Pond Dredging – Jim Tiehen recommended an individual; John \$141, 090 build a sea wall along southern perimeter of the pond. We have step inclines to pond – hauling out the muck, bringing in the dump trucks (heavy), so he wants to build a sea wall; dump the muck behind the sea wall. Retaining wall.

Cynthia got another bid, earlier. \$81,500 without the sea wall. Bulk of the cost is the removal of the muck; estimated removing \$4,000 cubic yards; if more—at a higher price. He'll be out to walk the pond area with John; he'd agree to meet with the Board, if we'd like.

VaSelle is trying to find out who dredge it when Pauls Corp. had it done; then we could get another bid.

Really dredging the southern area of the pond (by the sandbar). They have to drain it.

Pest Control – They will come in, upon request.

The board will let John Clock know where they want to cut expenses/services listed on the revised budget.

The board wants to discuss this issue with homeowners. Maybe having a presentation, complete with visuals, is in order.

Ken and Gayle both commented on the importance of putting money in reserves.

Liability is less if we don't remove ice. If we say we do attempt to remove ice we are more liable.

Predicting warmer and dryer fall forecasted.

Delinquencies in good shape; except the one person that owes the big amount (28L). He has made his first monthly payment; hopefully he'll continue with the financial plan.

ASC: Carolyn McKelvey

Window fan issue: The committee didn't find any that looked objectionable. If someone complains it requires immediate attention. There is an economic factor in allowing fans; some people don't want to turn on their air conditioner.

In the interior townhouses there is no real flow of air; so the only way you can get air flow is by forcing it.

Screen door for over a year; windsock for over a year, but how did the window fan issue come up?

If not unsightly, no objections. Committee's Recommendation: If it looks ugly and is offensive – IF homeowner complains the issue will be dealt with.

Holiday Decorations are permitted beginning Thanksgiving through January 6th.

Audit – Are we ready to choose? This year's recommendations – I'll look this weekend. I'll get mine from Ginny Moore's HOA Management Company.

Computers – Ken reported: One computer forbidden to consider is DELL. Best Buy doesn't have a single desktop that isn't a Vista. Micro Center has a house brand desk top with Vista and XP. You select, at boot up, which you prefer. Create your backup disc when you start it up. Need to do it on DVD because on a CD you'll need 14 CDs. This computer is almost entirely standard components – easily repaired with common parts. The unit would cost \$550 and the screen would be about \$150 for a 17 inch flat panel. Total: \$700. Ether net connection and broad band ready. Vista's problem – it really isn't ready for the market. One year warranty. Ken will visit with David Phillips. The board approved having Ken move forward with initiating the purchase.

Recycling – John Clock sent out the price \$685/month. President South will report this information to homeowners at the December meeting. Because there are other ways to participate in recycling within the Leawood community, the board decided to not approve the additional cost.

Debra Smith – Threatened Cynthia. A neighbor complained of tv noise after 11:30 pm; Cynthia called Debra to inform her that a neighbor had complained and that she will need to reduce the noise after 10:30 pm.

This person called back and said she was harassing her and it had to stop; she also said she'd sue Cynthia and the Tiehen Group. Cynthia has documented the calls, dates and times. All future calls will be referred to John Clock. The next morning there were 4 more messages on the answering machine. John Clock will handle future calls from Ms. Smith, so Cynthia won't have to deal with her.

November 15th (7:30 PM) – What do we need to do? Introduce some of the highlights; Open forum. Linda will e-mail PDF version to Cynthia.

Holiday Party - How much has the social committee spent so far this year? This will help us know what we have left to spend for our holiday party. December 15, 2007 (5 – 7 PM).

Revisions of the By-Laws –

Meet in person next week to cut the revised budget; Tuesday or Thursday evening – The board will e-mail to confirm which date (6:30 – 7:30 PM).