

**Mill Creek Homeowners Association  
Board Meeting Minutes**

**January 15, 2014**

**I. Convene Meeting:**

The meeting was officially convened at 7:30 PM. Board members in attendance included: Neal Grandy, President and Co- Treasurer, Addeane Caelleigh, Pam Riley, and Brian Lewis. Absent: Janet Eden and Maritza Saavedra. Guests: Sharon Herbert (Sharon resigned from the Board following the December Board meeting). **Any others??**

**II. Approval of December Minutes**

The minutes were not ready to be reviewed.

**III. Homeowners Issues/Concerns - none were discussed**

**IV. Treasurer's Report**

- a. **Checking and Savings Account Balance** – the Checking account balance is \$50,358
- b. **2014 dues update** – Neal reported that we had received \_\_\_\_\_ dues already.
- c. **Treasurer** – The Board appointed Sharon as Treasurer for the HOA. She will serve as an Officer for one year and is no longer a Board Member.
- d. **Wills and Associates, PC hired** – Addeane made the motion to hire the Wills and Associates, PC for the financial services they outlined in their December 17, 2013 proposal to the HOA Board (see attached). Brian made a second to the motion and the Board unanimously voted to hire Wills and Associates. The contract is for \$200 per month.

They will compile monthly financial statements – *income tax basis*

- Statement of assets, liabilities, and equity
- Statement of revenues and expenses
- Various management reports upon request

And will perform monthly bookkeeping services that include:

- Record journals/transactions
- Prepare general ledger & trial balance
- Reconcile bank statements
- Manage receivables
- Manage payables
- Maintain fixed assets schedule

Pam suggested that the Board might also consider hiring a Property Management Firm and to present this option to the homeowners for discussion. Over the past several years, there has been some frustration and concern about whether the HOA can recruit enough volunteers to carry out the core HOA management responsibilities. Of particular concern has been the lack of HOA professional bookkeeping and accounting since the embezzlement took place seven years ago. She suggested that by presenting the option of a Property Management firm, the homeowners could get a more detailed understanding of the overall responsibilities and the specific work load of managing the HOA. The homeowners could evaluate whether it is worth the cost of paying professional to do the work versus providing more volunteer hours.

After much discussion, although everyone agreed that the cost of a Property Management Firm may be too expensive for our community, the Board decided to present two budgets to the homeowners, one with the Wills and Associates financial services included, and one with a property management firm with a broader set of management services. The Board also agreed to write up a description for the homeowners about the management responsibilities of the HOA Board, outlining some of the pros and cons of hiring an accounting firm versus hiring property management firm.

It was also noted that in previous discussions this year on this topic, several Board members did not favor hiring a property management firm. Their concern has been that a company would be impersonal and less likely to provide the caring service that a group of volunteer residents can offer.

#### **e. Proposed Operating Budget for 2014**

The Board reviewed the preliminary budget for 2014 (see attached). They asked Sharon to please develop a second budget to reflect a Property Management Firm quote for services. Both will be presented to the homeowners at the Annual Meeting January 15th.

### **V. Ongoing/Old Business**

- a. Web site redesign:** Brian reported that the new website has been established and he has already received a number of requests for news updates via email.
- b. Legal Opinion Letter** – The Board received the legal opinion letter from Cheri A. Lewis on December 16<sup>th</sup> (see attached). A primary legal question the Board asked her to research was how we could meet the quorum requirement of 50% to elect a Board and then reduce the quorum requirement for future purposes. The Association has not been able to achieve a quorum for a number of years. In accordance with her recommendations, the Board took the following steps in the last few weeks:

**Issue with Quorum, Election of Board, Officers, and Amending Bylaws** – The Board sent homeowners a notice for the January 15<sup>th</sup> Annual Meeting which included a proxy for homeowners who could not attend. According to the Bylaws, proxies from members

unable to attend the meeting and held by members attending the meeting may be used to achieve a quorum. If quorum is met at the Annual Meeting, the Board will convene its first Board meeting directly after in the same location in order to elect officers and to adopt a bylaw amendment that will reduce the quorum requirement to 10%.

In follow-up to the Annual Meeting notice mailing, Board members called homeowners and collected proxies to take to the meeting to increase the odds of obtaining quorum. The mailed newsletter outlined the agenda for the meeting and the updated website provided a description of key issues to be discussed and decided upon.

## **VI. Common Grounds**

- a. Clean up of common grounds** – It was noted that the contractor that did the vine clearing has left some brush piles in the common areas. The most noticeable pile in on Mill Creek Drive, the Board will ask Janet to contact the contractor and ask him to please remove the piles.

## **VII. Architectural Review Committee** – no issues discussed

## **IX. New Business**

- a. Slate of Candidates for 2014 Board** – Neal Grandy announced that after 6 and ½ years of service to the HOA, it is time for him to resign. Pam Riley also indicated that due to a lot of other responsibilities, she too was resigning. Both resignations would take effect immediately. It was reported that Maritza had also decided not to stand for election for 2014. Current Board members that agreed to stand for election for 2014 are Addeane Caelleigh, Brian Lewis, and Janet Eden. Two new Board members will be sought during the Annual Meeting.
- b. Annual Meeting, January 15<sup>th</sup>, 2014** – The following assignments were made:
  - Neal agreed to chair the meeting
  - Brian will present info on the new website
  - Sharon will present the proposed budgets and facilitate the financial discussion
  - Addeane will prepare and present the HOA management handout (pros and cons of Accounting Firm and Property Management hiring)
  - Pam will take minutes and will prepare the sign in sheets, name tags, etc. for attendance

## **X. Date for February Board Meeting**

Next Board meeting will be **Tuesday, February 11th at 7:30 PM in the Glass Room** (next to the library downstairs) in the Monticello High School.

**Adjournment** – The meeting adjourned at 8:50 PM.