

Prairie East Fifth Association
Homeowner Annual Meeting Minutes
May 16, 2013

The meeting was called to order at 7:00 pm by Board president, Cory Miller.

Board members present: Cory Miller, Amy Dresch, Tim Nelson, Carol Wach, and John Culviner.

Also present was Lori Waltzer, Association manager.

Homeowners present or by proxy: 22 homes were represented at the time the meeting was called to order. Additional arrivals after the meeting was called to order brought the total to 24 homes represented.

Secretary's Report: It was moved by Stu McGovern (10384 Balsam) and seconded by Barb Stelling (10371 Balsam) to accept the minutes of the May 17, 2012 Annual Meeting as presented.

Motion carried.

It was moved by Stu McGovern and seconded by Barb Stelling to accept the minutes from the special meeting held October 11, 2012 as presented. Motion carried.

President's Report: President reported top achievements for 2012 as follows:

- Held monthly board meetings as scheduled
- Held a special meeting of the Association 10/11/12 to discuss a special assessment for dues of the association
- Completed the Spring 2012 walk-through of the Association property by Board members noting deficiencies and safety issues to be addressed and repaired (May, 2012)
- Made repairs to the property in the summer of 2012 as per the results of the walk through, **\$5,007**
- Renewed the Association's 2013 insurance coverage at a cost of **\$28,295** compared to \$24,313 for 2012.
- Completed the roofing and replacement of flashings at a cost of **\$280,333**
- Hired an independent consultant to watch out for the Association's interests in the roofing project at a cost of \$2,450
- Had financial statements reviewed by the accounting firm
- Took out a bank loan to help pay the cost of roof replacement
- Cashed in investments Certificates of Deposit to pay for the cost of roof replacement
- Monitored past due accounts and foreclosures of association members. As of April, 2013 the balance was **\$2844**.
- Issued demand letters for delinquent Association Dues during the year as needed. Filed foreclosure for unpaid dues on one Association member in February, 2013
- Issued and collected fines to various Association members for rules infractions

- Completed the 2013 Budget for the Association
- Completed a reviewed the Cash Reserves requirements
- Issued Newsletters to members during the year
- Notified Members of a program for cleaning dryer vents to reduce fire risks
- Removed and replaced dead trees and shrubs as needed
- Set up a Blog (website). It can be found at
http://www.neighborhoodlink.com/Prairie_East

Treasurer's Report:

Cory presented the audited financial statements and reported cash of \$176,276 in operating funds and reserves.

Homeowner questioned (Stu McGovern) if the association had enough money for the operation since the special assessment was not passed. Cory replied there was enough for the items that are budgeted for and stated in the reserve study. Any unforeseen expenses will have to have a special assessment and it will need to be collected before any work could be done.

Dorothy Fuss (10316 Balsam Lane) motioned to accept the treasurer's report and Rose Gebo (10367 Balsam Lane) second. Motion carried.

Annual Report: Expenditures over \$5000 for 2012 was the roof replacement of \$282,783.90. The ending balance for the reserve account for 2012 was \$153,674.64 and as of March 31, 2013 the reserve balance was \$153,731.49 unaudited. The 2012 financials were audited by CPA, Robert Murphey. The Association is not party to any pending lawsuits or judgments as of May 16, 2013. Homeowners are encouraged to review their HO6 homeowner's insurance policy. They need to know that the association has a \$5000 deductible on any claim at their home. Their own policy should cover this deductible. One home was over 60 days delinquent at the end of 2012.

Elections: There were no nominations from the floor to add anyone to the ballot. Stu McGovern moved to close the nominations and Barb Stelling seconded the motion. Motion carried. A motion to accept the slate of nominees as presented was made by Stu McGovern and seconded by Dawn Lindgren (10374 Balsam). Cory Miller and Tim Nelson were re-elected to the board of directors.

Old Business:

- Dawn Lindgren (10374 Balsam) stated she had more icicles from her roof this past year than any other year and wondered if the new roof had anything to do with the change. She would like a roof assessment to ensure there are no problems with the new roof.
- Prairie East's blog site should be updated with the annual meeting dates as well as the upcoming board meetings.
- Linda Petersen (10360 Balsam) wants to see where the cottonwood was removed from her yard and wondered if the board would reimburse her for grass seed. Also she reported that one root still needs to be removed.
- Homeowners wanted to know how many homes in the association are currently rented. Lori replied there is approximately 24% of the units are rental units.

New Business:

- Gutters. A quote was received for \$25,000 to replace the existing gutters with gutters that would run along the entire length of the building. Since this is not in the budget nor is it in the

reserve allowance, this would need to be a special assessment. Some questions the homeowners had: Should gutter helmets be installed at the same time? Should the board do one or two buildings as a test to ensure it works the way the homeowners and board think it will? Stu moved to have this project completed. Since this will require a special meeting a motion was not entertained.

- Tree Trimming. \$16,000 for trimming all trees and shaping

Homeowner Open Forum:

- There is a business truck parked on the street and homeowners wondered if there was a business being run out of a home. No business is run out of the home, but the owner drives a truck for a company and parks the truck on the street. It is a public street and the association has no control over who parks on the street.
- Homeowners have been told that the renters don't water because they pay their own water. The extra amount for watering averages only about \$30 per year and the renters should be told. They could ask for an incentive from their landlords.
- Would rain barrels be a good option to catch the water from the gutters and use for watering plants? If homeowners want to install a rain barrel, this would require an architectural change and the homeowners would need to submit their proposal to the board for approval.

Call for adjournment at 7:55 pm. Motion by Stu McGovern and Barb Stelling seconded. Meeting adjourned.