



Meeting Minutes Board of Directors Meeting August 23, 2016, 7:00PM

Pursuant to notice duly given a regular meeting of the Board of Directors of the Mountain Park Home Owners Association was held at the Clubhouse on Tuesday, August 23, 2016. Present at the meeting were Directors Kurtus, Kyle, Lazaris, Price, Sangrey and Slaven. Executive Director, Carol Cook was also present. Director O'Connor was absent.

Call to Order - The meeting was called to order by President Sangrey at 7:00PM.

1. Appeals to the Board

- a. The owners of 35 Walking Wood attended the meeting to appeal to the Board the assessment of a \$200 fine for violation of the Architectural Policies and Procedures by not completing an Architectural Application prior to replacing their front staircase. Director Slaven made a motion for the Board to rescind the \$200 fine. Director Kurtus seconded the motion, and upon vote by the Directors, the motion failed to pass (3 Yes-3 No). Director Kyle made a motion of the Board to reduce the fine from \$200 to \$100. Director Price seconded the motion, and upon vote by the Directors, the motion passed (4 Yes-1 No- Director Slaven; Director Kurtus abstained).
- b. The owner of 99 Kingsgate attended the meeting to appeal to the Board the assessment of a \$200 fine for violation of the Architectural Policies and Procedures by not completing an Architectural Application prior to painting her house. The owner had made application and was waiting for an answer and her painters misunderstood and began preparation. Director Kyle made a motion for the Board to rescind the \$200 fine. Director Kurtus seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).
- c. The owner of 138 Del Prado attended the meeting to appeal to the Board the assessment of a \$500 fine for a repeat violation of the Architectural Policies and Procedures by not completing an Architectural applications. Director Sangrey noted that the homeowner had eight violations since 2008, and six were submitted last week for past projects already completed. Director Lazaris made a motion for the Board to deny the appeal to rescind the \$500 fine. Director Price seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).

2. Visitor Comments & Letters to the Board

- a. 18 Monticello – the homeowner attend the meeting to discuss his violation notice regarding dumping on Common Property. He expressed that he would like a letter from the Board in response to his multiple letter as well as confirmation that the CC&R Director has a right to enter his property. The Board agreed to summarize the request in a letter.

3. Reading and approval of minutes

Director Kyle made a motion to accept the July 26, 2016 minutes as written. Director Lazaris seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).

4. Reports

- a. Executive Director – July KPI and July financial report. Director Cook distributed a sample Member Statistics report to show the information that could be acquired from the new Jonas Member Services Software. Director Cook informed the Board that Employee Health Insurance would be renewed with the same vendor as there was only a 1.53% increase (about \$200/month).
- b. Architectural Review Committee – August report. Director Price made a motion for the Board to approve the revised Architectural Committee Charter as written. Director Kyle seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).
- c. Home Care Committee – Untenanted Houses, Fine/Assessments; Condo/TH Home Care Status reports for August.
- d. Clubhouse Committee – August report. Director Kurtus made a motion to the Board that William Roberts be added as a member to the Clubhouse Committee. Director Slaven seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).
- e. Reserve Committee – August Reserves report.
- f. Finance Committee – August reports. Director Kyle reported that the Finance Committee met with a tax attorney and CPA to discuss strategies to address the Association's tax liability. The following options were discussed. 1) File as Exempt (1120-H) with eligibility depending on meeting several test, including 60% of the Revenues must be Member Assessment and 90% of Expenses have to relate to the Associations Property with facilities primarily used by the members. Profitable activity using this method would be taxed at 30%. 2) File as a Corporation (1120) in which all income is taxable income and taxed at a graduated rate. 3) Set up the Profit side of the Association as a separate subsidiary corporation. The Finance Committee felt that it was in the Associations best interest to drive the operations toward achieving an 1120-H filing. The Finance Committee has also acknowledged that rolling over surplus income has presented a dilemma. The CPA is working with the Staff Accountant and Executive Director to determine where we stand in 2016 in meeting the tests to qualify for filing as Exempt.

Director Kyle made a motion that the Board approve rolling over the expired 1-year CDARS CD of the amount of \$300,599.03 for another 1-year term. Director Sangrey seconded the motion, and upon vote by the Directors, the motion passed (6 Yes-0 No).

- g. Common Property Committee – August report.

5. Resolutions - None

6. Old Business

- a. 9 Juarez Foreclosure - Director Price reported that the attorney has moved forward with the foreclosure and would be working very closely with the attorney.

- b. Seismic Evaluation – Deferred until the next meeting.
- c. Improving Communication – Deferred until the next meeting; however, Director Sangrey stressed the importance of determining new strategies to ensure better communications with homeowners.

7. New Business

- a. Encroachment – Director Sangrey reviewed a memo sent to the Board from the Common Property Encroachment Sub-Committee requesting more direction from the Board of Directors on how to proceed with consistently addressing encroachment issues. Director Sangrey shared with the Board a draft of “Suggested Procedures for Dealing with Encroachment” to be reviewed and discussed at the next Board meeting.
- b. Avocet HOA letter – Director Sangrey shared with the Board a letter submitted on July 20th regarding our request for a meeting to discuss an easement or other resolution of the Avocet encroachment. Director Sangrey informed that Board that he and the Executive Director were in the process of scheduling a meeting with the Avocet Board in the near future and the outcome of that meeting would be shared at a future Board meeting.

Adjournment – At 9:20PM., the meeting was adjourned.

Secretary/Treasurer