

**West Fork Village
Special Owners' Meeting Minutes
April 30, 2016**

Board Members Present:

Jamison Walsh – President
Rosann Holman – Vice President
Anita McAllister - Treasurer
Jan Massey - Secretary
George Hekowzyk - Voting Member

Travis Ryan - On-site Manager (Owner)

Additional Owners:

See attached Sign-in-Sheet

Jamison Walsh called the meeting to order around 10:00 AM. He proceeded to address the 2016 budget, highlighting the main points, and explaining the reason the Board recommended the dues increase. He covered the following points:

Reserve Study –

The Board had a Study done because the previous one had been done 10 years ago and was outdated. Jamison explained that the Reserve Study is used only as a guide to the Board. He pointed out some of the items on the Study that would only be addressed as needed, not as recommended by the Study. Specifically, the replacement of appliances in the clubhouse kitchen is not relevant at this time, since they are still in working order. He also pointed out the need to replace and repair the decks which had not been an anticipated expense, and has been going on for the last three years, in effect depleting the Association Reserves.

Lender Requirements for Borrowers:

10% of the money collected by the Association each year should be going into Reserves. There have actually been issues with potential buyers not being able to get financing because the 10% had not been allocated to Reserves. This is a priority in order to maintain property values.

Annual Assessment History at WFV:

Our dues had not been increased since 2008. Even after the \$20/month increase to \$150, we are comparatively low, based on other similar communities in the area.

Efforts Made by the Board to Reduce Expenses:

There was a brief discussion including insurance premiums, decrease in pool expenses, landscape, and snow removal, **Owners Involvement:** Jamison encouraged owners to get involved with the Board in finding solutions to budget items such as insurance premiums and to participate in discussions to reduce the Budget.

Open Discussion:

Owner Insurance Assessment Coverage:

An owner brought up the idea of owners' ability to purchase loss assessment insurance. The board sent out letters to this effect to all owners last year recommending that owners check with their individual insurance carriers to purchase the coverage called Loss Assessment Coverage-HO6.

Owner Affirmation of Dues & Grounds Maintenance:

A non-resident owner, as a realtor with experience regarding other multi-unit communities, verified the low dues amount and high quality of maintenance at WFV.

Budget Questions and Issues:

Board Compensation:

One Owner questioned Board compensation of no dues payment. Jamison explained the history of waiving HOA dues to entice participation on the Board.

Management Fees:

The on-site management fees were questioned in regard to the increase from \$52,500 to \$58,160. Jamison explained the increase of 3% per year performance increase, and additional funds because the association does not provide health insurance.

Employee Housing:

The apartment rental by the assistant manager was explained as the \$1000 a month value being rented by the assistant manager at \$400 per month, rendering a loss of \$600 per month which results in a \$7200 per year loss to the Association.

Outside Management Company:

An owner inquired if we had investigated the possibility of using an outside management company. There was discussion between owners of the benefits of having on-site management after Jamison gave some history of previous conversations regarding offsite management. Jamison agreed that the Board should have a side by side comparison of on-site versus off-site management reflecting the pros and cons of each.

Dues Increase Calculations:

There are 180 units. The increase in dues amounts to \$3,600 per month and \$43,200 per year in additional revenue. **The Issue:** Jamison explained that the vote was for approval of the budget which in effect increased the dues. In the past it was not necessary to vote for budget approval, however due to the dues increase reflected in the 2016 budget, the Board felt it necessary to have a face to face with the owners in order to explain the need for the increase and answer any resultant questions. An owner wanted to make a motion that the Board buy into the increase of the Annual Assessment by paying the additional \$20.00 per month increase at least. Per Jamison, this would require an amendment to the By-Laws. Owners own the CC&R and the Executive Board owns the By-Laws. In order for the Board compensation to be changed it would require another amendment to the By-Laws. Jamison explained that the Association attorney has reviewed our CC&R and By-Laws and recommended that we get them updated to meet with the current laws governing covenants.

Changing the CC&R requires a 66% approval from all owners in person at a meeting.

Executive Board:

There are seven board members which is the maximum allowable per the by-laws. There are 12 regularly scheduled board meetings. One each month except December and two in July. In addition, there are several unscheduled meetings

throughout the year as needed for various issues such as the Reserve Study, Budget, Finance, etc.

Dues Collection:

Some members of the Board have been looking at other ways to collect dues. There are issues with the 3-5% processing fees involved with the collection of dues electronically. Jamison mentioned the possibility of a discount for paying dues in advance. Travis will send a special letter to owners who pay in advance with an accounting, reflecting the dues increase.

The Vote:

There were 12 proxies, one of which cancelled itself out. There were 11 no votes. There were 22 voting owners (two of whom own two units each). The owners who neither came to the meeting, nor sent in a proxy numbered 146. The no show, no proxy owners' votes are cast as yes votes. The tally is as follows: 1 abstention, 11 no votes and 168 yes votes.

**MONTHLY DUES WILL BE INCREASED:
FROM \$130 TO \$150 PER MONTH EFFECTIVE JUNE 1, 2016.**

Next Board meetings: Thursday, May 19, 2016 at 6:30 PM; Thursday, June 16, 2016 at 6:30 PM; Annual Meeting, Saturday, July 16, 2016 at 10:00 AM.

Meeting adjourned at 10:46 AM.

Respectfully submitted,
Jan Massey, Secretary