

**** ANNUAL MEETING MINUTES UNAPPROVED BY BOARD UNTIL NEXT
REGULARLY SCHEDULED ANNUAL MEETING ****

**COBBLESTONE VILLAGE
HOMEOWNERS ASSOCIATION
2008 ANNUAL MEETING
COMMON AREA BEHIND POOL
AUGUST 23, 2008
10:00 AM**

MINUTES

- I. **ROLL CALL AND CERTIFYING OF PROXIES**
The meeting was called to order at 10:05 am.
There were 20 Homeowners present, 5 Board members, and 15 proxies were sent in. Brenda Feldman with Pennant Investment Company was also in attendance.
- II. **PROOF OF NOTICE OF MEETING OR WAIVER OF NOTICE**
Proof of notice was submitted.
- III. **APPROVAL OF PREVIOUS ANNUAL MEETING MINUTES**
Glenda moved to approve the minutes from the 2007 annual meeting, Lorraine seconded, minutes were approved.
- IV. **REPORTS OF OFFICERS**
a) **President's Report:** As a change this year, my report is going to concern primarily how our Board of Directors works. Other officers' reports will have more detail how the previous year has gone as well as some of the things coming up in the next year.

For those of you interested in becoming a board member, please remember that being a board member has responsibilities and restrictions. Homeowners also have rights and responsibilities as well. The handout from "Community Associations Institute" (CAI) defines this very well. A Homeowners' Association is a corporation and the board of directors functions as the board of directors for that corporation. Similar to a corporation's board of directors, the HOA board of directors must act with the best interest of the community in mind. While our board is made up of 5 individuals, the board must act as one concerning the decision it makes. The board must work together as a group to run the business known as Cobblestone Village HOA. Sometimes there will be disagreements but all in all, the board must work together. Once a decision is made, the decision must be supported by ALL Board members, even if an individual board member was outvoted during the decision making process.

Individual board members have limited authority on their own (by themselves). Board members may be approached by other homeowners with their concerns.

Except for emergencies, all decision from the board should be made by the entire board, usually in the monthly board meeting. Board members who make decisions on their own without following standard voting procedures can cause problems for the association in the future. Please help our board members by addressing any concerns to the board either by contacting our management company or by sending an email to the board from our web site instead of requesting a decision by a single board member. If any board member receives such a request, they are asked to follow the same procedure.

Being a board member can be an interesting way to learn about and participate in the management of our community. However, it does require some commitments. Board members are elected for a three year term. At a minimum, this means attending the monthly board meeting for 2 or more hours and spending some time before the meeting to read and study the board packet before hand.

Occasionally, there are extra meetings, the board communicates frequently by email. The Board must work together. It is very important for board members to create a cooperative atmosphere and to respect the other board members' viewpoints and opinions and their rights to express these viewpoints.

The 12 monthly meetings are currently held at the Westminster College Hill Library on the second Monday of the month at 6:30 pm. Each year, one or two board members' term are up. They have the option of running again if they desire. If a board member resigns during his or her term, the remaining board members can appoint someone to fill the remainder of the term.

I would ask that any prospective board members consider these things when deciding to run for the board. Other than the commitment to serve and maintain an atmosphere of cooperation, the only requirements to be a board member is to be listed on the title of their townhouse and to be in good standing with the association. If you have any questions, please ask one of the current board members.

- b) **Treasurer's Report:** Beginning with fiscal year 2008, CVHA changed the financial reports we view to a cash view from an accrual view, enabling us to see the actual financial numbers in both expenses and income. Previously Accrual-based reports were not showing actual year-to-date assessment income received against actual and expected expenses. The Board had a Reserve Study done to reestablish planning for long-term financial needs in order to complete major repairs and replacement of various elements of the property. This provides expert opinion regarding the remaining terms of useful life for these elements, along with calculation and timing of funding that will be needed for that work to be done.

This Year:

Parking Lot

Re-paving, with drainage corrections – phase 1 (completed).
Patching of remaining lot (completed).

Swimming Pool

Re-tiling of decorative tile at waterline (spring-completed).
Re-plastering of surface below waterline (fall).

Decks

Re-building of raised wooden decks of at least one more building
(funds permitting, more than one building will have decks rebuilt).

Options for Next Year:

Roofs/Gutters

New roofs and gutters for the third section of buildings (approximately 1/4
of the complex).

Decks

Landscaping Improvements

Going forward, Reserves planning will be “fully-funded,” meaning that small-to-medium unplanned expenses will not be covered by a portion of the Reserves account being set aside for contingency funding. The Board has decided to have a small portion – initially, \$500 – of each month’s budgeted amount to be allocated to Reserves set aside to a separate account until a contingency fund is established. Once a certain amount has been saved for this fund, further contributions to that fund will stop, except for replacement of any contingency funds that need to be used for an appropriate event.

In addition, the Board is looking at ways to prevent having more than \$100,000 deposited to any one bank, while maximizing interest and maintaining liquidity, so there is a plan in place for times when the Association needs to save for particularly large expenses.

2008 Operations Account			
SUMMARY			
	2008 Budget	Actual – Year to Date (July)	Variance
Income	\$426,360.00	\$257,825.61	60.47%
Expenses (inc. transfer to Reserves)	\$426,360.00	\$204,130.67	47.88%
DETAIL			
Budgeted Item	2008 Budget	Actual – Year to Date	Variance
Management & Administration	\$37,800.00	\$22,515.42	59.56%
Legal. & Collections	\$5,000.00	\$3,485.95	69.72%
Insurance	\$48,000.00	\$27,589.24	57.48%
Security	\$5,000.00	\$2,196.00	43.92%
Utilities	\$123,000.00	\$85,905.95	69.84%
Property Maintenance & Repairs (not inc. Landscaping)	\$29,000.00	\$19,354.00	66.74%
Grounds – Landscaping	\$32,000.00	\$12,860.50	40.19%
Pool	\$12,700.00	\$8,387.46	66.04%
Snow	\$20,000.00	\$15,736.38	78.68%
Transfer to Reserves	\$112,860.00	\$58,900.00	52.19%

2008 Reserves Account			
	Budgeted Income	Actual – Year to Date (July)	Variance
Transfer from Operations	\$112,860.00	\$58,900.00	52.19%
Interest	\$1,000.00	\$812.50	81.25%
			Running Balance
Starting Balance			\$96,263.30
Transfer from Operations	Income Item	\$58,900.00	\$155,163.30
Interest Income	Income Item	\$812.50	\$155,975.80
Reserve Study	Expense Item	(\$2,750.00)	\$153,225.80
Parking lot repaving & repairs (phase 1)	Expense Item (pending)	(\$109,931.74)	\$46,044.06

<u>Accounts Receivable</u>		
Starting A/R Balance	\$54,264.82	
	Write off of Bad Debt	(\$3,349.87)
	Amount Collected (inc. legal fees)	\$55,947.31
Current A/R Balance	\$44,927.02	

V. ELECTION OF MEMBERS TO THE BOARD

After some discussion Ward Duncan, Kim Toovey and Jim Wallace were nominated for the two open board positions. After the vote was counted, Kim Toovey and Jim Wallace were voted on as members of the Board of Directors to serve 3 year terms.

VI. HOMEOWNERS FORUM

2991, 2993 and 2975 need roof repairs
 2935 need the sprinklers repaired
 Question on number of renters
 Would like a meeting to explain covenant changes
 More walk throughs, violation letters and fines assessed
 There was some discussion on the security
 2927 G needs a copy of the appeals process
 There was some discussion on follow through from management company
 Sidewalk by Allens Ditch – repair sidewalk where tree roots have pushed it up, trim bushes and trees hanging over sidewalk
 2907 sealant on decks is peeling
 Check with landscaper on rain detectors to shut off sprinkler when it rains

VII. ADJOURNMENT

The annual meeting was adjourned at 11:00 am.