

**Minutes of the  
Board of Director's Meeting  
Coffee Creek Condominium Association  
August 18, 2005**

The monthly Board Meeting of the Coffee Creek Condominium Association was held on Thursday, August 18, 2005 at 7:00 p.m. in the Coffee House.

In attendance: Board Members: Paul Gehl, Paul Schmeil, Petra Lipa, Joyce Warner, Shirley Dernovich, Larry Hulme, Judy Rousseau; Property Manager John Boyle; and guests: Pat Gehl, Donald Todd, Rita Senecal, Rachael Lloyd, Mona Creed, Andora Parchman, Irene Clifton.

**New Maintenance Technician** - Dale Adams was introduced, and spoke regarding his experience and commented regarding his enthusiasm for his new position with Coffee Creek. Dale starts September 1.

**Homeowner Forum** - Donald Todd commented on his thoughts regarding the tennis court and docks. He believes the tennis court should be restored, locked, and used exclusively for tennis. He also believes the boats moored illegally on the North and East end of the permanent dock should be removed.

Mona Cree commented on pool violations, particularly people using the pool after the hours designated by the Pool Rules and Regulations.

Pat Gehl asked the new reserved parking signs be brought into compliance with the existing ones. John Boyle will have them changed, as there are spare signs in the storage shed.

**Meeting Called to Order** - President Gehl called the meeting to order at 7:25 p.m. and verified a quorum.

**Consent Calendar** - The consent calendar method of conducting board business was discussed.

Essentially, it extracts all items that do not require discussion and puts them on the "fast track." President Gehl asked "is there any Consent Calendar items that needs further discussion before the calendar is adopted?" Several items were briefly discussed for clarification. A motion was made by Judy Rousseau to adopt all the resolutions as stated on the attached Consent Calendar page. **Motion passed.**

**Secretary's Report** - Next Board meeting is Thursday, September 22, 2005 at 7:00 p.m.

**Treasurer's Report** - Larry Hulme reported that as of July 31, 2005, the various balances are: \$18,361.87 in the Operating fund, \$667.04 in the Insurance fund, and \$33,517.29 in the Reserve account for a total of \$52,546.20.

**Manager's Report** - Wednesday, August 17, 2005 was the last day for the Landscaping Company, Grow It Green, Inc. One of the insurance report items was earthquake protection of water heaters. The Board agreed to have the Minutes state that ***"Owners should check their hot water heaters for straps and install them if they are not currently strapped."***

**Committee Reports** - Pat Gehl of Landscaping Committee announced a landscape work activity for Saturday, August 20, 2005 at 11 p.m.

**Old Business** - Garage sale was discussed and it was decided not to have one for 2005.

**New Business** -

**Tennis Court Usage** - Judy Rousseau moved that the tennis court be cleaned up, locked, and used exclusively for tennis. **Motion passed.**

**Document Committee** - It was moved that Pat Gehl and Judy Rousseau be approved to serve on the Document Committee. **Motion passed.** (Note: Item #14 in the Consent Calendar approved Andora Parchman as a member of this committee.) This committee will research all of Coffee Creek's legal documents and make recommendations that will facilitate bringing our documents into agreement.

**Website Committee** - It was moved Rachel Lloyd, Larry Hulme and Paul Schmeil be approved to serve on the website Committee. **Motion passed.**

**Sewer Bills** - Coffee Creek currently pays Great West Management (GWM) \$50/month for processing 56 separate sewer invoices. It was moved that GWM sent one check for the 56 units accompanied by a list of account numbers. **Motion passed.** This will save a great deal of bookkeeping on the part of the GWM. John Boyle will adopt this procedure immediately.

**Use of Limited Amenties** - A draft regarding "Parking, Storage Lot and Dock Usage Policy" was presented and discussed. This draft has been provided to all Homeowners for review and comment.

The meeting was adjourned at 9:05 p.m.

Submitted by:

Judy Rousseau, Secretary

**Attachments to Minutes:**

1. Consent Calendar Items
2. Reserve Study & Funding Policy

Consent Calendar Items  
for Approval at the **Board of Directors Meeting**  
**Coffee Creek Condominium Association**  
**August 18, 2005**

**BE IT RESOLVED:**

1. That Joyce Warner be elected as Treasurer, Judy Rousseau as Secretary and Larry Hulme as 3<sup>rd</sup> Vice-President
2. That the minutes of the June 16, 2005 Regular Meeting of the Coffee Creek Condominium Association Board of Directors, be approved as submitted.
3. That the minutes of the July 21, 2005 Regular Meeting of the Coffee Creek Condominium Association Board of Directors, be approved as submitted.
4. That the minutes of the August 11, 2005 Special Meeting of the Coffee Creek Condominium Association, be approved as submitted.
5. That the financial statements for the month of June 2005 be accepted as presented.
6. That the financial statements for the month of July 2005 be accepted as presented.
7. That the Board accepts the "Update 'No-Site-Visit' Reserve Study dated July 12, 2005 prepared by Association Reserves, Inc.
8. That the Board approves the Reserve Study & Funding Policy as submitted (Exhibit A)
9. That the Board approves the title "Maintenance Technician" for the Coffee Creek maintenance position.
10. That the Board approves a contract with Timberwolf Tree Service Inc. at \$2,800 to remove 13 selected trees on the property with the stipulation that the contract not be issued for 14 days to allow residents an opportunity to see selected trees and provide comments
11. That the Board approves the Web site name of [www.CoffeeCreekHOA.com](http://www.CoffeeCreekHOA.com) and authorizes up to \$100 expenditures for the remainder of 2005.
12. That the Board approves membership in the Regenesiis.net site at a cost of \$99/year.
13. That the Board approves applying for stocking of grassy carp in the lagoon and authorizes up to \$150 in expenditures for the remainder of 2005.
14. That the Board approves Andora Parchman (unit 14) as chairman of the Rental Committee and a member of the Documents Committee.
15. That the Board approves Dick Chamblin (unit 25) as chairman of the Architectural Review Committee (ARC).

The above Consent Calendar Items were approved at the 8/18/05 Board meeting.

## Coffee Creek Condominium Association

### Reserve Study & Funding Policy

WHEREAS, Article V, Section 1 of the Association Bylaws grants the general power to conduct the business and affairs of the Association to the Board of Directors, whose members shall be members of the Association; and

WHEREAS, the Board of Directors has the responsibility to plan for the proper maintenance, repair and replacement of the Association common area; and

WHEREAS, the members have the responsibility to fund the proper care of common area; and, WHEREAS, proper care of the common area directly impacts the value of members' homes,

NOW, THEREFORE, BE IT RESOLVED THAT in order to properly maintain the common area, protect market value of members' homes and livability in the community, the Board of Directors establishes a policy as follows:

**Reserve Study Defined.** The Board shall have a Reserve Study performed that includes these criteria:

1. Identifies all components that are the homeowner association's responsibility to repair or replace that have a useful life of 3 to 30 years.
2. Assigns a reasonable cost of repair or replacement to each component based on current costs for the area.
3. Assigns a reasonable useful life to each component based on local conditions.
4. Lays out a 30-Year Repair & Replacement Schedule which identifies the years when each component work will be performed including the inflation adjusted cost.
5. Establishes a 30 Year Funding Plan which takes into consideration the costs of repairs and replacements, contributions from members, impact of inflation, revenue generated from invested reserve funds and taxes owing on interest earned. The Funding Plan shall include monthly contributions from members adequate to meet projected costs without the need for special assessments.
6. The Funding Plan shall include a "Percent Funded" factor (percent of actual reserve funds on hand versus the ideal of 100%). If Percent Funded balance is below 100%, the Funding Plan shall provide regular contribution increases over coming years to attain the 100% level without special assessments, if possible.

**Permitted Uses of Reserve Funds.** Reserve funds are to be used only for the repair and replacement of the specific components identified in the Reserve Study, except as allowed under **Borrowing Reserve Funds**. Components that fit the Reserve Study definition may be added in any given year in the **Annual Review & Revision**.

**Annual Review & Revision.** The Board shall review and revise the Reserve Study annually to reflect changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components. With this revised information, a new 30-Year Reserve Study projection shall be used in conjunction to assist in the Annual Operating and Reserve Budget process.

**Borrowing Reserve Funds.** Under special circumstances, like an unanticipated Operating Budget shortfall or for an emergency, and if allowed by state statute, the Board may borrow from reserve funds. In such cases, the Board shall adhere to a strict repayment plan that will replace borrowed reserve funds within 12 months.

**Investing Reserve Funds.** In order to reduce the amount of member contributions, the Board shall invest reserve funds to generate interest revenue that will accrue to the reserve funds balance. Unless otherwise approved by the membership, all investments will be FDIC (Federal Deposit Insurance Corporation) Insured or guaranteed by the United States Government. Investments should take into consideration the repair and replacement schedule. The Board may hire an investment counselor to assist in formulating an investment plan. The Board shall review the reserve fund investment plan at least annually to ensure that the funds are receiving competitive yields and make prudent adjustments as needed.

**Who Performs the Reserve Study, Annual Review & Revision.** To ensure objectivity and competence, the Board shall hire only a third party professional with experience, references and credentials to do the initial reserve planning analysis and updates with a site visit every five years. Volunteers from Coffee Creek or a third party professional via a "no-site visit" procedure--if volunteers are not available--will perform annual updates for the other four years.

Recorded in the Book of Minutes on August 18, 2005  
Signed: \_\_\_\_\_, August 18, 2005  
Paul Gehl, President, Board of Directors

Policy was approved at the 8/18/05 Board meeting.