

The Villages of Garrison Creek

MPMA Board Meeting

Tuesday 16 October [5:30 pm] @ SonBridge

MPMA Directors .. John Cress, Jim Murphy/ARC, Marie Evans, Dick Cook, Scott Towslee

MINUTES

1 .. Quorum Call: All five elected board members were present. Dick Cook stressed that with the exit of the Declarants, the board may operate as a quorum with the majority of members present. Dick reviewed the Agenda for the guests present.

2 .." Waiver of Declarant Rights"

Phase Five Development, Inc. and Walla Walla Valley Development, Inc. have waived their Declarants Rights under the VGC Covenants, Articles, and Bylaws. The MPMA is now wholly governed by the owners acting through the Master Board.

We are assured by our attorney that with the filing of Amendment Two of our CCRs, we may move ahead with our current bylaws. It is the board's plan to work on new bylaws and other documents which will need a 2/3 majority of the membership to take effect. This process will probably take a year to complete. Exits 3, 4 Myra Road Commercial and Doug Botimer's property [lots 4-5] are no longer part of the Villages of Garrison Creek HOA. All paperwork is complete to the satisfaction of the Board and our attorney.

3 .. Member Comments, Questions: There was a question regarding the Amendments and the Exit Documents being available for the members to view. Dick Cook said that they will be posted on the web as soon as we can get them organized into an accessible form for the web.

4 .. Finances: Jim Hall, Financial Advisor, presented the Budget Balance Sheet and the Profit and Loss Statement for October 2018. Our Operating Fund continues to be "under water" which means that there are not enough funds at the end of the months to pay that month's bills. Our expenses are at 89% of the Budget. Our big expense is for legal fees where we budgeted \$6000 and spent \$24,000. This was due to the protracted negotiations for the Botimer Exit. We were able to take funds from the Contingency line to cover these expenses. The Reserve Fund is around \$170,000 and no further projects are expected in 2018. We continue to fund below the recommended balance for a community our size.

There are now funds coming in to settle the back dues from 985 Creekside. The Collection Agency is collecting from the previous owners and we are getting 60% of what they collect. The bank paid a few months dues before the house was sold. And we collected from the lien. Jim Hall will work with Phase 6 leaders to determine how the funds will be divided between

the MPMA and Phase 6. The house at 985 Creekside now has a new owner who is making the necessary repairs for resale.

5 .. Minutes: VOTE on 2018 DRAFT Minutes: Due to the lack of quorum for the previous 2018 Board Meetings, Minutes have not been approved for a year. These minutes have been available as "Draft" Minutes and are now being considered for approval.

It was moved by Marie and seconded by Scott to approve the Minutes dated 18 Sept. 2018.
Motion Passed unanimously.

It was moved by Jim and seconded by John to approve the Minutes dated 10 Sept. 2018.
Motion Passed unanimously.

It was moved by John and seconded by Marie to approve the Minutes dated 21 Aug. 2018.
Motion Passed unanimously.

It was moved by Jim and seconded by Marie to approve the Minutes dated 17 July 2018.
Motion Passed unanimously.

It was moved by Jim and seconded by John to approve the Minutes dated 15 May. 2018.
Motion Passed unanimously.

It was moved by Marie and seconded by Jim to approve the Minutes dated 17 Apr. 2018.
Motion Passed unanimously.

It was moved by Marie and seconded by Jim to approve the Minutes dated 19 Mar. 2018.
Motion Passed unanimously.

It was moved by Marie and seconded by Jim to approve the Minutes dated 21 Feb. 2018.
Motion Passed unanimously.

It was moved by Jim and seconded by Marie to approve the Minutes dated 10 Jan. 2018.
Motion Passed unanimously.

It was moved by John and seconded by Marie to approve the Minutes dated 21 Dec. 2017.
Motion Passed unanimously.

John Cress commented that he hoped we would never have to do this again. Not having a quorum due to the absence of the Declarants at the Board Meetings has hampered the Board's ability to take even the simplest actions such as passing the Minutes.

There was a question regarding how we have changed our Bylaws. Dick Cook explained that we are legal using our current Bylaws with the Amendment filed. Marie commented that the Bylaws were in effect. The Amendment included a waiver of all rights by the Declarants, so the any section of the bylaws that list Declarant Rights is no longer valid.

6.. Brief Committee Updates: Scott reported that the landscapers will be winterizing our front/back yard and common area sprinkler systems soon. He was told from the floor that Phases 1 and 2 have already been blown out and Scott admitted that he did not know this.

The homeowner stated that it would be a good practice if the homeowners were notified of this ahead of time. The rest of the Villages will be done soon. Leaf collection has begun.

ARC has obtained a yield sign to place at the circle exiting the Villages from the east end. A comment was made that we may want to investigate yield signs for all four entrances to the circles. Jim Murphy pointed out that the other 3 corners had stop signs, but he was not against replacing them with yield signs. There continues to be a problem with people taking a left at the circle to get into the nursing home driveway. This road is city owned and Jim is talking to the police chief concerning our traffic issues.

7 .. Delinquent Payers Policy: Marie walked through the document stressing that this policy was designed to be cognizant of our neighbors and the difficulties they may have as well as realizing that there are others who like to play the system and see if they can get away without paying dues. The policy outlines that dues are to be paid prior to the 15th of any month and will be considered late after that date. Dues paid after the 25th of any month will be considered delinquent. The fee for late dues is \$15 per month that the dues is late. The fee for delinquent dues is 1% cumulative for as long as the dues is unpaid. The Board has the option of filing a lien against the property and/or turning the matter over to a collection agency. This policy has been in distribution for several months and we hope to vote on implementing it at our next Board Meeting.

Daryl Schneider offered what he called “friendly edits” to the policy. Daryl is concerned that we may be leaving the option of filing a lien farther down the process than he would prefer. Daryl agreed to send the edits to Marie electronically and she will share with the Board. A full discussion will take place at our next meeting prior to a vote.

A question from the floor was raised about why we could not require bank drafts for dues payment. It would seem to solve the problem. Several people commented that mandatory bank drafts may not be legal. Marie pointed out that we have a few phases who have phase treasurers who collect and cannot accept bank drafts. Marie suggests that the Strategic Planning Committee look at the treasurer’s system in the villages and move towards a centralized system of all dues paid to one place so that we can manage it more efficiently.

8 .. Nominations Process [candidates: 2019 Master Board]: Nominations are now open for MPMA Board Directors and phase leadership. Dick Cook is asking Board Directors and Phase Directors to come up with names of possible candidates. Dick says the talent is out there and we must tap it for the good of the Villages. We may be looking at more active MPMA Committees next year and fewer Board Meetings.

9 .. December 9 Annual Meeting @ SonBridge [preliminary planning + proposed calendar] The Annual Membership Meeting Agenda will include a vote on the 2019 Operating and Reserve Budget and the election of the 2019 MPMA Board of Directors. Volunteers will be needed to register members at the door. Anyone wishing to help may contact Dick. The meeting will be

advertised with flyers that may be hand delivered as well as posted at the mailboxes. Packets of information will be mailed so that they will be received 30 days prior to the meeting. It was moved by John Cress, seconded by Marie, to accept the proposed calendar of events leading up to the Annual Membership Meeting. Motion passed.

10. Common Area Irrigation Water Report [cost & equity] Dick presented a written report from Ray Goff with help from Scott Towslee, Jim Hall and Dick Cook. Ray will give the full report at the October 30th meeting. Dick emphasized that caring for the common areas is our primary responsibility. He said that during the Finance Committee Meetings last year, it was discovered that the phases may not be paying a fair share of the cost for irrigating the common areas. Beginning in 2019, the report is proposing that we do a more thorough job of equalizing the cost of watering all the common areas across all phases. Phases 1, 2, 5, 6, 7, 8 could get a break on the cost billed to their phase treasury. Our goal is to make it fair for all. This is a start and we will continue to monitor the situation and make recommendation as necessary. Daryl Schreiner commented that people buy here because of the landscaping and the beauty of the place. It is important that we do what we can to keep the area as it is. We depend on volunteers to do some of the work. We all enjoy the ambience of the common areas throughout the Villages.

11 .. Discussion, 2019 Operating & Reserve Budget DRAFT Proposal: Marie reported on the proposal of the Finance Committee. The committee met for 2 hours on 4 successive Wednesdays to work on the budget and make this recommendation to the Board and the Membership. Marie highlighted several line items in the budget proposal including the cost of legal assistance this year, a new line item for paying a contribution for using the meeting rooms at SonBridge, the increased costs of our landscapers, and other maintenance costs for the common areas. Marie brought our attention to the new line item for Storm Water. This is for a mandatory federal study that College Place is conducting at a cost to all College Place residences. Jim Hall has talked to College Place officials and done research and came up with a guess estimate of \$12,000 for this line item. The City Water line item has been expanded to compensate for the additional cost in bringing equity to the costs of irrigating the common areas within the phases. One line item that we hope will be a one-year item is for Net Income which is to correct the “under water” issue that we have been dealing with for years. When we are ahead in our funding, we will be able to pay our bills within the month they occur. The Reserve Budget is below what is recommended for a community our size. It is because of this Reserve Budget that we are able to pay for periodic repairs and replacements without assessing the costs to the homeowners at the time of the expenses. The Finance Committee is concerned that if we do not catch up with what is needed in this fund, that it will be more difficult as we get further and further behind.

The Finance Committee is proposing a dues increase of \$22 per month per homeowner for the Operating Budget and a dues increase of \$6 per homeowner for the Reserve Budget, making

the total dues owed to the MPMA each month increase from \$82 per month this year to \$110 in 2019.

Comments included that this may be a “hard sell” since it’s a large increase when people have a fixed income. We were reminded that the dues had not changed in a couple years and costs of services have been rising. In addition, much of our budget goes towards mandatory charges from the City of College Place that we cannot change. The storm water fee is making a big difference in our budget. We are working with the city officials to see what breaks we can get, but we must budget for the total costs.

Dick said that we will continue to discuss the 2019 Budget Proposal at the October 30 meeting. Marie suggested that people talk about the proposal and the dues increase. We will be happy to answer any questions or take comments.

12. Executive Session, if needed: Not needed

13. Next Meeting, Tentative 30 October 2018: This will be a Work Session on the Water Equity Proposal and the Budget Proposal followed by a Board meeting where we will vote for our recommendations to the Annual Membership Meeting.