

The Villages of Garrison Creek .. Master Property Management Association

## Work Session & Board Meeting

Tuesday 30 October [5:30 pm] @ SonBridge

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

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## WORK SESSION

A .. **2019 Water Equity/Cost Report**- Ray Goff presented the research and calculations from the Water Equity Committee. It was discovered in the Finance Committee meetings in 2017 that there was an inequity in the payments among the phases for irrigating the common areas. The committee was formed and charged with researching the issue and coming up with a proposal for the Board to consider. Water metering is a handicap for the Villages in that it does not identify the volume of water used solely for irrigating the common areas.

Phases 1,2,5,6, and 7 are all on one meter (serving 151 homes) for home use, yard irrigation and common area irrigation use. All this water is from College Place and the phases pay a pro-rata share of the monthly bill for this meter.

Phase 8 has separate meters for each home (31 meters) and one meter for irrigation costs of their yards, but it also includes water for Phase 8 common areas. They have been paying 100% of their irrigation costs.

Phase 9 has meters for each home (39 meters) and separate water metering ~~a meter~~ for their common areas. The MPMA pays the costs for irrigating the common areas.

Phase 10 is on one meter (serving 19 homes) for home use, yard irrigation and two landscaped islands (all of the north island and the north half of the south island) in Crestlane Drive.

The committee set out to estimate the costs of water used for common areas being paid out of phase budgets rather than the MPMA budget. Using the water usage figures from the separate metering for Phase 9 common areas they calculated the costs of 8.02 cents per square foot for above ground irrigation and 1.604 cents per square foot for drip lines. They then calculated the square footage of all the common areas irrigated with College Place water. With this calculation, the committee is proposing that phases that have not been previously reimbursed for the water they have been paying for in their phases, be rebated a yearly amount beginning in 2019. Trying to rectify the past years costs would be difficult and cost prohibitive.

Ray assures us that this year will be a trial to determine how we continue going forward. Water costs will go up and the calculations will have to change. The Board will work with Jim Hall to determine timing of the rebate.

There is a budget line item for College Place water that previously listed what the MPMA was paying for Phase 9 common area irrigation. That line item has been increased by \$9220 to cover the cost of the rebates.

The rationale for implementing this methodology is to more equitably distribute the costs of College Place water used for irrigating the common areas not served by the deep well/creek water system.

**B .. 2019 Operating & Reserve Budget Proposals-** Co-Chairs of the Finance Committee Marie Evans and Jim Hall presented the proposal for the 2019 Operating Budget and the Reserve Fund. Marie summarized the new line items for the College Place Storm Water Fee, the increase in landscaping fees, the increased water cost mentioned in Ray Goff's report, and a net income amount that will assist us in not running short of funds each month. Jim Hall led a discussion of each area of the Operating Budget.

Jim also explained that the Reserve Fund has been underfunded and to bring the fund balance to at least a minimum of the recommended amount, a large increase was needed. The Finance Committee, knowing that there was going to be a dues increase for the Operating Budget has recommended that the Reserve Fund dues be raised by \$6 instead of the larger amount needed. The Reserve Fund is used for those expenses that are urgent and for those projects that require long range planning such as road repair and major landscaping projects.

After the Finance Committee had made its final proposal, there was an error found in a landscaping contract budget. Marie and Jim recommended that the correction be made and the proposed dues increase be reduced by \$1.50.

Therefore, the proposed monthly dues increase is as follows: \$20.50 for the Operating Budget and \$6 for the Reserve Fund bringing the total MPMA dues from \$82 in 2018 to \$108.50 in 2019.

Questions from the guests included the costs of sidewalk repair, what rates are going to have to pay for the storm water fee, and how tree removal and replacement costs were determined.

**C .. MPMA Board Candidates Nominations:** Dick Cook said that there will be at least 3 positions available on the Board for 2019 and candidates are needed to run. The Board hopes to have fewer meetings next year and have more working committees. Members are encouraged to step forward to serve. Members are encouraged to nominate their neighbors whom they know to be talented and can offer assistance to our HOA.

**D .. 2018 Delinquent Payers Policy:** This issue has been discussed at several previous Board Meetings. Marie Evans pointed out that there are some changes in the wording from the previous drafts. The MPMA Board is the legal entity that can and should follow up with delinquent payers. In the past, the phase treasurers have taken it upon themselves to file liens and absorb losses. This policy is to assist the phase treasurers and have a sub-committee of the Finance Committee work with the homeowners and recommend actions.

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## BOARD AGENDA

**1 .. Quorum Call:** All elected members present

**2 .. Member Comments & Informal Q/A:** None at this time. Guests are encouraged to ask questions during any discussion.

**3 ..Financial Update** [NOTE: no significant changes since 10.16.18 .. next update 11.20.18]

**4 .. Oct 16 Minutes:** Board Members have been sent a copy and we will take a motion to pass these minutes at the next regular scheduled Board Meeting.

**5 .. 2018 Delinquent Payers Policy:** Marie Evans moved, John Cress seconded, that the policy be approved as printed. Motion passed unanimously. The policy will be posted on the web for review by the members.

**6 .. 2019 Operating Budget Proposal:** Marie Evans moved, and Jim Murphy seconded that the MPMA Board approve the 2019 Budget Proposal from the Finance Committee listing a dues increase of \$20.50 for the Operating Budget and \$6 for the Reserve Fund bringing the total 2019 monthly dues to \$108.50.

There was a discussion and questions on how we may be able to reduce the dues increase. The Finance Committee had discussed the extra costs of storm damage to our trees, the extra legal fees due to the exits from the HOA and the increased costs in other items. There was a question regarding whether we needed to have an audit this year. (Further research shows that we are mandated to have a yearly audit unless there is a waiver from the membership at the annual meeting.)

This budget reflects a large amount that will be paid in fees to the City of College Place for the Storm Water Fee and increased water costs. While the board recognizes the “hit” the members will take with the dues increase, we must consider what is in the best interest of the Association for our present and future needs.

Motion passed unanimously. The 2019 Operating Budget and the Reserve Fund Budget will now be taken to the Annual Membership Meeting on December 9, 2018 for ratification.

**7 .. 2019 Reserve Budget Proposal:** Covered in the previous motion.

**8 .. 2019 Water Equity/Cost Recommendations:** John Cress moved, and Scott Towslee seconded to accept the 2019 Water Equity/Cost Report. Motion passed unanimously.

**9 .. Other Business:** None

**10 .. VGC Annual Meeting Calendar**

**Friday Nov 5 .. Annual Meeting Notice mailed to VGC Homeowners**

**Sunday Nov 18 .. Pre-Annual General Information Meeting [2 pm @ SonBridge]**

**Tuesday Nov 20 .. Scheduled Monthly MPMA Board Meeting [5:30 pm @ SonBridge]**

**Nov 26 thru Dec 5 .. Meetings with Individual Phases, if needed**

**Sunday Dec 9 .. VGC Annual Meeting @ SonBridge 1:15 pm check in ... meeting starts @ 2pm**

**11 .. Next MPMA Board Meeting .. Tuesday 20 November [5:30] at SonBridge**