

**Cat Mountain Homeowners Association, Inc.**  
**Board of Directors Meeting**

1. **Call to Order:** 6:30 pm. Present at the meeting were Board Members Mr. Adkins, Ms. Jastram, Mr. Joseph, Mr. Ma, Association Manager, Mr. Chargualaf.

Others in attendance included ECC Chair, Mr. Thomas

2. **Member Forum:** No new issues were presented.
3. **Approval of Minutes:** Draft minutes for review. No changes.
4. **Financial Report:** Discussion of Association's financial activities and status
  - a. **Financial Report Format** – Mr. Ma stated that numbers aren't static so they can't be cut and pasted. Mr. Joseph suggested they could using an Excel feature. Mr. Adkins referred to the 2007 budget, noting that the Association is currently \$3,000 over budget with almost \$6,000 resulting from legal fees. He reported that earned interest helped offset budget overages, as did insurance cost decreases and having spent only \$2,000 of the \$8,000 budgeted for landscaping expense. Mr. Adkins noted that the association is \$318 over budget in general repairs and maintenance, which he considers OK. He expressed his belief that the Association remains within range of 2007 budget figures. Mr. Ma returned to the format issue. Mr. Adkins showed him a sample of the 2007 budget printout, which included projected targets, and which was presented to the membership at the 2007 annual membership meeting. Mr. Adkins expressed concerned about the efficacy of depending solely on an electronic Excel spreadsheet as compared to continuing the use of a printed budget recap, including monthly P&Ls and budget comparisons. Mr. Adkins' view is that printed reports clearly show information, whereas Excel spreadsheets may not. Mr. Adkins expressed his willingness to produce reports he finds suitable himself, and that others are welcome to use only the Excel spreadsheets. Mr. Ma says he'll use Mr. Joseph's format. He says Mr. Adkins will have to put in 2007 budget figures.
  - b. **Aging Report** -- Mr. Joseph explained the method used to generate the report. Mr. Adkins inquired about several accounts that were 90 days past due. Mr. Chargualaf responded that account 54 (on Mt. Bonnell Cove) has been inactive since 1987. He related that the homeowner had gone into bankruptcy, and the property was

eventually picked up by the FSLIC (in 1995, the account would have been transferred to the Savings Association Insurance Fund). CMHOA is number 345 on the claims list requesting restitution for past due homeowner fees. The only one that likely will actually collect is the state government. Mr. Joseph said that the Association has been owed the money for 20 years, and it probably needs to move accounts like this off the list after a specified time if funds can't be recovered. He requested that Mrs. Brown (the association bookkeeper) designate account #54 inactive. Mr. Adkins said that based on the aging report submitted, it appears we have only two accounts seriously in arrears. Mr. Adkins expressed his belief that we have come a long way from where we were with accounts receivable in the past year. The discussion turned to payments made in advance. Mr. Joseph noted that Mr. Chargualaf and Mr. Dully have downloaded all the deposits from Colonial from 1/1 – 9/12, and this data can be used to show how dues are paid (e.g., monthly, quarterly, etc). This data will have to be screened because the Colonial Bank staff enters the data using different formats. A discussion ensued on the topic of stopping use of coupon books and the problems presented when some people who commit to one kind of payment later change their minds. Mr. Joseph suggested changing the CCRs to specify payment periods if needed. Also, he suggested using Ms. Brown's rules for defining aging categories. Mr. Adkins would like analyses over a longer period of time to see trends for CMHOA.

- c. **Assignment of Reserve Items** – Items which have been replaced out of the operating account, including a new refrigerator, carpet, shed, and back wall repairs, should have been paid from the reserve funds account. Mr. Adkins also said we don't have income amount for reserve funds in our operating account. He said that he thinks we should have an income category offsetting the outgoing category for the Reserve Fund. In other words, Mr. Adkins wants either both income and outflow recorded or failing that, not report reserve transfers at all in the Operating Budget. He suggested that we might have only Quarterly reports on incomes and expenses from the Reserve Fund, but suggested that's a decision for the Reserve Committee (how often and what is reflected in the report). An expense items of \$220.83 shown in the current Reserve report is not a Reserve item, it's an operating expense. Should not be in the Reserve Account said Mr. Joseph. Make sure Mrs. Brown knows what's Reserve and what's not. Mr. Adkins asks if Mr. Chargualaf has a dependable way to know every thing that is a Reserve expense. Mr. Joseph wants to know if we need to specify in more detail, not in P&L and balance sheet, but in a separate report detailing actual expenses against those budgeted.

Mr. Adkins said he would be happy with the Reserve committee continuing to make only one report each year at the annual membership meeting.

## 5. Manager's Report

- a. Mr. Chargualaf has a week's worth of work left to do on Limestone and Mt Villa Cove. He has the trimming done, but needs to clean a lot of dead stuff. He needs a chipper to mulch all the stuff he's been doing. Mr. Ma has a 6 horsepower chipper he would be glad to loan the association if Mr. Chargualaf needs it. Mr. Joseph offered the use of his truck to transport the equipment. It was decided that Mr. Chargualaf will rent a larger chipper from A-Z Rentals, and will clean up the trimmings left by someone on Mt. Bonnell. Additionally, he plans to cut down a large tree which has died on Mt. Villa Drive.
- b. There was a discussion of all the trees dying in the area. Mr. Ma suggests that it's from the early summer rain, the overgrowth of moss, the need to trim back trees for their health (info from arborist). Mr. Joseph suggested we replace them. Mr. Adkins said we have the money for it. It was decided that the association will seek an overview from an arborist for the two big trees and any other big dying trees. Jesse will try to get three different arborists for bids for their recommendation on how best to treat 11 trees he identified. The board agreed that it could handle discussion and approval of the bids via email rather than delaying the project until the next meeting.
- c. Item #7C on the Manager's Report concerned reported power problems in the area. We may need an upgrading of an electric grid line. Mr. Joseph asked Ms. Jastram to contact the city about this to see if we can get our electrical upgrade.

## 6. Old Business

- a. **Clubhouse wall repairs** -- DTR sent check to reimburse the association for a repair expense associated with the back of the clubhouse wall.
- b. **Clubhouse swimming pool estimates** - The board will consider both bids A & B as one item. Mr. Connelly's bid on replacing the retaining wall on Mt. Villa Cove was judged to be reasonable. His bid on replacing the pool retaining wall was not however the low bid.

Jesse reported that Mr. Connelly's several projects for the association has been good. Mr. Joseph said he has no problems using him for both. Mr. Ma wants additional details on what each bidder intends on doing. He said that DTR's bid presents them well as an engineering firm – everything is very specific, but they're very expensive. Mr. Joseph made a motion to accept Connelly's bid on pool retaining wall for \$12,557.74 and also Connelly's bid on Mt Villa Cove retaining wall for \$7,769.21 plus taxes, pending submittal of detailed bid specifications of work to be completed. Mr. Ma seconded the motion. The motion passed by acclamation. Both projects will be funded as Reserve items.

- c. **Mt. Bonnell Cove flower beds** - Mr. Chargualaf has ordered the plants and they will arrive any day. He says he is ordering only Nandina now; the Lantana will come in the spring.
- d. **Retaining wall power washing** – A bid of \$4,295.00 was received to wash walls for the entire association. It was decided that the information will be presented to the membership at the annual meeting.

## 7. Committee Reports

- a. **Communications Committee** -- The next newsletter is due in the mail in November
- b. **CR & Bylaws Review Committee** -- A meeting is scheduled for October 17, 2007
- c. **Environmental Control Committee** -- 4607 Twin Valley circle gave preliminary modification plan, but it was discovered windows were placed on the wrong side of the house. Mr. Lloyd wants to replace cedar siding with Hardi-plank and change the color from gray to cream.
- d. **Reserve Committee** -- will meet sometime this month and will have an update next month.
- e. **Social/Activities Committee** -- no report
- f. **Welcome Committee** -- no report

## 8. New Business

- a. **Packet from Colonial Bank** – We will need to send coupons to 353 homes prior to December 21. Last year the coupons were half price, approximately 40-50 cents per book, but will be full price this year. Colonial Bank also offers a drop ship option. Mr. Chargualaf said he would rather receive the coupon books at the clubhouse so that he can verify that we have accounted every packet correctly addressed to every homeowner. Mr. Ma said the font on the stickers is too small and hard to read. Colonial is also offering a new service to insert a letter into coupon book at a charge of 25 cents per page, and the board will consider using this option. Mr. Joseph said he has been happy with Colonial this past year. Mr. Adkins agreed that he was delighted to see how well the program worked in 2007. Mr. Joseph moved to renew the contract with Colonial in the same format as last year at a cost not to exceed \$2,000. Mr. Ma seconded the motion. The motion passed by acclamation.
9. **Next meeting:** Scheduled for Monday, November 12, 2007 at the CMHOA Clubhouse (NOTE: The meeting was subsequently rescheduled for Thursday, November 15 at the clubhouse.)
10. **Adjournment:** 8:12 pm