

MARBRISA RANCH HOMEOWNERS ASSOCIATION

Minutes of the General Meeting – July 18, 2005

Glendale Christian Church/ Room C102

Present: Paul Mason, Bill Wilkinson, Mike Abretske, Al Stockman and Jennifer Rewerts with R&R Property Management

I. Abretske called the meeting to order at 7:41 PM

II. The minutes of the May 9, 2005 meeting were reviewed. A motion by Mason, seconded by Wilkinson to accept the minutes as written. All in favor; motion carried.

III. The financial report was presented by Rewerts at the Annual Meeting in which a quorum was not established. A recap of the financials presented: As of June 30, 2005 the Association had \$18,992.22 in checking, \$14,045.00 in savings, CDs in the amount of \$8,000.00 for total assets of \$41,037.22. A motion by Wilkinson, seconded by Stockman to accept the financial report as presented. All in favor; motion carried.

IV. OLD BUSINESS

- Picnic Committee Report: Abretske explained that 70-75 homeowners attended the picnic of the 126 that responded. He stated that everyone who participated brought food and they operated under budget.
- Rewerts explained that new laws from 2004 required the Association to conduct an annual audit. Rewerts explained that Mark Reece CPA performed the audit and concluded the books are in order and the Association is operating the financials correctly.
- Abretske explained that the reserve study states the dry wells will need to be replaced in the future years, but by maintaining them will increase the life span of the wells. Rewerts explained that Bob Fulton, who was unable to attend the meeting, requested the issue be tabled until he could explain the cleaning process ECI performed on the wells. Discussion tabled until the next meeting.
- Rewerts explained that Abretske, Fulton, Betsy Retchin, owner of R&R Property Management and herself inspected the common walls throughout the Association for cracks. Three out of the five companies contacted submitted bids to repair the four cracks in the walls due to wear and tear. A motion by Abretske, seconded by Stockman to accept Koro Painting bid to repair the cracks and expansion joints for \$1,250.00. All in favor; motion carried. Wilkinson asked if the homeowner's walls needed to be the same color of the house. The Board responded that the original builder designed it that way.

V. NEW BUSINESS

- Discussion on the landscape review and over seeding tabled until the next meeting so Fulton is able to provide a report.
- The Board reviewed the current enforcement policy. Abretske submitted a revised enforcement policy, which clarifies the policy in more detail. All the fines and time frames remain the same. A motion by Abretske, seconded by Stockman to proceed with adopting the revised enforcement policy. All in favor; motion carried. The newly adopted policy will be posted on the web site and included in the next newsletter.

- Due to the lack of quorum at the Annual Meeting, elections were not held. A motion by Stockman, seconded by Abretske to appoint Wilkinson to serve a 1-year term. All in favor, motion carried.

VI. OPEN DISCUSSION

Stockman discussed the conversation he had with Shawna White of The Mahoney Group, regarding the insurance policy. Stockman explained that he wanted to ensure that the Association's umbrella policy was adequate to protect the Association. The insurance company referred the Association to speak to an attorney. Stockman asked Roger Wood with Carpenter Hazlewood and he was verbally told that there was not a black and white answer and insurance companies will try to sell more coverage to make money. But the letter that Wood produced stated that he could not and does not provide an opinion about how much insurance coverage is enough for an Association. Stockman suggested that next year other companies like Farmers be contacted for bids and to ensure that we are comparing the same type of policies. Also, to look at similar communities with respect to homeowners and common areas/community parks to see what they are carrying as a comparative analysis. Rewerts stated that when she obtained bids that the dollar amount for the policies were the same. Rewerts suggested that Stockman and she draft a request for proposal to be sent to different insurance companies to ensure everyone is on the same page. Rewerts will look into finding companies that will examine the play equipment in the park. At that point the Board will perhaps hire one to check the equipment and figure out a maintenance schedule.

A motion by Mason, seconded by Stockman to keep the same Board positions with the exception of allowing Wilkinson to be the Architectural Chairman because Fulton requested to only be on the committee and not serve as the chairman. All in favor; motion carried.

Abretske requested to begin a CC&R's Fund since the law has changed and the Association is unable to place a lien on a house due to non compliance with violations. Abretske stated that by having an injunction relief fund, the Association could turn homeowners over to the attorney for a lawsuit. Rewerts explained that it would be extremely difficult to budget a dollar amount for this. Abretske stated that the fund would not be for a specific outlay, but rather a rolling account, which remained funded at a specific level. Mason stated that the reserve funds are there for that reason. Abretske stated that the reserve funds were earmarked for specific projects and that funds for this purpose should be specifically earmarked as well since it is the requirement for non-profit corporations to have reserve funds "reserved" for specific expenses. Abretske explained that by having this fund it would show homeowners that we are serious about having violations corrected. Mason did not believe this would deter homeowners from correcting violations. Homeowners are warned of potential legal action for delinquent accounts and violations. Mason stated that he would like additional information to see if this is a feasible request. Abretske indicated to Mason that he should make the effort to look into it.

The next meeting will be held on September 12, 2005.

VII. Meeting adjourned 8:27 PM