

SUN MESA TOWNHOME OWNERS ASSOCIATION

Board of Directors Meeting Minutes for January 14, 2008, 7:00 P.M.

I. Call to Order

Present: President Roger Browne, Vice President Bill Roche, Treasurer Phil Book, Directors at Large Coleen Abeyta and Kathy Palomba-Ouellette, Wayne Skora and Kerry Cantrell Z&R Mgt. Homeowner Margie McGregor, Unit 16 attended the meeting.

II. Approval of Previous Minutes

The minutes for the December 1, 2007 meeting were given a final review and approved as written. Coleen Abeyta motioned to approve and Phil Book seconded the motion.

III. Property Managers Report

1. IRS Ruling 70-604, which allows excess Association income to be, applied to the following year's assessments, was presented and discussed, Coleen Abeyta motioned to approve and Phil Book seconded. The motion was approved unanimously by the Board.
2. Information to change the fiscal year accounting was presented and discussion followed. It was determined to leave the fiscal year as it stands.
3. Arborists bid discussion proceeded comparing the bids. We will commit to G1, G3 and WPW services with Mountain High Tree Care and revisit CST in the spring if needed as well as deep root watering for next winter. Bill Roche motioned to accept the contract as noted above and Wayne Skora seconded the motion. The motion passed with 4 yes and 1 no and 1 abstention.

IV. Officers Report

A. Presidents Report

1. Roger Browne opened discussion in regard to the discrepancies between the "Declarations" and the "Rules and Regulations" that after review need to be addressed. After discussion it was determined that several sections need to be reviewed and possibly changed. Areas of concern include limited common areas, window wells, and leases between homeowners and renters. Roger will email possible conflicts to the Board members for their consideration and discussion at the next meeting.

2. Roger asked Kerry Cantrell for fire escape requirements for window wells. He ask Kerry to verify if Z&R has copies for all leases for all renters, and if not, to arrange with the landlords to obtain a copy to be able to review and determine if renters were provided with all pertinent documents of SMTOA.
3. Roger asked Kerry to arrange a walk through the complex with ULS this spring to check the drip systems and get them up to par. Kerry will also discuss matters of concern with service with ULS before the Board renews the contract in March with ULS.
4. The management contract for Z&R was reviewed and discussed. The main matters of concern were the overall fee increase and the additional charge for a later meeting start time. The Board will discuss this further and get back to Z&R next week. The Board will discuss electronically and provide the Option preference to Roger no later than Monday.
5. Roger will send out comments in regard to snow removal and parking in the next newsletter.

C. Treasurers Report

1. Phil Book reported that we ended 2007 with a net income of 15k and accrued reserves in accordance with our budget of 47.75k. The operating surplus resulted from a number of budget line items that were less than estimates; legal-1k, water-4.5k, landscaping and sprinkler maintenance-2.6k, roof and gutter maintenance-3.5k, stucco repair-2k, and insurance-2k. These items and some smaller ones more than offset small trash collection and snow removal over-runs.
2. The total water cost was \$13,529 which corresponds to 2.25 million gallons of water.
3. Our reserve expenditures were \$21,170. \$5,240 for concrete work, \$3,600 for wall fogging, \$12,330 for the 4th phase of the painting cycle. We should receive a credit to our reserve funds for the concrete work that was not completed.
4. Our Dain Rauscher account increased by \$28.6k in 07, \$20k in new deposits and \$8.6k in interest and change asset value. The sum of our Cash Operating Account plus Reserve Escrow Account 1 is approaching \$50k, so we should probably move \$20k-\$25k to Dain Rauscher. Bill Roche motioned to move \$20k to Dain Rauscher and Coleen Abeyta seconded the motion. The motion passed unanimously.

Kathy Palomba-Ouellette made a motion to accept the Treasurers Report as presented and Wayne Skora seconded the motion.

D. Secretary's Report N/A

V. Committee Reports

A. ACC Committee N/A

B. Social Committee N/A

C. Maintenance Committee N/A

VI. Old Business

1. Aged receivables were discussed and action will be taken.

VIII. Adjournment

The meeting ended at 9:22 PM. The next regular meeting of the Board of Directors will be held on the 3rd Tuesday in March. The time and place TBA.