

Michigan Hill Owners Association
Board of Directors Meeting Minutes - Approved
Jefferson Community Church – 9 AM
March 14, 2015

Board Members Present:

Blenda Crawford, Lot 66
Larry McClymonds, Lots 206/207
Les Choate, Lot 185
Paul Montgomery, Lot 175
Steve Johnson, Lots 182/183/184

Homeowners Attending:

Terry O’Neill, Lot 246
Gerald Dean, Lot131A
Tom Clinton, Lot 202

The meeting was called to Order at 9:03 a.m.; it was determined that a quorum was present.

The Minutes of the October 11, 2014 Board of Directors Meeting were presented and a call was made for any changes or suggestions. None were offered and a Motion to Accept the Minutes as presented was made by Steve Johnson and seconded by Blenda Crawford. A vote was called for and the minutes were approved unanimously.

A Forum was opened for MHOA Member Comments with a 15 minute limit. None were offered by those in attendance.

Reports of Officers

- a. President
 - i. ACC report – Larry McClymonds is currently acting as the director of the ACC. The following actions were reported:
 1. Pending - Lot 185, Pending. Action is required: verify property corner and move if free-standing fence is on MHOA property.
 2. Approved - Lot 47, new black metal roof.
 3. Approved - Lot 210 - upgraded, expanded and replaced existing deck.
 4. Approved - Lot 91: new brown metal roof.
 - ii. Outlots D&E fencing scheduled for Spring 2015 and it is anticipated that it will take place early June as soon as frost comes out of the ground. K&C will be handling contract. Will tear out fence to where MHOA property ends. Will put in gate up at the top to handle return of cattle when needed.
 - iii. Augmentation Pond – The Annual Water Operations Report was submitted 11/3/14 to Garver Brown, District 23 Water Commissioner via email. Garver sent out the annual report to the State for filing. This year MHOA did not have to release any water. After the big spring runoff, MHOA will need to take the exit culvert and direct it over to the ditch to keep adjacent fields dry. MHOA may need to add an additional culvert to manage and contain the water flow. The Board will be getting bids and working on design which will handle water flow concerns. The cable will be replaced so that vehicles will be prevented from driving on dam. The Board will consider signage to keep vehicles off.
- b. Vice President – nothing to report
- c. At-Large
 - i. Snow plowing – Tom and Jaimin have been doing a great job. North entrance will be opened up in the next couple of weeks.
- d. Treasurer
 - i. Treasurer report – 3 outstanding accounts – one went back to the bank and two have liens on them. These accounts represent \$465.28 in outstanding dues. There is also an outstanding bill

- for fixing a tire on the grader. Balanced: Checking \$1,660.39. Savings-\$53,780.11. Dues invoices were mailed and represent a current accounts receivable of \$46,683.28.
- ii. The signatures on the bank accounts were changed to reflect current officers and their responsibilities.
 - iii. Book keeper – Judy's been doing a great job. Keeping track of hours which are substantive given the level of transparency asked for by MHOA. Steve Johnson made a motion to increase Judy's annual wages to \$2400. It was seconded by Blenda Crawford. A vote was called and the motion passed unanimously.
 - iv. Budget review: The Board reviewed the proposed budget by each line item. It is anticipated that MHOA will bring in \$47,800 in dues. The big expense items were identified as follows: Easement payment of \$4300 (3rd of 5). Fencing: \$8500 for Outlot C&E for 3,500 feet of four strand barded wire fencing with metal T posts. Pond expenses include fish, cleanout, mowing and maintenance of willows, and culverts. Road maintenance and grader expense: culverts and ditches, grading and snowplowing (single greatest expense at around \$15,000), and weed control, fuel and grader maintenance. A request from owners to have summer roadwork work/pull gravel and dirt back up on the road was also noted. Steve Johnson motioned to approve the proposed budget as a draft for presentation to membership. Paul Montgomery seconded. A vote was called and the motion was passed unanimously.
 - e. Secretary – nothing to report.
- 2) Old Business
- a. None in addition to the earlier meeting discussions.
- 3) New Business
- a. Snow plowing/removal equipment purchase discussion – South Park plowing contract ends in April 2015. The Board conducted a study of snow plowing costs for the past three years. Of the \$4,200 contingency in the current contract, about \$3,000 was actually utilized for snowplowing. MHOA currently does not use about 20-24 hours each year, or \$1,200. Actual snowplowing runs \$6,000 plus contingency not used, resulting in an expense of \$7200 (\$6000 + \$1200). These amounts do not include payment for front loader work. This summary raises a question for discussion: should the Board consider purchase of a snow plow truck for \$4000-5000 which would be good for 4-5 years and pay \$20/hour for driver plus fuel? This option would require a contingency secondary source for plowing in the event of plow breakdown and heavy snows. MHOA previously purchased a road grader which has decreased cost of grading roads. Does the Board want to bring the issue before the membership at the annual meeting?
 - b. Discussion: This discussion is congruent with discussions at other homeowner associations. The only drawback is preservation and maintenance of the equipment. This option provides a better way to control costs according to other associations. Drivers are insured under MHOA insurance. Maintenance is the association's highest cost. The Board would need to identify and properly train resident homeowners to plow snow for the association. Annual maintenance was estimated to be at \$1500-1600. A truck with plow would potentially have a two year payout. Purchase of a 90s vehicle and plow would be about \$6000; an 1980s truck would be around \$3000. It was determined that this question should be taken to the June annual general membership meeting for discussion. The Board will continue to gather information for the meeting discussion. The goal is to maintain the quality of the roads on the hill and continue to be fiscally responsible for the associated expenses. With all this new discussion, MHOA may have membership with expertise in this area. Invite interest and participation in working on these issues.
 - c. Current snow plowing contract expires end of April 2015.
 - d. Suggestion: Send out a reminder to members via email to encourage attendance or submission of proxies to Board.
- 4) Adjourn Meeting – A motion was made to adjourn by Steve Johnson. It was seconded by Les Choate. Meeting was adjourned.