

**APPROVED
WOODLAND VILLAGE
BOARD OF DIRECTORS MEETING MINUTES
AUGUST 26, 2009
6:30 PM**

BOARD MEMBERS PRESENT: Fred England, President
Bill Vanderslice, Vice President
Robert Lissner, Treasurer
Dan Jurkovich, Director
Jacques Swain, Director

OTHERS PRESENT: Susan Toy, Provisional Manager
Susan Keenan Associated Management, Inc.
Lauren Sankovich, Stephanie Berggren Muckel Anderson CPAs
Homeowners per Attached Sign in Sheet

CALL MEETING TO ORDER

President Fred England called the Woodland Village Board of Directors meeting to order at 6:33 PM.

ESTABLISHMENT OF QUORUM

A quorum was established with all members of the Woodland Village Board of Directors present.

HOMEOWNERS COMMENTS

A homeowner asked if there is any recourse for barking dogs. F. England advised the Association has limited recourse and to contact the Manager during regular business hours and she can explain the Association procedure regarding this issue. Also, the homeowner thanked the Manager because a car was finally moved off the street

APPROVAL OF PREVIOUS MINUTES

The Board reviewed the Minutes from the July 22, 2009 Board of Directors Meeting.

R. Lissner moved to approve the Minutes as written.

B. Vanderslice seconded.

Motion carried unanimously.

***Note to Minutes: R. Lissner gave his compliments on the quality of the minutes and asked who prepared the minutes. F. England advised that S. Toy prepared the minutes.**

OLD BUSINESS

Review and Possible Acceptance of 2008 Audited Financial Statement F. England advised a new draft has been provided due to a couple of errors but there are no major changes or problems with the audit.

R. Lissner stated the audit financial statements shows about \$500,000 for fencing and asked if this is just fence that the Association is actually responsible for or is it an old number. F. England explained it is an old number as the decision to remove the fencing was done after the draft of the audit was completed. This will be corrected next year.

Homeowners asked for a copy of the audit and when the audit would be finalized. F. England advised the current copy is only a draft and the homeowners can call the office and get a copy of the audit after it is approved. The audit should be completed within a week. A PDF copy will be available and posted on the association website.

F. England asked the auditor to go through the audit in regards to what we are going to look at and if there were any problems they may have discovered.

The auditor advised the audit is for the year ending December 31, 2008 and that an audit is the most involved type of financial statement you can get from an auditor. Audits involve two parts: first making sure the financials are accurate and second reviewing the internal controls. They go into the actual Association and walk through everyone's job descriptions and the controls that are used to make sure the Association money is safe. They make sure the financial statements are not false and make recommendations to the controls if any are needed to help prevent fraud.

They also provide an audit opinion, which is not included in the draft audit as a safety feature so it cannot be altered; however, it will be included in the final audit. The association received an unqualified opinion, which is the highest level of assurance you can get. This Association received an A+ or gold star for their audit. The financials are great and have no problems. They did everything they were supposed to do and the audit came out clean. They make sure the financials are in accordance with standard audit practices and follow the rules.

B. Vanderslice moved to accept the 2008 Audit.

J. Swain seconded.

Motion carried unanimously.

***Note to the Minutes: F. England advised that he has the Engagement Letter for next year and it will be on the next agenda.**

Review and Possible Acceptance of 2009 Reserve Study F. England advised there is only one copy available of the reserve study. If any homeowners want a copy, the PDF will be available. The Association has \$780,000 in reserves and sets aside \$2.40 per house per month based on the assessments. The Association is required to complete a reserve study every five (5) years and an update annually.

R. Lissner summarized the purpose of the reserve study. It adds up everything the Association owns and what the cost will be to replace each item. For example, we have \$100,000 of fence and it is half way through its life, we have to have half the cost to replace it in our reserves. The reserve study makes sure we are collecting the correct amount so we do not have to make a special assessment when the time comes for the replacement.

J. Swain moved to accept the 2009 Reserve Study.

B. Vanderslice seconded.

Motion carried unanimously.

Discussion and Possible Acceptance of Dog Park Rules and Regulations F. England advised a committee reviewed the rules for the dog park, which are on the sign that was displayed at the meeting. These are the rules that are used by the City of Reno. A homeowner wanted to know who will maintain the park;

F. England advised that it is the responsibility of the people using the park to maintain it. There is a water source, there will be a trash can and mutt mitts at the dog park. This area is zoned as a detention pond and there will not be any turf put down and we cannot remove all of the vegetation as it is required by the county.

F. England moved to accept the Dog Park Rules as printed.

D. Jurkovics seconded.

Motion carried unanimously.

NEW BUSINESS

Review and Acceptance of the 2009-2010 AMI Association Consulting Contract for supervision of the Provisional Manager J. Swain has a concern on the contract in regards to the time frame; he was under the impression that the Provisional Managers training would end before the contract expired. F. England asked how long the probation period is for provisional managers. S. Toy advised supervised training is required for two years. The contract started in July 2008 and needs to runs for another year. F. England stated once the manager is licensed, the Association can terminate the contract with a 30 day notice. R. Lissner stated that June 30th of next year would be two years. He also asked if the changes in the state law would affect the requirement for a Provisional Manager. S. Toy explained the change in the law was in regards to an out of state manager moving to Nevada so they could obtain a temporary license. R. Lissner stated the contract specifies the contract can be terminated for cause and if the Association does contract with AMI for full management, could this contract be terminated. F. England advised the contract states that with 30 days notice either party may terminate the contract.

R. Lissner moved to accept the 2009-2010 AMI Associating Consulting Contract for supervision of the Provisional Manager as written.

B. Vanderslice seconded.

Motion carried unanimously.

***Note to Minutes – AMI stated there has been great improvement in the Association during the year the Provisional Manager has been in training.**

Review and Possible Acceptance of the Slurry Seal Quotes F. England advised the Association obtained three (3) bids for slurry seal from Intermountain, All American Asphalt Sealing, Inc. and Western Sealing & Stripping. The Association is required to reseal the walking paths and the portion of the road in front of Village Center every five (5) years. R. Lissner noted the quotes range from \$50,000 to \$15,000 and he is wondering if they are quoting the same material. They all appear to be using different material and he doesn't feel this can be approved until an expert explains the quotes to us. F. England stated two (2) quotes are based on an oil based quote where the other is a latex sealant. R. Lissner would like J. Meyer at LSH to check out these quotes for the Association. F. England would like approval this month or we will not be able to complete the slurry seal this year. D. Jurkovic asked AMI if they have any experience with slurry seal. They advised the RFP usually spells out what you want and you need to know what was used on the pathways originally in order to determine what type of slurry seal will be compatible with the existing product. F. England asked if AMI has a copy of an RFP and if they could give it to the Association Manager. Also, the Association Manager is to check with Resource 1 to see what they recommend for the slurry seal.

R. Lissner moved to authorize acceptance of a slurry seal quote not to exceed \$16,000 in cost after checking with Lifestyle Homes and Resource One to determination if the products quoted are satisfactory and compatible with the existing walking paths.

D. Jurkovic seconded.

Motion carried unanimously.

Note to the Slurry Seal Quote – D. Jurkovic asked that all of the Board be copied on the results after checking with Lifestyle Homes and Resource One.

Discussion and Possible Transfer of Banking Institute F. England advised the Associations current bank has started charging fees for each deposit made to our money market/savings account. The first 20 items deposited per month are free and then a fee of \$. 50 cents per item applies. In the last four months, we have been charged approximately \$1,000.00 for deposits fees. He checked with AMI and they use Community Association Bank, a subsidiary of Mutual of Omaha Bank. They have offices in Reno and are based out of AZ. They work strictly with Homeowner Associations and do not charge any fees for their accounts. Also, they have a lock box system where the assessments go directly to the lock box. This service is free and adds another layer of control for the Association. They send a report of the deposits that can be downloaded into

TOPS directly that will post the payments. We can use a scanner to make deposits in the association office. The cost is \$40 per month unless we move \$500,000 into their money market or a certificate of deposit. They are insured up to \$1,000,000 where most banks are only insured up to \$250,000. Their certificates of deposits run a minimum of 2.35% interest on an 18 month certificate compared to the current rate we are receiving of .9% on a \$50,000 we just purchased. There is a branch office near the airport where deposits could still be made if needed and checks would still be taken from the homeowners at the Association office. A homeowner asked why not move the banking to a credit union. F. England advised they would charge the same rates as our current bank and many of the credit unions will not deal with a corporation.

R. Lissner moved to authorize the change of the Association banking to Community Association Bank after the President and Treasurer meet with the bank's representative.

B. Vanderslice seconded.

Motion carried unanimously.

Board Election of a new Secretary F. England advised the duties of the Secretary require them to sign paperwork for the association i.e. minutes and filings with the Secretary of State.

F. England moved to elect D. Jurkovics as the Association Secretary.

B. Vanderslice seconded.

Motion carried unanimously.

Discussion and Determination of an Investment Policy F. England advised new state laws suggest that in order to protect the Board, the Association should have a formalized Investment Policy. Currently, the Association has an informal policy but does invest in insured municipal bonds or certificates of deposit with FDIC insured institutions, not exceeding the insurance amount. He would like to see the Association stay with these types of investments. He suggests not investing in stocks or corporate bonds due to possible losses and the fact the Board could be sued if they make a bad investment. AMI does have a written standard Investment Policy and a copy will be provided to the manager.

This item to be moved to the October meeting.

Board Comments:

D. Jurkovics would like to have a job description for the Association Secretary. The manager is to give him a copy from the Bylaws.

F. England advised a couple of items were supposed to be on the agenda but he requested they not be included. One was the Work Truck Rules – the new Nevada laws stated the Association cannot limit the parking of emergency or utility vehicles but can request a copy of a letter from the employer stating the employee is on call and required to have the vehicle at their disposal. We can still limit the semi-trucks but we will have to change our CCR's to reflect this new law.

The other item was a contract with AMI for full management of the Association. This is being pushed back until we begin the budget process for the year for 2011.

ADJOURNMENT

There being no further business the Board of Directors Meeting was adjourned at 7:35 pm.

Respectfully submitted,

Susan Toy, Provisional Manager
Woodland Village

Dan Jurkovics, Secretary
Woodland Village