

**QUADNA MOUNTAIN TOWNHOUSE ASSOCIATION
MINUTES OF
HOMEOWNERS INFORMATIONAL MEETING
OCTOBER 22, 2011**

- I. The meeting called to Order by President Madsen, at approximately 10:30 a.m.
- II. **MOTION:** A motion was made, seconded and passed to approve the Fall 2010 minutes which are published on our website and were mailed to the membership last fall.

III. **MAINTENANCE:**

President Madsen stated that the proposal to the Villas for maintenance was not approved by their three boards. A detailed study of costs and requirements was done and the proposal to the Villas included equipment, personnel and supplies.

As a result, President Madsen explained staffing level for Maintenance effective November 1, 2011 is one and one half full-time equivalents. Gene Benes will be full time and the primary lead. Dave Ingwell has agreed to work part-time and there will be other part time employees.

Owners that have regular maintenance issues should contact Gene at the maintenance office. For extraordinary maintenance issues, Joel Richards, Board Member and maintenance chair, should be contacted.

President Madsen referenced the draft Maintenance Service Policy that has been published on the Web site.

IV. OMEGA – ADMINS/FINANCIAL MANAGEMENT

Effective November 1, 2011, Omega Management will be providing additional services.

Administrative services will include, but are not limited to, acting as advisor to the Board in areas such as assessment collections, rules and regulations, architectural control, communications; administration of Board and Annual Meetings; acting as liaison between the Board and homeowners; recordkeeping of legal documents, minutes, etc.; and advising the Board regarding liability and casualty insurance.

There will be twelve Board Meetings during the first 12 months, and thereafter not more than six Board meetings per each succeeding 12 months. Board meetings are open meetings, in accordance with bylaws. The first open Board meeting was attended by several homeowners.

In 2012, financial management services provided by Omega will include all current financial services; reserve planning for both common properties and buildings; preparation of the annual budget; monitoring delinquent accounts and interface with legal counsel for collection, in accordance with Board policy.

The annual cost for services provided by Omega Management will increase from \$7,200 to \$18,000.

V. FINANCIALS

Joanne Madsen, Treasurer, gave a detailed presentation, in regards to 2012 Budget; 2012 Fee Structure and Reserve Fund Replenishment.

2012 Budget

Treasurer Madsen explained that, as requested by the Board, monthly assessment changes will take effect in January as opposed to the middle of the year, as has been the practice in the past. This will put them in line with the QMTA fiscal year. The fiscal year for QMTA is January to December.

Treasurer Madsen stated that when minutes for this meeting are mailed out to you, a copy of the budget will be included. She presented certain highlights of the budget.

Revenue components – monthly assessments; late fees; pool income and miscellaneous income. There will be no contract labor from the Villas.

Administrative Expense – the management fee will rise from \$7,200 in 2011 to \$18,000 based on increased services. Legal fees are anticipated to drop.

The big change in the Operations & Maintenance Expense is maintenance payroll. Our budget for 2011 was \$60,000. The maintenance payroll budget is \$43,680 for 2012. This budgeted amount is for 1 ½ full time equivalent employees at \$14 per hour. A safety net of \$5,000 for outsourced labor was added in case it is needed. The overall budget for operations for 2012 is \$87,430, which is a decrease of \$18,320.

Property insurance will be allocated by Class based on the new Declaration.

Monthly assessments for 2012

New monthly assessments will take effect January 1, 2012. These will be included in the January statements mailed about mid-December.

New monthly assessments for 2012 will be:

Class I – Studios and Studio Lofts	\$159
Class II – 1 Bedroom and 1 Bedroom Lofts	\$166
Class III – 2 Bedroom Lofts and 3 Bedroom	\$172
Class IV – 4 Bedroom and unit 329	\$189

RESERVE FUND REPLENISHMENT

Treasurer Madsen stated the reserve fund has dropped below \$100,000. As a result, the Board determined it would be prudent to replenish this fund. The Board approved a special assessment payable in 2012 to the reserve fund. The Board also determined owner input was needed to find out what owners perceive would improve or enhance the value of their property. Plans are to use some of this special assessment for owner identified value items – items that improve our amenities. Examples might be new pool furniture, private dock rental, etc.

The Board approved a Special Assessment of \$250 payable in 2012. This one-time payment will be billed in January, but final payment is not due until June 1, 2012, giving the owners the option to pay \$50 per month until paid in full.

Owners' input will be sought for input for improvement, in terms of amenities. A Survey will be sent out to owners. Final approval will be made by the Board.

Terry Harmston, Board member, gave a detailed presentation of conforming Tennis Court #2 (Behind the Deep Pool) to a play area to include basketball hoop, etc. Mr. Harmston has done extensive research in designing this plan. This will be included with the survey that will be sent to the homeowners.

BUILDING RENOVATIONS

President Madsen explained the assessment policy and procedure regarding assessment notification and collection,

which includes annual assessments, special assessments, limited assessments, fees, fines, and other specified in legal documents.

When a due date is assigned, payment is due on the date assigned. If payment is not received within 60 days of the due date, a courtesy call will be made, to insure the owners have received the assessment. If payment is not received in conformance to the assessment and after the courtesy call, a demand letter will be issued. Once the demand letter is sent, a fee of \$100 for legal fees will be added to the assessment. That demand letter allows for another 30 days. If payment is not received after the time limits set out in the demand letter, foreclosure procedure or court order judgments will be implemented.

Unit 315, Building 2. Sheriff's sale is scheduled for December 9, 2011 in Aitkin County.

Bryan Majors, Board Member, will be attending the Sheriff's sale. Bryan will mention, at the Sheriff's sale, the lien that is due on the property for past due monthly assessments and the special assessment for renovation that is due on Unit 315, so bidders will be informed. The Association may bid for purchase of the property if there are no other bidders. Should a homeowner wish to bid on Unit 315, please inform Bryan Majors. The Board will not bid if homeowner is actively participating in the bidding process.

~~Enclosed is the notice of the Sheriff's sale and the Web site that can be contacted.~~

Unit 316, which has multiple owners, is going through a foreclosure process.

Renovation is expected to begin on Building No. 1. Because assessments have not been collected on Units 315, 316 and

309, the renovation will not be completed on these units. The area will be painted to match the new siding. Common end exteriors will be sided and paid for by QMTA.

The renovation project is entering its fifth year and the Board agreed that these unusual steps must be taken.

QUESTION AND ANSWERS

Extensive discussion, regarding past renovation projects, took place. It was emphasized owners **must** inform Milt Dupre, Project Manager, before final walk-through, of concerns with their renovation. Final payment is not made to the contractor until all concerns are addressed.

PRESENTATION

Dave Ingwell's retirement is effective October 31, 2011. President Madsen acknowledged the years of service Dave has given to QMTA, and presented him with a card. Dave and his wife were present, and a celebration of Dave's retirement was had with cake and coffee.

The meeting was adjourned at 11:37 a.m

Bridget Zimmerman
Acting Secretary