

1 SUDDEN VALLEY COMMUNITY ASSOCIATION
2 SPECIAL BOARD OF DIRECTORS MEETING MINUTES
3 TUESDAY, AUGUST 25TH, 2015
4 SWFA TRAINING ROOM
5 7:00 PM

6 In Attendance:

7 Larry Brown, President
8 Carol Bauman, Vice President
9 Leslie McRoberts, Secretary
10 Carol Houlton, Treasurer
11 Samantha Rorabaugh
12 Nick Flacco
13 Grace Shaffner – EXCUSED ABSENCE
14 David Narsico
15 Mike D’Angelo
16 Georgia Allen, Acting N&E Chair – EXCUSED ABSENCE
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18 Community Members: 11

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20 Sudden Valley Staff: Mitch Waterman, Managing Director
21 Jennifer Spidle, Accounting Manager
22 Sarah Pratt, Administrative Specialist
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24 I. CALL TO ORDER

25 A. The meeting was called to order at 7:15 PM.

26 II. ROLL CALL

27 A. All present with the exception of Directors Shaffner and Allen.

28 III. ADOPTION OF AGENDA

29 A. New Business topics were tabled in the interest of time.

30 B. The agenda was adopted as amended by acclamation.

31 IV. MEETINGS OF THE EXECUTIVE COMMITTEE

32 A. There were no Executive Committee meetings since the last Board meeting.

33 V. Announcements

34 A. Director Rorabaugh announced the LRPC meeting has moved to August 31st at
35 6:30 p.m. in the Creekside Café.

36 B. Director Houlton announced the next scheduled Finance Meeting is on
37 Wednesday, September 2nd at 6:30PM in the MPR.

38 C. Director Houlton talked about the success of Spirit Day.

39 D. MD announced that staff is planning a Halloween event.

40 E. MD announced a water leak has been found at the Clubhouse; construction
41 changing accordingly.

42 VI. PROPERTY OWNER COMMENTS

43 A. A member felt the dues increases discussed at the Finance meeting seem
44 reasonable in context; does not feel it will pass in front of the public. Asks for
45 visuals for the public to help explain the need.

46 B. A member noted lack of an FTE in current available records.

47 C. A member encouraged short and concise ballot voting material for ease of
48 understanding.

49 VII. BOARD COMMENTS

50 A. In response to the member's dues comment, Director Brown noted that Board has
51 not passed a budget.

52 VIII. CONTINUING BUSINESS AND VOTING AS NECESSARY

53 A. Discussion of Proposed Bylaws Amendments – Dues for Combined Lots

- 54 i. Overviewed existing dues policy. The proposed bylaw amendment
55 ensures a member pays no less than half dues for each additional lot over
56 2.

57 **MOTION:** Director Rorabaugh moved to adopt the language in red on page 74,
58 Paragraph V to charge dues of 50% for each combined lot over 2 for lots combined in the
59 future. The motion was seconded by Director Bauman.

- 60 ii. This amendment has no impact on existing dues. Only affects
61 homeowners who combine lots after the effective date. Consensus was
62 that this is less about generating dues and more about stemming future
63 losses.

64 **MOTION:** Director Narsico moved to amend the original motion to include the removal
65 of the sentence regarding discretion of the Board. The motion was seconded by Director
66 Bauman. Director Narsico subsequently **withdrew** the motion.

67 Directors Narsico and McRoberts recused themselves due to a conflict of interest.

68 A vote on the original motion failed with 3 in favor and 3 opposed.

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70 IX. TREASURER'S REPORT

71 A. 2016 Budget Proposal

- 72 i. Accounting manager Jennifer Spidle presented the budget proposal to the
73 Board and explained 2014 deficiencies found in the auditor's report:

- 74 1. There was no segregation of cash handling duties – corrected.
75 2. Fund cash balances are over FDIC limits – correction in process.
76 3. The previous management company made substantial accounting
77 errors in 2014 - corrected.
78 4. Dues were incorrectly allocated however no cash was missing -
79 corrected.

- 80 ii. Director Houlton presented the Sustaining Services budget and described
81 the increase in dues. She also listed some of the essential services
82 required just to keep the doors open. SVCA cannot continue to maintain
83 these essential services on \$69.40 per month. The Finance Committee's
84 recommendation is an \$18.95 per month dues increase. She also described
85 three additional cafeteria plan options.

- 86 iii. Director Brown inquired if the Sustaining Services budget included
87 culvert maintenance and the like.

- 88 iv. Accounting manager Jennifer Spidle presented the current budget as "run-
89 to-fail". She suggested the increases be presented to the members as a
90 basic sustaining budget, along with three additional options. Total dues
91 will amount to \$102.95 per month if both the Sustaining Services budget
92 and supplemental items are passed.

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At 9:13, Director D’Angelo called for a five-minute break. The Board resumed open session at 9:19 p.m.

MOTION: Director McRoberts moved to place the budget as-is and the four dues measures on the AGM ballot, as presented by accounting staff. The motion was seconded by Director Houlton.

MOTION: Director D’Angelo moved to **amend** the original motion to include the cafeteria plan and the dues assessment as one number. Director Bauman seconded. After discussion, the motion was **withdrawn**.

MOTION: Director Houlton moved to **amend** the motion. If the Sustaining Budget does not pass, then then the cafeteria options will fail. Director Flacco seconded, and the motion passed with five in favor and Directors McRoberts and D’Angelo opposed.

MOTION: Director McRoberts moved to **amend** the motion and place budget on the ballot for AGM “with numbers as presented by the accounting staff”. Director D’Angelo seconded and the amendment to the motion passed unanimously. The original motion passed 6-1 with Director Rorabaugh opposed.

X. ADJOURNMENT

Director Bauman moved to adjourn. The motion was seconded by Director Rorabaugh and the meeting was adjourned at 10:00 p.m.