

**FOXCLIFF ESTATES SOUTH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
November 8, 2004**

Officers & Directors Present: Calvin Kelly
Bruce Kohl
Chris Read
Chuck Molzon
Cindy Vogel

Guests Bonnie Kohl
Lori Engle
Bob Altizer

Meeting Called to order 6:00 p.m.

I. Call to Order- Welcome

Meeting called to order by Calvin Kelly.

II Review of Agenda

A. Additions to Agenda

No additions to agenda

B. Approval of Agenda

Motion was made by Chuck and seconded by Chris to approve agenda as amended

Review of Meeting Minutes October 2004

A. Additions/Alterations to Minutes

Chris made a motion and Cindy seconded to approve the October 2004 minutes as written. Motion Carried.

IV Communications and Announcements

A. From the President

Calvin read a thank you note from the Childers in reference to the All-Way Stop installation at North Country Club Road and Country Club Court.

B. From Board Members

There were no communications from board members.

V Legal

The only legal issues outstanding is setting a time to meet with the Morgan County Commissioners to renew the road patrol contract with the county and finalizing the rental contract for the clubhouse office space. Calvin has been in touch with Rod on these matters. Rod had forwarded a report giving a synopsis on the two vandals caught by the Sheriffs Department. Reuter will be sentenced in December.

VI Committee Reports

A. Safety and Communication Committee

Chris reported that the new all-way signs were installed at Country Club Road and Country Club Court this past weekend. Chuck reported a tree that needed to be trimmed at North Country Club Road and Golf Course Lane, blocking the stop sign. Chris will follow-up on this item.

R-Net Update – Bruce updated the board regarding the contract with R-Net. Bruce stated he had met with R-Net on Friday. They discussed the placement of the antenna and stated that an installed survey had been done; however, he had not seen it. There was some discussion with regard to insurance on equipment and pricing. Bruce to speak with R-Net again.

B. Roads Lakes and Common Areas (See attached report)

Sunderland Drive Culvert – Bruce reported that Aecon had inspected the problem with the culvert just south of Norwich on Sunderland Drive and had provided a written report with proposed action items. The Board made a decision to continue to monitor the culvert on Sunderland for any additional damage by water and not schedule any repairs for now. Calvin stated that we had also received a proposal from Aecon with regard to drainage in areas along Southampton, Norwich and Sunderland. A price of \$16,300 was discussed and it was decided that Calvin would contact Bob Bullard to discuss further. It was further decided that other firms would be contacted for bids.

C. Covenants & Restrictions

Chuck advised board that he had received two calls from residents. The first was regarding motorcycles in the sub-division and the other was regarding animals running loose. He has asked those residents for specific dates and parties involved. Chuck will write when information is received.

D. Clubhouse, Pool and Tennis Courts

Downey Rental – After some discussion that highlighted the severity of the vandalism following the party, an initial motion was made to withhold the entire deposit. It was also noted that since there was only superficial damage to the pool liner and all other restoration had been completed at below market costs for labor and materials, Cindy made a motion to deduct \$150 from the Downey rental deposit for the condition of the Clubhouse after their event. Chris seconded. Motion carried.

Chuck further made a motion to compensate Bonnie Kohl \$90 for cleanup of the clubhouse after the Downey rental based on the fact that cleanup was needed immediately to prepare for the next rental and our normal service was not available. Chris seconded. Motion carried.

E. Building Control (See attached report)

Building Committee Actions – Chuck made a motion to return the Ratts' deposit less 1) \$250 for Sunday work; 2) the full costs incurred by FESHA to clean dirt off the road during the paving project; and 3) \$150 until they have a conforming mailbox installed. Bruce seconded. Motion carried.

F. Social Committee

No report this month.

G. Association Office

Regarding the issue of the features on the phone line, Calvin explained to the board that we have a split line between the fax and the phone. While the extra free features are intended for the phone, they are showing up on the fax as well.

VII Financial Report

Calvin briefly went over monthly financials. He stated that the only big expenditure this month was the second installment for property taxes.

Board then entered into discussion with regard to the Association Budget. Calvin stated he would like to first address the budget for the remainder of 2004 and discuss the remaining activities and associated expenditures for previously planned 2004 projects.

Calvin distributed a spreadsheet update and described the anticipated expenses to year-end. He noted that aside from payroll, the only other potentially significant operating expense – road plowing/salting – is unfortunately weather dependant. Calvin noted on his spreadsheet that with clubhouse paint and carpet costs, estimated snow plowing and sign refurbishment costs, entryway design costs, and remaining Association Office expenses accounted for that there was approximately \$5262 of uncommitted funds in the 2004 budget and this amount is available to roll over to 2005, use for other 2004 planned activities, or a combination thereof.

The Board discussed reserve accounts, how they were established and if they should reconsider how much money should go into said reserves.

Regarding the Operation Reserve account, Bruce questioned how the amount of the reserve had been decided upon by earlier boards. Calvin explained that no detailed study had been performed regarding asset replacement or lifespan, noting that the board had relied on common sense estimations as the basis for their decision. According to Calvin, the primary use of Operation Reserve would include paying for catastrophic or emergency events and repairs that required immediate cash. This might include road or bridge repair, clubhouse damage, a pool related event, etc. over and above any immediate amounts available via insurance. At the current level of \$50,000, the Board has a liquid source of funds and would not be required to conduct an immediate special assessment. However, it was agreed by the Board that the amount of the Operational Reserve should still be studied in more detail.

Regarding spending decision for the 2004 calendar year, discussion opened regarding Entryway Design as proposed by Browning Day Mullins Dierdorf. Chuck made a motion to accept the \$8500 Browning-Day proposal for design concepts for entryways and signage, Chris seconded. Motion carried with two abstentions. This was followed by a discussion of clubhouse updates that the Board had committed to address in 2004, principally carpeting and painting.

Cindy presented a list of activities and updated costs. After discussion Chuck made a motion to accept the partial list (see chart) that included carpeting and painting. Bruce seconded. Motion carried.

Calvin went through the Association Office Budget and noted areas of actual and potential savings for 2005. He indicated that he would discuss these items with Carolyn before the end of the week to get her concurrence.

VIII ACTION ITEM TRACKING

The Board discussed action items. Chuck read list of action items from previous meetings and noted items remaining open.

A motion was made by Bruce and seconded by Cindy to adjourn at 11:00 p.m.