

MINUTES
CCDHA BOARD MEETING
January 21st, 2021

The Board of Directors of Country Club District Homes Association met at 7:00 p.m. on January 21st, 2021 via Zoom teleconference.

Directors in attendance: Jim Wilkinson, Christopher Mitchell, Cyrus Hund, Kitzi Dingley, Whit Zweifel.

Also in attendance: Bev Elving, Neighborhood Beautification Chair

Directors absent: Brad Beets, Secretary

Cyrus called the meeting to order at 7:00PM and asked if there were any changes to the meeting minutes for the board meeting on October 8. No changes noted and minutes were approved.

The first order of business was to give the board a brief update on some open items related to the fountain and fountain maintenance. Cyrus reported that comments from the neighbors on the aesthetics of the fountain were generally positive, though no progress on completing the tap for a water source had been made with US Engineering. The board agreed that Cyrus should keep trying to install the fountain tap. Bev Elving explained that some details in the fountain installation were still incomplete but were planned for installation prior to re-opening the fountain in the spring: a new larger sock for the pump needed to be installed, some color-matching conduit needed to be attached, and stones anchoring the lights needed to be epoxied to the basin before filling.

Next, fountain maintenance was discussed. Cyrus presented the verbal bid provided by the fountain dealer Van Liew's. Van Liew's offered to maintain the fountain on a scheduled basis or as needed for \$150.00 per visit. The scope of the maintenance visits included cleaning the fountain and pump sock, inspecting the mechanical and electrical systems, adding algaecide as needed, and opening/ closing down the fountain annually. Cyrus reported that Van Liew's suggested we perform this maintenance at least monthly, with algaecide treatments potentially more frequently. On Erik Elving's behalf, Bev Elving explained that Erik was willing to do regular maintenance on the fountain for \$100.00 per month. The board held a vote and agreed to hire Erik Elving for the fountain maintenance and was unanimously approved.

Jim Wilkinson next reviewed the budget. He reviewed the balance sheet and income statement dated December 31, 2020 and the corresponding pro formas for 2021. Please find excerpts of Jim's notes below:

Review of 2020 Performance

The 2020 budget anticipated a deficit for the year of almost \$5,500 as donations raised in 2018 and 2019 were spent to purchase and install the new Schmelzer Island fountain. The actual deficit was just over \$6,600. There were several differences in budgeted and actual budget items. Income from additional fountain donations was \$2,500 below the (optimistic) budgeted amount, and expenses for island maintenance were more than \$1,000 higher than anticipated. Island maintenance is our largest and most variable expense. These items were partially offset by lower than budgeted expenditures on the fountain, although some expenses were put off to 2021. (See below.) Also, we budgeted \$2,000 for a neighborhood party that was canceled due to the pandemic.

The annual deficit lowered CCDHA's total reserves from \$39,000 at year-end 2019 to \$33,500 at year-end 2020. Traditionally, our objective has been to maintain reserves sufficient to cover a full year's expenses. Excluding fountain expenses and other one-time expenses, our annual expenses are usually around \$26,000.

Discussion Items for 2021 Budget

The initial draft budget shows an annual deficit of just over \$8,300, largely due to fountain expenses and legal expenses to address discriminatory language in covenants. This deficit would reduce CCDHA's total reserves to \$25,200, close to but below our traditional targeted amount. The deficit is due, in large part, to one-time expenses that hopefully will not have to be incurred again future years. If so, the reserves can be increased over time with careful management.

Legal services: The budget includes \$4,000 to pay attorneys to find and correct discriminatory covenants in deeds for CCDHA properties. Cy will explain his discussion with attorneys in more detail, but we do not know the full cost for completing this project. While most property deeds can be readily identified and corrected, some will be more challenging. We propose spending up to the budgeted amount this year, and if the project is not completed, then allocate additional funds to spend in 2022.

Fountain maintenance: This is a new item. We have budgeted \$150 per month for 7 months for a total expenditure of \$1,050. We may need maintenance for more or fewer months.

Capital improvements: Unfinished work on the fountain includes getting approved plans, installing a water meter, and hooking up the fountain to city water. The fountain's larger basin slows evaporation so the water level will need to be replenished less often. The Board may want to monitor the fountain and its water level for several months to assess whether the hook up to city water is still warranted.

Social activities: The budget includes \$1,000 for social activities, including a neighborhood party on Schmelzer Island. The pandemic may or may not allow this to occur. The budgeted amount is less than the \$1,800 spent in 2019.

Cyrus added to the discussion of the budgeted legal services item of \$4,000 by explaining the scope of the proposed work to the group. An attorney with experience in working with homes associations named Rod Hoffman of Martin Pringle LLP was referred to the HOA by Doug Luther of HA-KC. Cyrus contacted Mr. Hoffman in October 2020. Mr. Hoffman suggested that the HOA perform the following: 1.) Search for and remove discriminatory language from recorded documents within the subdivision; 2.) identify legal descriptions for all lots within the subdivision; 3.) Creating a board resolution confirming discriminatory language was removed and that all applicable lots were identified; 4.) File the board resolution and appropriate documents with the Jack County Recorder of Deeds. Mr. Hoffman quoted a \$325 hourly charge for his work, with legal assistants performing the bulk of the work at \$140 per hour. Since the amount of legal research necessary to accomplish the proposed tasks is unknown, Cyrus suggested the board budget \$4000 to see how much progress could be made.

Finally, the board voted on the proposed budget and it was unanimously approved.

Old business:

1. Ceramic tiles on street corner replacement to be explored with the city.
2. House number on the curb- this may be mentioned in the newsletter but we do not promote specific businesses as a HOA.
3. KC Sports Commission- we agreed to endorse them for running races that could route through the HOA in 2021, after having received their assurance that appropriate safety procedures are in place.
4. HAKC annual business meeting is upcoming and Bev will forward the information to Cy for distribution.
5. Whit has offered to take over responsibility for the CCDHA contact list from Bev.
6. The committee will seek assistance from the city for an ongoing drainage issue at 57th and Belleview.

New business: None

The calendar of meetings for 2021 will be determined and circulated.

The meeting adjourned at 8:00