

**VALHALLA ELEVEN ASSOCIATION**

**2015 ANNUAL MEETING**

**December 5, 2015 – 10:00 AM**

Valhalla Eleven Association Annual Meeting called to order at 10:14 AM by Pam Dowd ad interim President. The following roll call was conducted by Secretary Linda Castiglioni.

**A) Roll: 58.52% of ownership present or proxy**

4.12	11	Proxy	4.12
4.21	12	Proxy	4.21
4.21	13	Proxy	4.21
4.12	14	Absent	
4.12	15	Absent	
4.21	16	Present	4.21
4.21	17	Present	4.21
4.12	18	Absent	
4.12	21	Proxy	4.12
4.21	22	Present	4.21
4.21	23	Absent	
4.12	24	Present	4.12
4.12	25	Absent	
4.21	26	Absent	
4.21	27	Present	4.21
4.12	28	Present	4.12
4.12	31	Absent	
4.22	32	Proxy	4.22
4.22	33	Proxy	4.22
4.12	34	Absent	
4.12	35	Absent	
4.22	36	Absent	
4.22	37	Present	4.22
4.12	38	Proxy	4.12
100			58.52

**B) PROOF OF NOTICE OF MEETING – Notice of Annual Meeting attached.**

**C) READING OF MINUTES OF PRECEDING ANNUAL MEETING– Minutes from 1/15/2015**

Approval of Annual Meeting Minutes - First motion – Christine Castle Unit 24; Second motion – Joanna Coon Unit 16. Vote: Minutes approved for Annual Meeting 1/15/2015

**D) REPORTS OF OFFICES**

1) PRESIDENT – Pam Dowd ad interim President

David Nelson (Unit 25) was elected President in January 2015; he sold his unit in June 2015, Tom DeWitz (Unit 11) was appointed as President by the Board in June 2015. He resigned his post in September 2015; Pam Dowd (Unit 24) accepted the position as President ad interim in October 2015.

No other reports

**E) REPORT OF MANAGER – Judy Ohly.**

Report: Judy Ohly – General Manager for Valhalla Management report. Judy Ohly gave an overview of Valhalla office changes. There have been many changes over this past year. Some of the highlights of changes are the following: new office/maintenance staff, staff benefits, bank servicing Valhalla Association accounts, and computer services, etc.

Valhalla policies reviewed and implemented in 2015; delinquent account policy, garage rental policy (deposits/rents), employee handbook, verification of rental units having rental certificates, parking policy and smoking policy.

In addition, other changes were implemented in 2015. Propertyware, an HOA software, was implemented, some cameras were installed throughout the complex, more camera installations are planned for 2016, garden club started, new Valhalla website will be ready 1<sup>st</sup> quarter 2016, Wi-Fi installed in pool and party room areas.

Valhalla was nominated best National Night Out event for Condo Associations in 2015, Valhalla is a new member of the R-Neighbors. Judy Ohly is serving on the Executive Committee for R-Neighbors as a Director (volunteer position). Valhalla has applied for a tree grant for spring 2016. There are currently 41 ash trees on Valhalla complex that will need to be replaced over the next few years.

2016 Goals:

Website is complete and linked to the Propertyware software. Reporting capabilities will be available for owners for the ledger, work orders, communication, committees, clubs, community events, building meeting minutes and master board meeting minutes, etc.

Valhalla staff have made it a priority to find efficiencies wherever they maybe. Finding efficiencies may require changes. Valhalla maintenance staff is focusing on areas that will save all the Valhalla HOAs money. For example, staff painted the railing for one of the buildings, they planted 36 lilac bushes, they cleaned up stump grindings from the pine trees removed, they painted the garbage enclosure, they pulled thistles from the hillside, and they serviced the various buildings' boilers. Staff will be installing the conduit for the cameras for the buildings thus saving approximately 50% of the total project cost for installing the remaining cameras for the complex. The staff's goal is to provide proactive services and avoid unnecessary reactive costs for the entire Valhalla complex.

Highlights to Budget changes for 2015 & 2016:

Transparency and accountability for providing budget and expense details for 2015 & 2016 are now being provided. A monthly accounting for expenses over \$100 is now being provided.

2015 was the first year of providing the expanded budget detail. It is essential every Valhalla HOAs stay within 1% of their final budgets. If a building's HOA has a capital project, the capital project will be paid out of the HOA's reserve account up to the annual amount allowed in the budget. If an HOA should need to "borrow" from their reserve capital monies for operational or unforeseen emergencies then the HOA will be required to replenish the reserve funds on the next budget cycle. Each HOA is required to maintain a 10% Total Reserve for capital expenditures.

Increases for 2016 Budget: There are increases in most categories in the budgets for Valhalla complex and each HOA. For example, wages for office staff were set at the median level for the local market per the Master Board. The maintenance staff will have pay increases once they obtain their individual boiler licenses and other accreditations. In addition, payroll overhead has increased to reflect Valhalla's matching retirement program up to 4% of an employee's annual income. Lastly, increases in utilities have increased overall expenses.

Overall Valhalla capital projects: Rec and Common Equipment Replacement, parking lot overlay, potholes filled for the parking lots, sidewalk repairs, garage roofs replacements, etc. Each HOA has a shared responsibility for the overall Valhalla complex expenses and keeping the overall Valhalla community an environment where people will want to live.

Considerations brought forth for Building Eleven HOA; holiday gift for caretaker of building 11, current building smoking policy, proposal for a smoke free building, installing security cameras, tree removal, replacing interior hallway lighting with LED lighting, interior painting, carpet replacement, laundry room flooring, etc.

Discussion from residents followed regarding the above items. Owners asked about percentage of rentals in building eleven. At this time there are 11 units that are rentals out of a total of 24 units.

**F) TREASURER Report – Pam Dowd**

Roof completed at total cost of \$167,400.00. Owners asked if any units had not paid the Roof Assessments. Pam Dowd reported 3 units have not paid the roof assessment which was due no later than July 1, 2015. The units not paid in full are 14; 15; and 18.

- a) Discussed 2015 & 2016 Financial Statements – Pam Dowd reviewed financial statements for 2015 & 2016. For 2016, if there are no changes in the monthly assessment, the HOA would have \$2,662.46 to go into the Reserve account. A total of \$140,535 is required over the next three years to fund the capital projects for Building 11 and other Valhalla complex projects.

Discussion amongst owners followed. Building 11 proposal for dollars required to fund capital projects (Page 9 of the packet) were reviewed. Total dollars required = \$140,535.

- b) Discussed adopted 2016 estimated budget – Pam Dowd reviewed the following:

Reviewed – page 9 of packet.

Option 1: 1 year assessment: owners pay special assessment one time with no increase in monthly assessment: 4.22% = \$5,930.52; 4.21% = \$5,916.48; 4.12% = \$5,790.00. Total = \$140,535.00. No change in Monthly Dues.

Option 2: 3 year assessment: owners pay special assessment for three years with no increase in monthly assessment: 4.22% = \$1,976.88; 4.21% = \$1,972.20; 4.12% = \$1,929.96. Total = \$140,535.00. No change in Monthly Dues.

Pam Dowd reported the Monthly Dues have not increased since 2010.

Option 3A: Increase in Monthly Dues 20% PLUS 1 year assessment: owners pay special assessment **one time with 20% increase** in monthly dues: 4.22% = \$3,922.20; 4.21% = \$3,912.96; 4.12% = \$3,829.20.

Monthly Dues:

	Current Dues	20% Increase	New Monthly Dues
4.22%	\$278.98	\$55.79	\$334.77
4.21%	\$278.32	\$55.66	\$333.98
4.12%	\$272.37	\$54.47	\$326.84

Total = \$140,535.00

Option 3B: Increase in Monthly Dues 20% PLUS 3 year assessment: owners pay special assessment for **three years with 20% increase** in monthly dues: 4.22% = \$1,307.40; 4.21% = \$1,304.32; 4.12% = \$1,276.40.

Monthly Assessment:

	Current Dues	20% Increase	New Monthly Dues
4.22%	\$278.98	\$55.79	\$334.77
4.21%	\$278.32	\$55.66	\$333.98
4.12%	272.37	\$54.47	\$326.84

Total = \$140,535.00

Discussion followed regarding keeping the monthly dues the same and have special assessments only to pay for the budget requirements. Pam Dowd reported the monthly dues have not been increased since 2010. Motion from Joann Coon Unit 16 to increase the monthly dues by 20%; there was a second motion from Thomas Adamson Unit 17. Voting occurred with 5 No votes and 9 Yes votes. Motion carried to accept increase in monthly dues by 20%.

Discussion followed to have a 1 year versus a 3 year special assessment with the 20% increase in monthly dues. Motion from Joanna Coon Unit 16 to accept Option 3B; there was a second

motion from Pam Dowd Unit 22. Voting occurred with 1 No votes and 13 Yes votes. Motion carried to accept Option 3B – increase of monthly dues by 20% and 3 year special assessment.

Discussion followed on when the yearly special assessment would be due from owners. Motion from Pam Dowd Unit 22 to pay the yearly assessment in two equal amounts on May 31 and Oct 31; for the next three years, starting in 2016. Late fees will apply if not paid within 10 days of the due date and every month thereafter until the full amount is paid in full.

For example, one-half of 2016 special assessment would be due no later than May 31, 2016; one-half of the 2016 special assessment would be due no later than October 31, 2016. This payment would be the same in 2017 and 2018.

There was a second motion from Thomas Adamson Unit 17.

Voting occurred with 1 No votes and 13 Yes votes. Motion carried to accept yearly assessment in equal payments on May 31 and Oct 31; for the next three years, starting in 2016. Late fees will apply if not paid within 10 days of the due date and every month thereafter until the full amount is paid in full.

- G) REPORTS OF COMMITTEE – none
- H) UNFINISHED BUSINESS - none
- I) NEW BUSINESS - none
- J) NOMINATION OF NEW DIRECTORS - The following individuals were nominated as new Board Members for a term of three years: Pam Dowd (#22), Tom Adamson (#17), Mark Wodrich (#28);
- K) ELECTION OF NEW DIRECTORS – The following individuals were accepted as new Board Members for a term of three years: Pam Dowd (#22), and Mark Wodrich (#28), and a term of one year for Tom Adamson (#17). Discussion followed on offices for individuals. Directors voted on the following individuals to hold the below positions.

President: Pam Dowd – Unit 22

Treasurer: Linda Castiglioni – Unit 27

Secretary: TBD

Meeting adjourned: 11:45 AM

*Minutes Respectfully Submitted: Linda Castiglioni*