

Laurel Ridge Community Association, Inc.
Special Board of Directors Meeting
October 16, 2008

Meeting was called to order at 2:00pm.

Members present: Tony Himmelspach, Manny Bloch, Mary Bonning, Mike Colbert and Barbara Lange.

Not present: Richard Vehrs.

Also Present: Sharon Vetter of Joseph Community Management, and homeowners.

The purpose of the meeting was discuss the reserve funds including replacement costs, estimated lives, and required fund balances.

The Board members were e-mailed a proposal by Mike in advance of the meeting in regards to ideal fund balances and ideas for excess funding. Mike believes that additional funds should be put into keeping up the physical appearance of Laurel Ridge rather than putting additional funds into reserves where it cannot be used for operating maintenance expenditures. Mike proposes not to fund reserves in 2009 and instead put the money into repairs and maintenance. The Board maintains that the budget has already been approved and will not be changed for 2009.

The Board agrees that they would like to have additional maintenance funds to upkeep the grounds and to do routine cleanings of the clubhouse and common areas.

The irrigation is in the process of being fixed and replacing of the sod in common areas should begin Nov 3, 2008.

The Board understands that any reserve fund movement between categories must be done by a majority vote of the entire membership at an annual or special meeting of the members. The Board hopes to use this meeting to come up with a proposal for reserve fund movement to present to the members.

Specific categories of reserves were discussed.

- Club house enclosure/cabana/ roof should be funded at \$10,000.
- Irrigation should be funded at \$6,200 which leaves excess funds that can be moved into another category.
- The Retaining wall has been determined to be the responsibility of the Villas. The Board will propose to the members to proportionately divide the balance in this fund between all lot owners. The amount designated to

Villa owners shall be put into the individual reserves for HW & GS. All other owners shall have their amounts placed into the Trees/Shrubs/Sod Reserve for Laurel Ridge common areas.

- Trees/Shrubs/Sod should be funded at \$10,000.
- Signs should be funded at \$1,000. No additional funding is needed for this category.
- Drive/Parking Lot should be funding at \$17,000 which will be needed in about 5 years. This category will continue to be funded in upcoming years.
- Furniture/BBQ should be funded at \$3,000.
- Security is believed to be an obsolete item for Laurel Ridge. As there are no future plans for this fund category, it will be proposed to remove this category and move the funds into another category.
- Pool/Pump Filter should be funded at \$11,000. This is sufficiently funded currently. Members proposed increasing this fund for a future purchase of a heater for the pool. The Board would have to determine if there is interest by the members for this type of expenditure.

The Board discussed the possibility of pooling reserve funds in the future. As pre-pooled balances would still have to be used for their specific category, it would still be necessary to bring this redistribution of reserves before the members.

A homeowner requested of the Board to be able to conduct a survey of the owners to collect data to determine whether there is interest in a heater for the pool. The Board had no problem with this request. The homeowner will show the survey to the Board before she begins talking to homeowners.

The details and figures of this meeting will be put together into a spreadsheet and brought back to the Board at the next Board meeting.

The next Board meeting is scheduled for November 6, 2008 at 2pm.

Manny made a motion to adjourn the meeting. A second was made by Mary. Motion unanimously passed. Meeting adjourned at 3:36pm.

Accepted _____ Date _____