

Mission Hills Condominium Association

Budget/Board of Directors Meeting Minutes

A meeting of the MHCA Board of Directors was held on Tuesday, November 21st, 2023, at Mission Hills Condo Association's Club House and on Zoom.

I. Meeting Called to Order

1. The meeting was called to order by John Emberson, President at 4:02 PM who also acted as chair.

II. Pledge of Allegiance

1. Pledge of Allegiance recited by board member at large and U.S. Veteran Doug Kuchle

III. Roll Call

1. Cheryl Acton, the Secretary, took roll call. Present were:
 2. John "Jack" Emberson, President
 3. Al Robinson, Vice President
 4. Jone Burr, Treasurer
 5. Cheryl Acton, Secretary
 6. Doug Kuchle, Member at Large
- A. A quorum was established.
- B. Also in attendance were:
 1. Bob Kelly - Ameritech - Property Manager
 2. Helen Strupczewski - Documents Committee Chairperson
 3. There were approximately 100 residents in attendance in the Clubhouse.
 4. There were approximately 20 Zoom attendees

IV. Meeting Minutes

1. Cheryl made a motion to wave the reading of the minutes and to vote for approval as written for the meeting held on August 31, 2023. Doug seconded it, all in favor. Motion passed.
2. Cheryl made a motion to wave the reading of the minutes and to vote for approval as written for the meeting held on September 19th, 2023. Doug seconded it, all in favor. Motion passed.

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V. President's Report.

1. He is asking us to come together, forgive each other, no negative energy.
2. Next, will focus on 5 categories: 1) Roofing issues, 2) Tree maintenance, 3) Buildings upkeep, 4) Underground plumbing, 5) Finance, etc.
3. Invitation for people to become board members. Come forward and we will help people to become successful based on what we've learned.
4. Willing to help others to run for the board.

VI. Treasure's Monthly/Budget Report:

October Revenue: \$ 250,118.50

Expenses: \$ 265,896.88

Overbudget: \$ 15,777.98

YTD: Revenue: \$ 2,653,466

Expenses: \$ 2,729,596

Overbudget: \$ 76,130

Delinquencies MTD: \$ 9,958

1. We will review line items of the Budget and how it was spent
2. Insurance is still our big unknown
3. The insurance company hasn't received any formal quote from the carriers
4. Wind Mitigation reports for all buildings and the Clubhouse were complete.
5. The report is on the Portal
6. Sue has a copy in the office as well.
7. We forecast 100% of insurance premiums for planning purposes.
8. We have extra funds from Special Assessments from last year, that's why Jone is not proposing Special Assessments this year.

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9. People pay their monthly assessments and they don't want to pay the Special Assessments.
10. We have residents with no pension, just Social Security, and can't take that kind of a hit.
11. Laundry money should not be used for payroll because you start the year in a hole if it's used. It needs to come out of payroll not laundry.
12. The cable contract shows two increases, 4%, and 6% and pages are not signed or initialed.
13. We have been paying all these years a 6% increase on Spectrum and Bob talked to the cable company in order to be able to predict pricing.
14. Administration: Cheryl remarked that the copier lease is up in January. The lease agreement says it can be purchased at a "fair market value" but no amount is displayed on the lease. The invoice from the dealer shows the FMV of \$1,250 and the dealer says the leasing company says about \$4,000 FMV. We'll find out how it ends.
15. Cheryl remarked: After the free evaluation of Scotto's of all water heaters, replacement of one, and gas leak repairs, we show a \$4,000 savings this year in comparison to last year. December 2022 Phase 8 alone had a \$1,200, it is now at approximately \$800.
16. We have about \$82,000 left over from the Special Assessments on trees and will stay there. If we decide we don't want it in trees, it can be moved to deferred maintenance.
17. Bob suggested reconvene on December 8th at 5:00 pm when we get the insurance real numbers so we don't over budget.
18. Bob asked to make a motion to postpone the Budget meeting until the insurance figures are in. Jack made the motion, Al seconded it, all in favor. At 4:52 the motion was passed.
19. Bob remarked that the insurance company said that in the first week of December, we will either have a closer figure or an accurate one.
20. Bob remarked we could hold the meeting on Zoom if the board chooses. We will give the final budget figures and at that time the board may choose to accept it.
21. Bob: As soon as we have the numbers, we'll post them, we can do the same thing we did today, "screen share" and update the numbers.
22. Janis: Waived to fully fund reserves passes 246 votes, 245 YES, 1 NO.
23. Residents: thanking Jone for breaking down the expenses in the Budget.
24. Bob: Some insurance carriers are coming back. Hopefully, next year will be tapering off.
25. Bob: Legislation is passing laws to help homeowners with their insurance.
26. Residents: Questioned legal fees. Aren't they coming back after delinquents pay?

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27. Jone: Some will, some will not. We have some in foreclosure and it will take years to recover that money.
28. Bob: Spectrum app can be used in 75% of the US and can be watched anywhere. Snowbirds don't have to pay double cable.
29. Resident: questioned contingency.
30. Jone: gives us a cushion. Last year we did a Special Assessment.
31. Resident: Thank the board because by taking the insurance out, the budget is only going up 5%. "I can't pull that off in my personal expenses."
32. Recessed meeting. Doug made a motion, Jack second it, all in favor. Motion passed. It is 5:10 PM and will reconvene on December 12th at 5:00 PM. It will be announced via Zoom only or at the Clubhouse.

We will continue with the Board Meeting at this time.

VII. Maintenance Report

1. Submitted paperwork for a permit to begin electrical work.
2. Hopefully will be completed by mid-December
3. A/C contractors must go to the office and fill out the Contractor's form.
4. The form is in front of the office's table in the Clubhouse. The clubhouse is open every day until 10:00 PM
5. Contractors cause damage to the roofs and residents have to pay for repairs.
6. We received 3 quotes for the electrical: 1) John P's vendor Alston Electric gave us a quote for \$24,168.48. 2) Laughlin Electric for \$9,680 and 3) Perry Electric texted a tentative quote for \$9,297.
7. We made a motion during the budget meeting to go with Laughlin and it was approved.
8. We have already submitted paperwork for a permit to begin electrical work.
 - Hopefully, the job will be completed by mid-December

Doug made a motion to go with Laughlin Electric since they have a competitive price and he is allowing us to use our guys to dig the trench, he is allowing us to cut costs that way.

VIII. Teams Reports by Cheryl and Al

AI Report

1. Al called the number on the gasoline tanks, Jet Age Oil, and they said those tanks were theirs.
2. They say the tanks are in good condition for their age.

They offered the following:

 - 1) Purchase the tanks for \$2,500 each

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2) Keep the present tanks and rent them for \$199.00 each. This will include a new nozzle, hose, and paint on the exterior. Also a digital monitor device.

3) Purchase the tanks for \$3,000 each and they will include a new nozzle, hose and paint. No monitor device will keep what is there now.

3. The rental monitor devices are their responsibility, as well as for the keeping of the tanks.

4. They suggested we keep only one tank since we only use about 100 gallons of fuel a month.

5. They also suggested we return the Diesel tank and they would give us two 55-gallon tanks since our use is minimal and we would only have to rent one device.

6. The prices are guaranteed in writing for one year but the rental is on a month-to-month basis just in case in March the new board wants to make other arrangements.

Al made a motion to rent one device, return the diesel tank, and get two 55-gallon containers. Doug seconded it, all in favor. Motion passed.

Welcome Team:

1) Arlene from the Welcome Team announced: the welcoming of Sandra Morris, Patricia Banning, Maria Santiago, Susan Carter, Greg and Sharon Syrota, Ann Sabo, and Gary Parson to Mission Hills. If you see them, please welcome them to Mission Hills.

Communications Team:

2) We have a lot of questions and answers, we will answer them at our next board meeting or before.

IX. Committee Reports

A. Bob On compliance:

1) Bob did not do a walk-around in November due to a scheduling conflict

2) Some are in the "fining" stages.

3) December will do another walk-around.

4) Cheryl told Bob since we have some residents on "final", Al and Cheryl will pay them a visit to find out why they haven't responded to the letters. Some people might be sick, not there, other reasons. Before sending a fine, we would like to know what is going on and what can we do for them.

5) In the future, we might split the compliance committee into 2: 1) compliance committee, in order to help people to be compliant, and 2) fining committee which is how is defined in 718. The board would like to help people with compliance curving the chances of arriving at the fining stage.

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B. Documents committee:

Helen announced that 6 of her members and herself have resigned from the Documents Committee.

Cheryl will read the drafts of the amendments:

1) Staggered Terms for Board Members.

The 2024 election of Directors, under this amended by-law, shall be such that three (3) Directors will be elected for an initial two (2) year term and two (2) Directors shall be elected for an initial one (1) year term. Thereafter, all directors shall be elected, subsequently, every other year; for a (2) two-year term.”

Doug made a motion to approve the Staggered terms amendment, Jack seconded it, all in favor. Motion passed

2) COMPENSATION:

Now:

No compensation shall be paid to directors for their services as directors. No remuneration shall be paid a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

Proposed:

Remove the section from: “, unless a resolution...”

Replace it with: “, until the said director is no longer a member of the board of directors”

Jack made a motion to table this amendment, Doug seconded it, all in favor. Motion passed

3) MOTORCYCLES:

Remove any mention of Motorcycles in the “recreational vehicle” section.

Doug made a motion to approve the amendment, Jack seconded it, all in favor. Motion passed.

4) SIMPLE MAJORITY VOTE ON PROXY

Proposed:

Add the following:

1. (a) In the case of the annual meeting where proposed amendments are a part of the Proxy, a simple majority of the total quorum of 240 (or 50% of the quorum) will be sufficient to pass each amendment.

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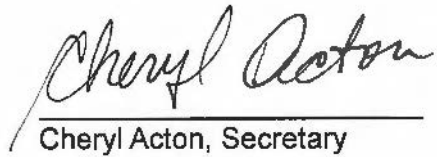
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Doug made a motion to table the amendment, Jack seconded it, all in favor. Motion passed.

X. Adjournment:

Doug made a motion to adjourn the board portion of the meeting, Jack seconded it, all in favor. Motion passed.

The meeting adjourned at 6:20 PM


Cheryl Acton, Secretary