**KGCA Board of Directors Meeting Minutes**

**4-14-12 9 AM**

**Teleconference**

**Board members present:** John Greiner, Mike Wandell, Jim Farmer, Carol Billesbach, Bud Olsen, Carol Pierce and John Bennett

**Also present:** Bill Miller, Nancy Miller

**Call to Order:** The meeting was called to order at 9:03 AM by Co-President John Greiner and a quorum was present.

**Minutes:** Bud moved that the minutes of the 3-17-12 KGCA Board Meeting be approved. The motion was seconded by Mike and passed unanimously.

**Secretary’s report:** Carol P reported that after discussion at the last meeting about mailing out letters to owners with noxious weeds growing on their property, it was decided to wait until after the snow melts and have Bruce monitor properties for this problem. John G has asked him to report to the board when any sprouting of these weeds occurs so appropriate notice can be given. Carol P has done the mailing of notice of the annual meeting plus proxy forms. She’s planning the registration set-up for the meeting and has drafted a ballot. Jim will arrange to have copies of the budget and actuals made up for the meeting. Mike will develop a summary of his presentation for the meeting and get this to Carol P for preparation of copies to distribute at the meeting. John G is acquiring name tags and pens for the meeting.

**Treasurer’s report:** Jim reported that revenue for the month was below the budgeted value by $3,500 and Septic/Sewer was over budget by $800. On the positive side insurance was $1,100 under budget. The net effect was that we are roughly $3,000 short of budget for March. The YTD net remains very positive at $34,093. Between checking, cash and reserves we have $213,553 in the bank. Additionally, he has directed our attorney to place a lien on two properties whose owners are in arrears by more than $1,000. The large existing lien that we have has recently been renewed.

**Septic Report:** John G met with our septic advisor, John Torrence and county health representatives. Two of our septic systems will be metered between May and July of this year and if the results of this monitoring come out as anticipated, the health department may allow us to add bedrooms to our capacity and avoid building some new septic systems.

**Drainage and roads:** John B has recently toured the resort with Bruce and found that the new drainage systems put in last year near the athletic club and Henebry’s house are working well during the snow melt. Bruce also had noted that some of the road repairs may not be holding up as well as expected, but John B did not feel this was severe. Another look at this will be needed once the snow all melts and Carol B was tasked to do this inspection with Bruce and report back.

**Old Business**

**Cross country grooming:** Mike reported that the MoU Joint Committee has agreed to institute a work order system to be part of the MoU. This would include man power reporting and other information regarding the services provided by the Resort. KGCA would share in the cost of the software for this system. As an example, this would allow us to get the appropriate information needed to understand the financial implications of either an increase or decrease in the amount of cross country grooming. It would also help to assure us that the grooming we get is what we pay for in the contract. With the new reporting format, we (and the Resort) will have a better idea regarding costs. For the coming year, we would continue the grooming as has been done in the past, but more data would become available regarding incremental costs to us if we decide to change the amount of trail grooming in either direction.

**Operations demand account/new accounts:** John G has sent in the paperwork regarding the new accounts and sent copies to Jim as treasurer. He has not had responses from either company at this time.

**Cross country signs:** The signs that Mike ordered have arrived and John B reports that they look good. The plan will be to put them on sandwich boards and use them next season. Mike also recommends we post some no parking signs along problem areas. Especially when the roads are plowed, cars parked on the side are dangerous. Our covenants state there is no parking on the roads. John B will check on where to store the signs and look for old signs that we may still have from years past and make sure all are in one place and ready for use when needed next winter.

**Flag:** John G has acquired a flag light but has found that he was unable to get it attached with the ladder available. John B will check to see if the golf course will be employing someone to repair the driving range nets that might be able to help us with this. John B will also make sure the flag by the tennis courts is taken down as it is in disrepair.

**2012 Services Agreement:**  John B reported that there had been some mathematical errors in the rate sheet so there have been changes made. Also, the Resort has removed the fuel surcharge as it is incorporated in the other values. There was discussion of the board voting to approve the agreement, but as there have been these changes and as our legal advisor has not reviewed it, no vote was taken. John G will send the current (final) version to the board members when he gets home on Sunday (April 15) and the board will meet again by teleconference on Monday evening, April 16 at 7 PM for final review and approval. In the interim, Mike will ask Gary Ackerman to briefly review the document and give us input.

**Memorandum of Understanding:** Mike reported meeting with Glenn Week this past Monday morning. After extended discussion of the details of the MoU to date, Glenn was very positive about the whole process and decisions so far. Glenn was supportive of us going forward to finalize the agreement and seek approval of the members of both parties. Before his final approval of the agreement he would need a review by his attorney. Mike also reviewed a copy of the “Bill of Sale and Agreement to Construct” in which the KG Partnership (predecessor of the Resort, LLC) conveyed to the Back 9 Maintenance Association (predecessor of the KGCA) the ownership of the septic system and agreed to build future septic systems as needed for lots that are not yet built upon. Glenn agreed that this is a valid document and that the system had been conveyed. John B reported that subsequently Glenn talked to Larry O and discussed this topic. Apparently the document was never recorded and there was no payment. The system was not excluded in the Resort purchase, so there is still some legal ambiguity. John G has suggested again that we put in the MoU the stipulation that the community owns the water and septic systems but not the land they are on/under but that the KGCA pay a fee for use of this property each year. In the future, when a system needs replaced, additional land may be required to put in a new system, so acquiring a physical description of the current property being used and conveying the property may not be in the KGCA’s best interest. Mike will discuss this with Gary Ackerman. Mike will make a slide for his presentation that shows what we’ve put in the MoU that hasn’t been completely fleshed out. John B wants to get the two boards together prior to the annual meeting so we can report additional progress.

**Standby water pump:** John G reports that there is nothing further on this at this time but if as a result of the MoU the community owns the water delivery system, then the issue with regard to ownership of this pump goes away.

**New Business**

**KGCA Insurance coverage:** Jim reports that current rates are $1287 for $1 million liability (bodily injury/property damage) insurance, and would increase to $1930 for $2 million. John B mentioned that the Resort also has insurance to cover the work it does. And since the KGCA doesn’t own any property, the risks we need to insure against may be more limited. Jim didn’t have rates on the Directors and Officers part of the insurance but will inquire about this and report back. The board decided to leave the liability coverage the same. The Condo association and Forest View use CAU insurance and are very pleased with this company. Jim will check in to what rates and coverage we might get from CAU and will report back.

**Resort assessment reduction:** The MoU Committee has been discussing this topic and the board had an extended discussion. One of the ideas under discussion is that the Resort would pay dues for each of its current 6 lots until they are sold, plus pay for their own septic and water system upkeep, their garbage service and some portion of road maintenance and snow plowing. If the Resort were to develop new lots, they may be given a period of time during which they do not have to pay dues (much like other communities in which taxes are deferred on newly developed properties for some period of time). This will all continue to be part of the MoU discussions.

**2013 Budget:** Jim has prepared a draft budget for the 2012-13 fiscal year. He has not included items from the MoU as it has not yet been agreed upon. The board went through the budget, line by line, and changes were made. Jim will adopt these changes and send the revised budget out to the board for review. Carol P will send John B a list of questions she raised regarding specific budget categories and he will try to get answers for those. Carol P asked if someone could prepare another budget that would reflect the estimated potential changes that would occur based on the MoU. Mike agreed to do this as part of the MoU presentation. Jim made a motion to approve the budget as amended, it was seconded by Bud and the motion passed unanimously. He will send the amended form out before our Monday, April 16 teleconference.

**General meeting considerations:** Carol P made a motion thatthe board approved up to $100 for coffee, water and snacks, Mike seconded the motion and it passed unanimously. A volunteer from the condo association will be setting this up. Mike presented his idea regarding doing a “webinar” for both the April 21 meeting and the annual meeting to improve participation. John is concerned about the details of setting this up and Carol P has concerns regarding owner’s level of knowledge and comfort with something like this. Mike and John B will look in to setting a trial of this up for the Monday teleconference meeting.

**Public Forum:** No comments

**Adjournment:** John B moved and Jim seconded a motion to adjourn. The motion passed and the meeting was adjourned at 12 noon.

Respectfully submitted,

Carol Pierce, Secretary