

## **Victor Gardens Board of Directors quarterly meeting 2/7/08**

Mark's notes – not official minutes

### **Attending:**

Homer Tompkins, CPDC (Board President)  
Dave Hempel, CPDC (Board Member)  
Chuck Schneider, Community Development Inc.  
Gina Lampe, Community Development Inc.  
Charles Kirk, Town Homes Liaison to the Board  
Mark Vlker, Single Family Village Liaison to the Board

### **1. Call to Order**

### **2. Review and Approve Minutes from Last Meeting**

### **3. Resident Forum**

### **4. Management Financial Reports:**

Victor Gardens Community Association overall financial situation has not improved much. Some progress has been made. A few payments were made to Early Bird and Sarah's Cottage Creations, with the promise for more in the future. More was discussed during the review of the proposed budget for next fiscal year.

### **5. New Business:**

#### **5a. Update from CPDC:**

Single Family Village lots:

The Beard Group has closed on 26 lots in VG East.

CPDC/POA Scherer still controls 14 lots in the VG 1<sup>st</sup> Phase.

Alliance Bank controls all the lots in the Future Phase at the southernmost end of VG and 3 lots in VG East 3<sup>rd</sup> Addition lots in VG (near the future intersection of Val Jean Blvd & Garden Way).

With their closing on Feb. 5, The Beard Group is now considered a landowner in VG. Beard has not acquired any seats on VG's Board of Directors, but the Board has added a non-voting ARC Liaison position for Chris Engel of The Beard Group. Beard will work with builders, who must follow ARC Guidelines. They have already had discussions with Hartman Homes. Ryland Homes has been sent a specific list of requirements from the ARC that they would have to comply with if they chose to build outside their current area, west of Clearwater Creek. Mr. Tompkins referenced a document that makes clear that the ARC would not allow any of Ryland's current VG designs west of the Creek without changes. He reiterated that any new Single Family Village homes on lots west of Clearwater Creek are be subject to the same ARC standards as homes existing in those areas. That includes The Beard Group, CPDC, and future Alliance Bank's lots. Mr. Tompkins drew a sharp distinction between what Ryland currently builds east of Clearwater Creek and what will be allowed on the other side of the creek.

Since The Beard Group is a landowner, they are not afforded the same status as the Developer, CPDC. CPDC does not pay dues on its lots because of its Developer status. Beard will start paying dues on all of its 26 lots. Alliance Bank's lots are not final

platted, so they do not pay dues yet. Once those lots are final platted, then they will be considered assessable lots.

Mr. Tompkins discussed marketing of the remaining lots. New lot ID signs will be installed. The Beard Group will have their signs with their phone numbers, and CPDC will have their own new lot ID signs with their own phone numbers. The existing general info signs in the neighborhood will be removed. Beard has expressed an interest in updating the victorgardens.com website to more accurately reflect an updated view of the neighborhood.

Mr. Hempel said that The Beard Group would complete the unfinished Grantaire Lane amenities including the mini-park and postal kiosks.

Mr. Tompkins discussed the similarity of The Beard Group's landowner status and his impression of Ryland's 31 built and unbuilt lots, and Pratt's Creekside Villa lots. He believes the VGCA should start charging (and retroactively bill) dues on all of those lots. According to Mr. Tompkins's description, since all those lots were transferred from POA Scherer at some point, they all should be subject to paying dues. This is something the Board Advisory Group discussed a long time ago. Mr. Tompkins has arrived at the same conclusion.

Mr. Hempel's calculations showed a build-out total of 190 lots in Single Family Village. According to Mr. Tompkins, 173 should now be considered assessable lots. As of a few days ago, only 114 Single Family Village lots were assessed, (plus 204 Town Homes).

Using Mr. Hempel's calculations, the Single Family Village has now reached the homeowner turnover threshold. Mr. Tompkins agreed. The immediate impact of this is that there is a potential for a significant influx of cash into the VGCA via the VG Single Family Village Association. Ms. Lampe will look into assessing dues on the lots in question, including back dues from last year.

The Board was informed of the Board Advisory Group's meeting with the City of Hugo. Mr. Viker explained that residents on the BAG had two major concerns: budget and ARC. Mr. Hempel asked why the BAG wanted to involve the City. Mr. Viker told them that homeowners had many questions that needed to be answered, and that the BAG saw the City as a good mediator to help the neighborhood work through its problems. Mr. Viker informed the Board of the BAG's desire to have builders represented at the meeting also, and that the Single Family Village groundwater issue may be raised at the same time.

Mr. Tompkins thought that The Beard Group might also want to meet with residents, and that CPDC might try to meet with the builders separately.

#### **5b. Annual Meeting - April**

By law, Community Development Inc must schedule an annual meeting in March or April. Notice must be sent to homeowners 21+ days in advance.

It is Mr. Viker's opinion that the most efficient use of everyone's time is to hold a public Annual VG meeting that covers everything in one evening. Invite City officials, builders, and residents. New builders could be introduced, elections held, and major issues covered.

**5c. City of Hugo water billing correction:**

There was a significant accounting error regarding the payment of City water bills in VG. Community Development is aware of the mistake, and is working to correct the problem. The billing problems go back to the beginning of VG and an audit is now required to sort the problem out. The bills were unfortunately paid by the wrong parties. VGCA has been paying a larger portion of the water bills than it should have been. The townhomes associations have been paying a smaller portion of the bills than they should have been. The amounts are significant, (possibly \$20,000-\$40,000?). The exact amounts will be known after the audit is completed in the next few weeks. More info. will follow.

**5d. Review of next year's proposed budget (fiscal 2008-2009):**

Community Development drafted a budget based upon the number of dues paying homes. The budget is conservative. It does not include any "Developer Contributions" as budgets had in the past. It does not include any of the VG East Single Family Village lots that Mr. Tompkins believes should be paying dues. Again - This is a very conservative budget. Mr. Schneider said that they have planned the gradual payment of old vendor debt over a period of a few years. A dues increase was proposed. The proposed budget also assumed an increase of homeowner involvement. Mr. Schneider used the example of Towne Lakes homeowner committees. They have more involvement in contracts, maintenance, and gardening. Mr. Viker described the already current high level of volunteerism in the neighborhood. Mr. Kirk explained the Board Advisory Group's position - Greater homeowner involvement must come with better fiscal management and more homeowner authority. After a few minutes of discussion Mr. Tompkins expressed an interest in turning over the Board of Directors to homeowners while keeping control of the ARC with CPDC. He thought it would be a workable compromise, but he would need to check with the VGCA lawyer to determine if it would be possible. *\*After the meeting – the lawyer determined that it is possible to separate the Board from the ARC, keeping ARC control with CPDC.* This may be the opportunity that the BAG has been looking for to gain control of the Board, and thereby managing the VGCA's budget to fit the needs of residents.

For comparison purposes, Mr. Viker and Mr. Kirk both supported drafting another budget that does not rely on additional homeowner involvement. Community Development will be working on that in the next few days.

It was at this point where the group returned to the discussion the infusion of dues from lots in the Single Family Village. It was agreed that the budget should be conservative and reflect actual income. It can be adjusted later on if more lots start paying into the VGCA.

**5e. Landscape Deposits**

The issue of outstanding landscape deposits held with CPDC/POA Scherer was discussed. Mr. Tompkins assured us that one of the homeowners waiting was written a check very recently. One other homeowner needed to finish a few simple tasks and their deposit would be returned. In the future, landscape deposits will be held in VGCA accounts and not with CPDC/POA Scherer. This will hopefully prevent any similar problems in the future.

#### **5f. Adding a Budget line item for Social Events**

Mr. Viker brought up the topic of volunteer work on the Social Committee, and the activities they plan and sponsor. Regardless of the confusion caused by the lack of funding of this year's "Programming & Social Events" budget- resident volunteers had been able to solicit funds from some of the builders, but were spending some of their own money for events planned for the entire community. While Mr. Viker did not know the exact number requested, \$1000 was estimated. There was some discussion about whether the funding was fiscally responsible, or fair because of a low level of town home involvement. A suggestion was made that funds might be able to be drawn from the Single Family Village Association's budget since most of those who participate are from that part of the neighborhood. It was explained that the events were planned for everyone, and contributed to a community connection between the townhomes and the Single Family Homes. There was discussion to the contrary opinion that townhomes residents lived different lifestyles and were not as interested in the Social Events. In any case, it was agreed that this would be a good topic for a resident-held Board of Directors to address when considering a budget.

#### **5g. Former Land Office Site**

Mr. Kirk asked for an update on the potential sale of the site. Had the property been sold to a townhomes builder? Mr. Tompkins answer was no. The site is challenging, and builders were not interested in developing it at this time. Mr. Kirk said that he spoken to the Parks Commission to determine if the City of Hugo might be interested in purchasing the property to develop the area into a city park. No figure was given on how much the property might be sold for. Mr. Kirk will look into the possibilities further and report back to the Board.

### **6. Review of Action Items**

#### **7. Set Date for Next Meeting**

Many of these issues can be worked on before the next Annual meeting. Mr. Viker will contact Mr. Bryan Bear to discuss scheduling a neighborhood Annual meeting at City Hall.

