

**Apple Valley Condominium  
Trustee Board Meeting @ the Clubhouse  
Special Board Meeting for FY2015 Budget Planning  
September 3, 2014 6:30 PM  
Minutes Prepared by Mary Lou Kirkpatrick**

**Present:**

Dick Shiers  
Mary Lou Kirkpatrick  
Jack Hansen

The fiscal year 2015 budget was discussed. Those present agreed that the draft budget re operating expenses can be finalized in time for the new fiscal year start, with FY2015 unit-owner fees established. For this, line items on the draft budget showing increases need to be approved, or not, by the board.

Discussion focused on the "Reserves and Restricted" portion of the draft budget. Discussion points:

- AV association has \$323,000 in reserves
- AV draft budget shows \$71,000 budgeted for reserves, but no anticipated FY2015 expenses from reserves
- What are reserves for, what capital expenditures? Do we need to keep funding with no potential outlay?
- Engineering study is vital to understanding the reserves situation; need to know building & property condition to understand whether to continue contributing to reserves, and how much
- Those present were concerned that the engineering study will not be done in time for addressing this part of the draft budget, hence, not in time for the Annual Meeting

Talking points re paint cycle and deck refinishing, and roof replacements, as related to the reserves discussion:

- Should building painting be done on a 5- or 6-year cycle?
- If building painting is on a 6-year cycle, consider power-washing (only--no painting) building exteriors at mid point (e.g., 3 years); pros and cons?
- Disassociate deck refinishing from building painting; they should be on different cycles
- Those present agreed that deck refinishing, front and back, is the responsibility of the association, not unit-owners, and should be budgeted accordingly
- Deck proposals:
  - About refinishing - refinish deck floor surfaces every 3 years; refinish all additional deck items (railings, spindles, etc.) in conjunction with the building paint cycle
  - About fee structure to accommodate deck refinishing - calculate size of decks per unit, and factor into unit-owner fees
- Roof replacement plan - totally contingent on engineering study; the board has no ability to make any determination about roof replacement in its absence

Minutes of this special session are to be approved at our next regular board meeting.

**Adjournment** - The meeting ended at approximately 7:45 PM.