**High Knob Owners Association, Inc.**

**Board of Directors Meeting Minutes**

**November 22, 2024**

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| --- | --- |
| Name | Present |
| Watts Hill, President | Y |
| Carol Phillips, Vice President | Y |
| Desiree Williams, Treasurer | Y |
| Dan Smith, Secretary | Y |
| Greg Casewell, Director | Zoom |
| Jerry Pomeroy, Field Service Manager |  |
| Linda Everett, Office Manager |  |
| Quorum Present | Y |

**Meeting Purpose**

To review HKOAI old and new business and establish any action items for the continued improvement of the High Knob community.

**Guests:**

**Guests via Zoom**:

 John Hight

 Ron Perlik

**Meeting called to order:** 6:04

**Budget discussions**

Update number of unimproved lots to match the county’s list. Be conservative and use the lower number.

0110 Road Access Fee is zeroed out because it is a wash. Payments made to the county.

0201 New Construction Road Fee is zeroed out. New construction is a swag.

0702 Clubhouse rentals reduced to $500 to be conservative.

4100 Payroll verbiage changed to remove “should”.

4112 and 4113 Verbiage changed to Medical Reimbursement.

4300 Insurance has been modified to three accounts to reflect the three bills from the carrier.

4401 Legal Fees increase from vendor. Anticipate legal action from bylaw violations.

4402 Accounting, Taxes and Audits are billed separately to OA and UI.

4500 Office Expenses

 Save wish list items, but remove those from the budget

4504 Printing and Reproduction was very expensive in the last cycle. Actuals were not recorded

correctly.

4600 Utilities internet for gate cameras still not implemented.

4606 Cell Phone Service and internet added for Jerry and Linda cell phones.

4701 Community Activities reduced to be conservative.

4801 County Admin Fees are a flat 5% rate + $350 (formula).

4805 Investment Fees zeroed. Not part of the budget, part of the balance sheet and paid out of

the investment account (Pam had always tracked this previously).

Verified the formula for UI reimbursement for Gross Salaries (60/40 split).

4807 401K and HR Fees. 4506 Retirement Fund and HRA is different from 4807. 4807 changed

to 4407 401K Plan and HR Admin Fees (to Paychex).

4902 Appliance Purchase based on need.

5800 Taxes on vehicles and HKOAI owned lots. We don’t have a firm number for vehicle tax.

Used actuals from 23-24.

5903 Bookkeeper should be split with UI.

4402 CPA Fees should also be split with UI.

Carol Phillips suggested to roll 5904 Bookkeeper into 4402 Accounting, Taxes and Audits.

5904 removed.

5903 Pool Lifeguard should be moved to Payroll.

7201 Asphalt Patching raised 20% (vendor increase).

7305 Miscellaneous specific to winter costs.

8100 Road Maintenance increase 20% (vendor increase).

8101 Culverts in stock ($0).

8210 Building Improvements and Maintenance increase 5%.

8251 Trail Improvements zeroed out based on precedence, board will not pay for trails.

8252 Playground zeroed out.

8253 Parking Lot Improvements and Maintenance. Need a quote for light pole at the bottom of

the hill.

8310 General Equipment. Jerry is comfortable with $10,000.

8320 Equipment Purchases and Replacements at zero, none anticipated.

8330 Dump Truck reserve fund. Cost continues to increase, probably over $150,000.

8101 Road Maintenance and Improvements (existing asphalt)

8102 Road Resurfacing (tar and chip, not paving).

8402 Paving New Roads reserve. (5.89 miles of unpaved roads). This was removed two years

ago under the assumption we can’t afford to maintain additional roads. Goal is to save

$200,000 over four years to pave a new road.

After this pass there is a budget surplus of $3,456. Any surplus gets pulled into Capital Reserve or Operating Reserve at the board’s discretion.

Capital Reserve Fund currently $173,436, low after the last chip coat project.

Operating Reserve is down to $90,239, should be around $300,000 (50% of county revenue).

Cash Balance carry over only if expenses are lower than the budget. We don’t know what this

is for 2024, used zero.

HKOAI cannot meet our current budget requirements based on the fixed fee basis used previously. The maximum of $999 per improved lot limit is due to the county software. The county recommendation is to set a flat rate for improved and vacant lots based on assessed value. Only two lines are available in the software, and you can’t have two different assessed rates.

The current budget revenue from the county is $555,155. Proposed budget expense is $611,076.

A flat rate against assessed property value will raise half of the property taxes and reduce half of the property taxes.

Dan Smith made a motion to set the HKOA fee at $620 for unimproved lots, and to assess an additional .3% for the assessed value of improved lots. The motion was seconded by Desiree Williams and passed unanimously.

Watts Hill made a motion to adopt the draft budget as finalized at this meeting. Carol Phillips seconded the motion and the motion passed unanimously. Greg Caswell did not vote.

**Meeting Adjourned: 10:46**

**Upcoming meetings:**

**December 9, 2024**

**December 23, 2024**