

Catalina Pueblo Association  
Board of Directors Meeting: November 10, 2020  
Zoom Meeting

Present:

Board Members: Jean Paine, Frank Bangs, Pat Weigand, Joey Barbee, Mike Wattis, Warren Edminster and Connie Church

The meeting was conducted via Zoom as a COVID-19 precaution.

Jean called the meeting to order at 1:30.

Warren moved to approve the October 2020 board meeting minutes. Pat seconded the motion. The minutes were unanimously approved as submitted.

**Frank Bangs: Vice President and Rules Revision Chair**

Frank attended a presentation by our HOA Attorney, Carolyn Goldschmidt, regarding several HOA topics including COVID-19 issues. At this time, CP is responding in an appropriate manner. He will continue to monitor and will report any change in guidelines we may want/need to address.

Frank is working on a letter to Joe Thompson in answer to Joe's response to the proposed revised Rules. Joey suggested that the response be directed to the entire community. There was unanimous agreement to this suggestion. Frank will draft a letter to the community to be included with the second draft of revised Rules that incorporates suggestions from the community.

Frank, Pat and Jean will try to complete Zoom meetings with community members who responded with specific questions, suggestions or concerns to the initial revised Rules distributed in August.

**Pat Weigand: Treasurer**

Pat led a discussion on the Financial Review Committee recommendations. These documents are attached to the minutes. After discussion, the board unanimously agreed with all recommendations. Frank moved to accept the recommendation as submitted. Joey seconded the motion. The vote was unanimous.

There were no questions regarding the October financial reports that were distributed before the meeting. The budget to actual report will appear in the December newsletter.

**Mike Wattis, Chair Pools Committee**

Mike reported his goal to keep Minera Pool open through the Thanksgiving holiday was not possible because the heat pump could not maintain the desired water temperature.

Mike has scheduled a repair of the Adelita shower that has been backing up.

### **Joey Barbee, Chair Landscape Committee**

Joey reported the Fall Walk-Through will be the “Red Quadrant” section of our neighborhood and will be on Monday, November 16.

The Landscape Committee separates Walk-Through work into two “walks” in order to review what is in front of a home and what is in the back of a patio wall. The overall stated goal is: *To Maintain and Beautify our Neighborhood.*

The review of the front area is planned and organized by Jeannie Wager. The review of behind the patio wall, the Pathway, is planned and organized by Gail Reich. At this time there are eight residents on the Landscape Committee. Some members of the Landscape Committee walk one of our two walks, others walk both. This year, one individual will be walking both and does double duty on the Pathway walk as a member of both the Landscape and the Architecture Committees. That person is Lee Strang.

After the Walkthrough, the issues (potential problems) from the two groups as well as the issues from the Architectural Walkthrough will be merged so that a homeowner will receive no more than one message. (No message is sent when there are no issues.) Jeannie Wager is the person who is responsible for organizing the information from the three groups, writing and sending the e-mails.

Each e-mail includes a description of the problem that we’ve seen, a reference to the CC& R’s, and a date when we hope the situation will be remedied.

Since follow-up is required, committee members visit each site after the date noted in the e-mail. Each situation is different and our next step is considered. That step may be a thank you for a positive response, setting a new completion date when appropriate, or turning the problem over to the Board for their action.

### **Warren Edminster, Chair Architectural Committee**

Research has shown that a commercially manufactured mailbox that duplicates the original ones in the Pueblo is not available. Warren has been trying to find a fabricator who can replicate the original. If he is able to locate someone to do this work, he will work with him on design and specifications. He will get both a price for a single mailbox, single mailbox with scroll-work stand and prices for ten items to determine if an economy of scale will make them more affordable. Discussion regarding making mailboxes simply available versus strongly recommended for those who have already replaced the original with a non-conforming mailbox will be tabled until availability and price are obtained.

**Jean Paine: President**

Jean asked for opinions on relaxing pool rules for the upcoming holidays. After lengthy discussion, the topic was tabled pending additional information on the increase of cases and legal opinions from Carolyn Goldschmidt.

**New Business****2021 Annual Meeting:**

The possibility of holding an in-person meeting this coming January was discussed and agreement was reached that such a large, in-door gathering was not a safe option. Joey moved to cancel the 2021 Annual Meeting and instead send annual meeting packages and request mail-in ballots. Pat seconded the motion. The vote was unanimous.

Connie will prepare the Annual Meeting packets that will include 2020 board member reports, proposed 2021 budget, 2021 ballot and 2020 Annual Meeting minutes. Additional items to be included and timing of mailing will be finalized at the December board meeting.

Warren's term of office as Architectural Chairman will be up in January. He will chair a Nomination Committee and invite resident(s) to join him. It was noted that this position benefits from specific skills and experience.

There was no further business. Mike moved to adjourn at 2:25. The motion was unanimously passed.

Next board meeting: Tuesday, December 8 at 1:30

## Financial Review Committee Report

11/10/2020

The Committee met via Zoom to review the report (Attachment 1).

Committee Members: Linae Holcomb (Consultant)

Jean Paine (HOA President)

Pat Weigand (HOA Treasurer)

The purpose and procedure is documented in Attachment 2.

Our findings are these:

**Page 2, #1, Balance Sheet and QuickBooks:** Information generally found on a balance sheet is already contained in the combination of existing CPA reports and the Reserve Study, which was previously conducted as recommended. Assets and projected expenses are contained therein. A Reserve Study should be conducted every five years, as shown by the proposed new policy, entitled "Policy and Procedure on Evaluating Assets, Liabilities, and Equity of CPA" (Attachment 3).

Recommendations:

1. Use of QuickBooks and a balance sheet is at a level of complexity and expense not required by CPA. Many HOAs do not list their fixed assets on the balance sheet as they are complex to quantify and assign a book value. We recommend using existing reports and the Reserve Study as a substitute for QuickBooks and a Balance Sheet.
2. Approve the attached policy to conduct a formal Reserve Study every five years.

**Page 2, #2, Reporting Irregularity:** The irregularity in allocation of an expense at the end of 2016 to the ensuing year is resolved.

Recommendation: Resolved. No further action is needed.

**Page 2, #3, Receipts and Disbursements:** Reconciliation is complete.

Recommendation: No action is needed.

**Page 2, #4, Classification of disbursements:** Substantially correct.

Recommendation: No action is needed.

**Page 3, #5, Statement of Cash Flow and Budget:** The reports now include balances of all cash accounts. The verbiage has been changed, as recommended, to “Net Cash Flow.”

Recommendation: Resolved. No further action is needed.

**Page 3, #6, Accounting Records:** As stated previously (Page 2, #1, Balance Sheet and QuickBooks), we have determined that the current bookkeeping and reporting best meet the needs of CPA and that no changes are needed.

Recommendation: No action is needed.

**Page 3, #7, General Journal:** Establishment and maintenance of a General Journal is appropriate for larger and more complex HOAs than CPA. CPA Adjustments are clearly documented in the report footnotes.

Recommendation: No action is needed.

**Page 3, #8, Reports:** This recommendation relates to “Page 2, #1, Balance Sheet and QuickBooks” and “Page 3, #6, Accounting Records.” We agree that attention must be paid to the timing and posting of dues payments. We find that the current Budget Report fulfills reporting requirements in a more user-friendly presentation than a balance sheet. It contains the Checking Account balance and the Reserve Account balance.

Recommendation: No action is needed.

**Page 4, #1, Approval of disbursements:** The recommendations for oversight and controls are described. These recommendations have been enacted via a CPA document entitled “Policy and Procedure on Authorization of Work and Payment” dated 3/1//2019. This Policy is Attachment 4.

Recommendation: No action is needed.

**Page 4, #2, paragraph 1, Reconciliation of Bank Accounts:** CPA complies with the recommendations for reconciliation. Four individuals are involved in reconciliation, one of which has no control or access to the accounts. Cancelled checks are archived by the online banking system.

Recommendation: No action is needed.

**Page 4, #2, paragraph 2, Federal Tax Forms:** CPA currently uses the recommended forms and complies with the review and signing process.

Recommendation: No action is needed.

**Page 4, #2, paragraph 3, Engagement of a certified public accountant:** The current accounting consultant has proven to be highly competent and congenial.

Recommendation: A change regarding the current accounting consultant is not recommended.

The Committee is very appreciative to Mr. Eugene Gieseler for performing this review and providing us with such useful information.

Respectfully submitted,

Patricia Weigand, CPA Treasurer  
Committee Chair

11.10.20pmw

## **Catalina Pueblo Association**

### **Policy and Procedure on Evaluating Assets, Liabilities, and Equity of CPA**

#### Policy

The Catalina Pueblo Association (CPA) Board Officers and Committee Chairs are required to evaluate assets, liabilities, and equity of CPA every five (5) years, or as deemed necessary by the Board.

#### Procedure

1. CPA requires that Board Officers and Committee Chairs commission a formal Reserve Study with a reliable entity on a regular basis.
2. A Reserve Study Committee will be formed by the Board to review the Reserve Study and to outline a Strategic Plan based on the findings, with timeframes for accomplishment.
3. The Committee will present its recommendations to the Full Board for review and approval

## Catalina Pueblo Association

### Policy and Procedure on Authorization of Work and Payment

#### Policy

The Catalina Pueblo Association (CPA) Board Members, Committee Chairs, and Committee Members are required to adhere to the following procedure with regard to Authorization of Work and Payment.

#### Definitions

1. Board Officers include the President, Vice President, Secretary and Treasurer.
2. Board Members include the Board Officers, and the Committee Chairs.
3. Committee Members include persons appointed to serve on the committees.

#### Procedure

1. Authorization of Work
  - 1.1. Board Officers may not independently authorize work to be done in an estimated amount of over \$500.00. Authorization of Work in excess of the stated amount requires approval documentation in Board Minutes, or in an email from another Board Officer.
  - 1.2. Committee Chairs may not independently authorize work to be done in an estimated amount of over \$500.00. Authorization of Work in excess of the stated amount requires approval documentation in Board Minutes, or in an email from a Board Officer.
  - 1.3. All Board Members may independently authorize work below \$500.00 per projects and responsibilities accorded by the Board.
  - 1.4. Committee Members may not authorize work in any amount without documented approval by the Chair of their assigned Committee.
2. Payment
  - 2.1. Board Officers, Committee Chairs, and Committee Members are required to use the CPA Debit Card for payment of any expense.
  - 2.2. Exceptions to this requirement must be approved by a Board Officer, with follow-up documentation from that Board Officer to this effect (email will suffice).
  - 2.3. Exceptions include cases of emergency or a special situation, such as a vendor not able to accept a debit card.
  - 2.4. The paying individual will complete the required forms (as adopted in Board Minutes) and submit all receipts and authorizations (as necessary) to the CPA Treasurer within 10 business days of the expenditure.
    - 2.4.1. Miscellaneous small expenditures can be grouped onto one form, with receipts attached and submitted at least semi-annually, before the end of the reporting period.
  - 2.5. The CPA Treasurer is required to pay those vendor bills only accompanied by proper documentation and authorization.