

Red Cedar Canyon Townhouse Association
Annual Meeting Minutes
Thursday, October 22, 2020, 6 pm Hudson
House Hotel, Hudson, WI

The Annual Meeting Minutes are subject to review and approval at the 2021 Annual Meeting.

The Annual Meeting of the Red Cedar Canyon Townhouse Association (RCCTA) was held on Thursday, October 22, 2020, at the Hudson House Hotel. Due to COVID social distancing restrictions, the meeting was held with limited in-person seating and using a Zoom meeting forum to homeowners requesting invitations. President Dave Preller (DP) called the meeting to order at 6:04 pm. Roll call of present Board members: Nadine Sands (NS,) Vice President; Ronald Urhammer (RU,) Treasurer; Gretchen Trebnick (GT,) Member-at-Large; Karen Mackesey (KM,) Secretary. Also, Matthew Fee (MJF,) Property Manager (PM) was present.

Proof of meeting notice, sent at least 10 days prior to the meeting, was sent to all homeowners via USPS. No objections noted. There was a quorum of 53 members consisting of 20 in-person, 26 proxies and 7 on Zoom.

1. Approval of Annual Meeting Minutes

KM motioned, RU seconded to approve the 2019 Annual Meeting Minutes; motion passed.

2. Approval of Miscellaneous Meeting Minutes

- **KM motioned; Connie Draveling seconded to approve the September 21, 2020, Monthly BOD Minutes; motion passed.**
- **RU motioned; NS seconded to approve the September 21, 2020 Executive BOD Meeting Minutes; motion passed.**
- **GT motioned; KM seconded to approve the October 6, 2020, Executive BOD Meeting Minutes; motion passed.**

3. President's Report

DP welcomed everyone to the meeting. 2020 proved a challenging year, especially with the COVID restrictions. He highlighted the following:

- a) There was a **full BOD** with four new BOD members.
- b) **Oversight improvement** of money spent and vendor project completions.
 - Approximately \$7.2k was found and saved due to Cities Management overcharging RCCTA insurance premiums.
 - Vendor repairs/projects scrutinized resulting in work not perform but charged to the HOA.
- c) 2021 Budget presented with **no dues increase**.
- d) **CDs** were moved to a financial institution earning 2.75 percent.
- e) The CM plumber was no longer used due to extreme charges; a local, less expensive plumber was utilized resulting a spigot repair reduction of 50 percent.
- f) Initiated **Phase 1 of the Tuck Point** project.
- g) Created a large, over-all, Tuck Point spreadsheet to track requirements and repairs.
- h) New **cement sidewalks** and repairs completed.
- i) Planted 15 **Blaze Maple** trees to improved West Canyon Drive RCCTA presentation. j) Planted 102 **new shrubs**.
- k) **Firepit, Flag and Sign Policy** created; currently working on an Exterior Lighting Policy.
- l) Summer **newsletter** created and published by Cheryl Coots; Winter newsletter is coming.
- m) **Rental language** change limiting rentals to three. Language will be voted on in upcoming year.

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- n) HOA Officer language changed requiring **BODs to be a RCCTA resident.**
- o) Led by a Property Management Search Team, four different property management companies were evaluated. The process involved interviewing and **selecting a management company based on measurable, weighted data. MJF and Associates was selected.**
- p) Willow River was sent a non-renewal letter on the lawn care contract; **MJF was awarded the new lawn care/snow removal contract.**
- q) Completed **Phase 1 of the Asphalt Project.**
 - ACI Asphalt/Concrete originally proposed a total of \$1.3 million for the 3-phase project; \$464k (garage apron repairs would be additional.)
 - If CM managed Phase 1, another \$46k would be paid to CM for the total project.
 - BOD sought out additional bids.
 - **FPI Asphalt selected. Phase 1 was \$347k; 41 garage aprons were repaired for \$28.7k.**
 - RCCTA managed the project and saved the management fees.

The BOD had four goals for RCCTA: maintain uniformity, maintain/improve property values, uphold RCCTA quality and reputation and strive to create, implement and enforce covenants and policies.

4. Treasurer's Report

RU presented the treasurer's report. At the end of 2019, the Reserve Fund (RF) was \$682k. The large expenses taken out of the RF this year were the asphalt/paving project for \$375k, sealcoating for \$16k and 2 major water leaks at unit 263 for approximately \$11k. **Total expenditures from the RF amount to \$402k.**

With projected 2021 cost reductions and maintaining due diligence to oversight, we have increased the RF monthly to \$13,952 which is an increase of \$2,077 per month over 2019. The total increase for the upcoming year will be almost \$25k more. The attached pie chart of monthly expenses shows where each homeowner's monthly dues go.

One of the reasons we changed Property Management companies was no oversight from CM and vendors were getting paid without fully 'completing' projects.

5. Election of Officers

Two positions, currently held by RU and NS, were up for election. **GT nominated RU. KM nominated NS.** After three calls for additional candidates, the nomination was closed. **John Maas moved; Stan Payne seconded to accept the ballot.** Nominees unanimously elected as BODs.

6. Old Business

A certified letter of nonrenewal of the contract was sent to WR. **MJF & Associates was awarded the grounds contract.**

7. New Business

DP introduced MJF to the membership. The strongest quality the BOD saw in MJF was his oversight and personal relationship building capability. MJF stated he has over 13 years in the property management business and also brings general contractor and broker experience. The lines of communication from the

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homeowner to the PM are quick and simple; **MJF answers his own phones and emails directly and typical response time is within 24-48 hours. Requests can be emailed or called in.**

He does not have employees; rather, he relies on contractors/vendors and will use whomever the BOD selects. Upon calling the office, MJF writes up a workorder, sends it to vendor and prior to payment, verifies timely completion of quality repairs. From his PM experience of trying to find a reputable, reliable and dependable vendor, he founded his own grounds/lawn company approximately four years ago.

He **performs weekly drive-throughs**, as well as a Spring, Summer and Fall **Walk Arounds**. During that time, he typically brings along his shrub vendor to verify shrub health; he uses Stillwater's Abrahamson's which warranties the plants for two years.

8. Open Forum

Membership inquired how and when they can attend monthly meetings. **Meetings are the third Monday of the month. With COVID, the BOD has been carrying these out using Zoom meetings. If owners wish to join the Zoom meeting, they are to send an email to the PM inadvance in order for the BOD to add them.** Other venues will be researched to see if in-person meeting rooms are available (banks, credit unions, etc.)

There were numerous comments and questions pertaining to **'common areas,'** what homeowners 'own' and whether the HOA or homeowner has responsibility for maintenance, governing policies with those areas, etc. The BOD stated this topic will go on future monthly meeting agendas along with obtaining legal clarification to finalize this persistent question of who owns what and common area distinction.

Concerned owners noted individuals not caring for **newly planted shrubs** and not keeping overgrown weeds out of beds, etc. It was stressed the homeowner needs to adopt the new plants/shrubs until they have taken root and survive and they do have to take some ownership in their outside plants. BOD is going to be addressing this in the upcoming months.

It was suggested the BOD reconsider the **Sign Policy** as it pertains to 'for sale signs.' BOD will review. Also noted, the new **insurance deductible** is \$20k per occurrence (NOT per building) and the HOA is responsible for the HOA deductible. A request of a **calendar of events**, such as deadlines for submitting plantings, landscaping events, etc. was noted.

Lastly, when questioned about snow at the end of lanes, MJF stated they use a tractor with blowers, plows and trucks. Further, any yard damaged at the end of the season, will be replaced with sod, rather than seed.

RU motioned; Doug Lamb seconded to adjourn the meeting. Meeting adjourned at 7:45 pm.

Respectively submitted,

Karen M. Mackesey
Red Cedar Canyon Townhouse Association, Secretary

**RCCTA 2021 Budgeted Expenses
Total HOA Yearly and Monthly Expenses**

| | Yearly Expenses | Monthly Expenses | Homeowner Expenses per Month | Percentage of Total |
|--|--------------------|---------------------|---------------------------------------|------------------------|
| Reserve Fund | \$167,424 | \$13,952 | \$125 | 43% |
| Grounds/Snow Contract | \$91,392 | \$7,616 | \$68 | 23% |
| Insurance Expense | \$30,744 | \$2,562 | \$23 | 8% |
| Utilities - water/sewer/garbage/electric | \$25,800 | \$2,150 | \$19 | 7% |
| Management Fee | \$24,192 | \$2,016 | \$18 | 6% |
| Landscape/Tree Maintenance | \$18,000 | \$1,500 | \$13 | 5% |
| Grounds/Snow Non-Contract | \$15,600 | \$1,300 | \$12 | 4% |
| Building Maintenance | \$12,000 | \$1,000 | \$9 | 3% |
| Irrigation Contract | \$5,880 | \$490 | \$4 | 1% |
| Misc - office/actg/legal | \$2,760 | \$230 | \$2 | 1% |
| | | | | |
| Annual Budgeted Expenses | \$393,792 | | | |
| Monthly Budgeted Expenses | | \$32,816 | | |
| Homeowner Monthly Budgeted Expenses | | | \$293 | 100% |

RCCTA 2021 Monthly Budgeted Expenses
\$293 per/Homeowner
Dollar & Percentage Total

