

NOTE: These minutes need to be approved at the 2017 Red Cedar Canyon Townhouse Association annual meeting.

Red Cedar Canyon Townhouse Association
Annual Meeting Minutes
Thursday, September 29, 2016, 7:00 p.m.
Woodland Hill Senior Living Auditorium

Meeting minutes/notes are subject to approval by the board at the next annual meeting.

6:30–7:00 p.m.

Public Comment Session

Red Cedar Canyon Townhouse Association board members and Aaron Hansen of Nature's Touch Irrigation, Brian Pechacek of Pechacek's General Contracting, Lindon Reber of American Family Insurance, and Nicole Battles of Cities Management were available to talk with residents about their questions and concerns.

1. Call to Order: The meeting was called to order by President Larry Williamson at 7:00 p.m.
2. Roll call of board members: Present: Larry Williamson, president; Gene Hoff, vice president; Mark Meydam, treasurer; Beth Gaede, secretary; Kerry Geurkink, member-at-large.
3. Proof of meeting notice: All members were mailed notice of the meeting at least 10 days prior to the meeting. No objections to notice. (Quorum noted: 31 members present and 17 proxies turned in, for a total of 48 owners present either in person or by proxy. Quorum requirement of 28 homeowners is met.)
4. Review of 2015 minutes: Moved (Pat Henderson) and seconded (Patty Johnson) to dispense with the reading of the minutes. Motion approved. Moved (Jo Radzwill) and seconded (Gail Law) to approve the minutes. Motion approved.
5. Reports of Officers
 - A. President's Report: Larry Williamson
President Larry Williams introduced the guests who attended the public comment session, as well as his wife, Nan Williamson, whom he thanked for her continuing support for his work with the association. He noted the code of conduct developed by the board outlining expectations for members during board meetings. Larry pointed out the complexity of running an association and the hard work the board has done to keep everything running smoothly. He also acknowledged the important role of the reserve study in determining replacement schedules and funding plans for the association.
 - B. Treasurer's Report: Mark Meydam
 1. Homeowners received the following reports by mail:
 - Balance sheet for operating fund (July 31, 2016): Mark reported that the association has been running a deficit this past year, primarily due to homeowners

being behind in their dues. Consequently, the board has had to work hard to manage cash flow.

- Balance sheet for reserve fund (July 31, 2016)
- Income statement for operating fund (July 31, 2016)
- Income statement for reserve fund (July 31, 2016)

2. Review of proposed 2017 budget

Mark walked through the proposed budget, noting significant changes from prior years. The board recommends leaving the reserve payment the same as last year, anticipating a new reserve study to be conducted in 2017. Two expenses will be paid out of reserve funds in 2017: (1) Sealcoating and repairing driveways and (2) conducting a reserve study. The dues for 2017 are expected to be \$280 per month, a 5.66% increase over 2016.

6. Report of Committees

A. Landscape Committee: Kerry Geurkink

Our covenants allow for a committee to deal with landscaping and architectural issues, so the board restarted a landscaping committee this year. Members are Cheryl Coots, Patricia Henderson, and Katrina Larsen, with Kerry Geurkink as board liaison. The committee has carried out the following:

- Conducted a walk-through of the association and observed many problems with trees and shrubs: planted too close to houses, not suitable for site, dead and dying, needing trimming.
- Prepared and presented a landscaping management plan for the next two to three years, which informed the budget.
- Created an online resource for homeowners to guide selection of replacement trees and shrubs
- Streamlined landscaping forms and documents
- Made budget recommendations for 2017

B. Investment Committee: Kerry Geurkink

- Beth Gaede joined the committee as secretary.
- The Investment Policy Statement (IPS) allocation is moderately conservative, and investments are performing within the IPS parameters.
- Modest allocation to equities, most in bonds or cash, and annual returns as of last meeting were slightly above 3%.
- The committee will meet again after the budget is finalized.

7. Election of Director

The board's nominating committee nominated Larry Williamson to fill a three-year term, effective November 1, 2016. Larry accepted the nomination. No nominations were received by Cities Management by the deadline of September 27. No nominations were received from the floor. Moved (Pat Henderson), seconded (Audrey Ichel), and approved to close nominations. Moved (Pat Henderson), seconded (Bob Staebell), and approved to elect Larry Williamson to the open position.

8. Unfinished Business

- A. Larry Williamson announced that the board has budgeted for a full reserve study in 2017.
- B. He also announced that the board approved extending the association management agreement with Cities Management through September 30, 2018.

9. New Business

- A. Larry Williamson reported that Quality Sealcoating will be working throughout the association in mid-October to fill cracks along garage floor/apron joints and along the edge of walls adjoining driveways for 34 homes. Homeowners will be notified by broadcast email before the work begins.
- B. Larry also noted that Green Oasis will be trimming bushes in mid-October. Larry will be meeting with two Green Oasis managers on October 4 to review what needs to be trimmed. Amur maples will be trimmed late fall, after the leaves are down. Homeowners will be notified by broadcast email before the work begins.
- C. Finally, he indicated gutters will be cleaned the first week in November, following inspection in late October. Homeowners will be notified by broadcast email before the work begins.
- D. Maintenance Responsibility: Nicole Battles, Cities Management
Nicole referred homeowners to a chart they received in their annual meeting packet that outlines what responsibilities are the association's and what are homeowners'. She encouraged homeowners to review the chart. She pointed out that the declarations distinguish between replacement, on the one hand, and maintenance and repair, on the other. She particularly noted that replacement of doors and windows is a homeowner responsibility. Nicole also explained how to fill out maintenance requests—online or by calling Cities Management.
- E. Architectural Requests
Nicole explained that requests for architectural modification cover items homeowners are responsible for and will pay for, and that all modifications require board approval. Larry reviewed the procedure for submitting requests. They are to be sent to Cities Management, which will assign a project ID number for tracking purposes. Cities will process requests and send them to the board for review. Requests will be approved, denied, or sent back to Cities and placed in a "hold" file for future review. Requests might be held because quotes are needed to determine the project's cost or for budget reasons.

9. Homeowner Questions

- Melinda Kult, 163WCD: (1) Has the board or the landscaping committee determined what was planted by Hans Hagen and what was planted by homeowners? Larry explained that the board has been working to clarify who is responsible for what, and this is one of the main reasons a review is being conducted. (2) Do homeowners need to request permission to plant bushes? Larry: Yes, because Nature's Touch needs to flag for water lines in the mulched areas.

- Terry Schubert, 177WCD: Are homeowners able to do their own trimming this fall?
Larry: Yes. Homeowners should trim before October 10, and Green Oasis will haul away the trimmings.
- Gail Law, 183WCD: What is being done to collect dues from delinquent homeowners?
Nicole: Homeowners are given until the 11th of the month to pay. After two months of nonpayment, a letter is sent to the homeowner. The third month of nonpayment, legal proceedings may begin.
- Patty Johnson, 91DWC: Will the board notify homeowners if the dues will be changing?
Nicole: Yes, the declarations indicate when homeowners must be notified. Look for a letter via the US Postal Service in early November, along with information about payment options and a copy of the budget.
- Nancy Pagnucco, 121DWC : Will we have a directory? Nicole: Homeowners have to “opt in” to share their personal information with other association members. Only 35 homeowners opted in this past year, and the board decided it did not make sense to print a directory for so few addresses. Homeowners can call Cities Management and opt in over the phone.
- John Maas, 109DWC: Does the board have the authority to override Cities Management’s policy about sharing homeowners’ information? Nicole: Cities Management’s advice to the board would be not to print a directory. Moved (John Maas) and seconded (Gretchen Trebnick) that the association establish a printed directory of homeowners with an opt-out option. Motion passed.
- Pat Henderson, 87DWC: Is the skylight window an association or homeowner responsibility? What does “painting” refer to? Nicole will follow-up.

10. Moved, seconded, and approved to adjourn. The meeting adjourned at 8:09 p.m.



Red Cedar Canyon Townhouse Association

Annual Meeting
September 29, 2016

Agenda

- Roll call
- Proof of notice of meeting
- Reading of minutes of preceding meeting
- Reports of Officers

Agenda

- President's Report
 - Expected good conduct

Agenda

- Treasurer's Report
 - Balance Sheet Operating from July 31, 2016
 - Balance Sheet Reserve from July 31, 2016
 - Income Statement Operating from July 31, 2016
 - Income Statement Reserve from July 31, 2016
 - Review proposed 2017 Budget Handouts

RCCTA Projects Budget	2017 Budget	2016 Budget	2015 Amount	2014 Amount
General Maintenance				
Dryer Vent Cleaning	0	0	0	0
Soffitt Cleaning	0	0	3330	1000
Mailbox Repairs	150	150	300	500
Downspout/gutter repair	200	200	500	0
Gutter Cleaning	2500	2500	3000	2000
Sealcoating and crack filling	0	3000	2350	2000
Roof Leak Repairs	1000	1000	1000	0
Retaining walls - salt removal/seal	1000	0	0	
Tuck Pointing	3500	3000		
Sidewalk repairs	2500	3400		
Faucet repair	1920	1000		
Kickplates				
Soffitt Repairs	2500			
Sealing and caulking columns	0	0		
Total General Maintenance	15270	14250	10480	5500
Exterior Painting				
Mailbox Staining	0	0	0	0
Trim painting	0	0	0	2000
Exterior Garage frame & door	0	2350	2400	0
Exterior Garage door frames only	0	0	900	
Alcove Staining	0	0	2300	3000
Column Painting	0	3700		
Total Exterior Painting	0	6050	5600	5000
Grounds and Landscape				
Mulch trees in common area	0	0	0	0
Sod replacement	6494	7000	7732	2000
Weed control	0	0	0	1000
Mulch Project	10000	8000	8000	5000
Fungus/lawn	1000	1000	1800	0
Aerating	2500	0		
Lawn Pest Control - moles	400	350		
Total Grounds and Landscape	20394	16350	17532	8000
Trees and Shrubs				
Tree trimming	1500	1200	4000	2000
Tree replacement	8000	1000	2695	1000
Stump removal	600	300	200	0
Shrub replacement	1000	0	250	0
Amur Maples Trimming	1540	1540		
Total Trees and Shrubs	12640	4040	7145	3000
Total specified projects	48304	40690	40757	21500

General Maintenance				
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Soffitt Cleaning	0	0	3330	1000
Mailbox Repairs	150	150	300	500
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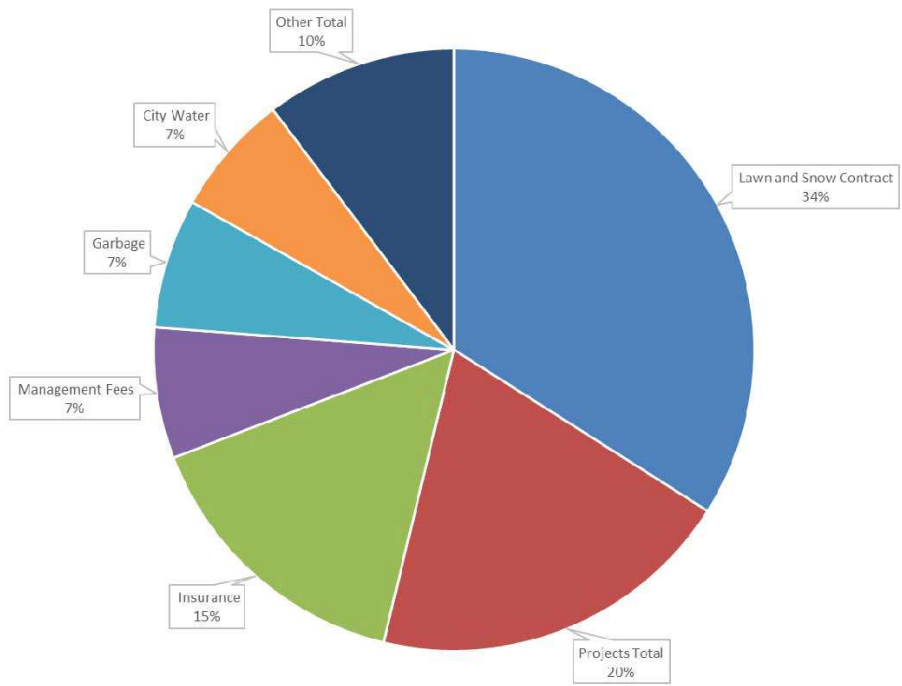
RCCTA Budget						
CATEGORY	2,014	2,015	2,016	2,017	per unit	2016 > 2017
	actual	actual	budget	budget	per mo.	change
Income						
Reserve payments	123,792	123,792	132,043	132,043	98.25	0
Operating payments	183,795	216,240	224,117	244,277	181.75	20,160
Total Assessments	307,587	340,032	356,160	376,320	280.00	20,160
Late fee income	185	0	0	0	0.00	0
Interest income	960	0	0	0	0.00	0
Development Fee	560	0	0	0	0.00	0
Cap. Fund Resale		0	0	0	0.00	0
Carryover		0	0	0	0.00	0
Total Operating & Reserve Contributions	309,292	340,032	356,160	376,320	280.00	20,160
Reserve fund withdrawals	132,885	143,648	168,102	36,479	27.14	-131,623
Total	442,177	483,680	524,262	412,799	307.14	-111,463
Expenditures						
Reserve Fund Payments		123,792	132,043	132,043	98.25	0
Repairs and Maintenance						
General Maintenance	6,313	23,956	14,250	15,270	11.36	1,020
Irrigation System	6,311	7,757	5,300	6,500	4.84	1,200
Grounds/Landscape	28,974	16,016	16,350	20,394	15.17	4,044
Tree/shrub maint.	739	7,705	4,040	12,640	9.40	8,600
Lawn and Snow Contract	83,600	93,976	85,075	83,052	61.79	-2,023
Snow Control	676		5,000	5,000	3.72	0
Exterior Painting	0	4,322	6,050	0	0.00	-6,050
Electricity	467	450	700	700	0.52	0
Garbage	22,696	14,939	16,000	17,000	12.65	1,000
City Water	6,606	14,785	16,000	16,000	11.90	0
Contingency/Deliquency	0	0	0	5,000	3.72	5,000
Total Repairs and Maintenance	156,382	183,906	168,765	181,556	135.09	12,791
Administrative						
Professional Accounting (Tax & Accting)	0	2,055	2,208	2,208	1.64	0
Bank charges	347	239	325	325	0.24	0
Other Admin. Exp.	442	977	500	500	0.37	0
Legal	8,111	2,625	3,600	3,600	2.68	0
Insurance	32,795	33,595	31,287	37,584	27.96	6,297
Management Fees	14,784	17,472	16,128	17,200	12.80	1,072
Postage	897	628	800	800	0.60	0
Copies/Office	240	451	504	504	0.38	0
Total Administrative	57,615	58,041	55,352	62,721	46.67	7,369
2017 Budget is a draft and will be finalized at the October board meeting						
Projected dues for 2017 will be \$280 per month						

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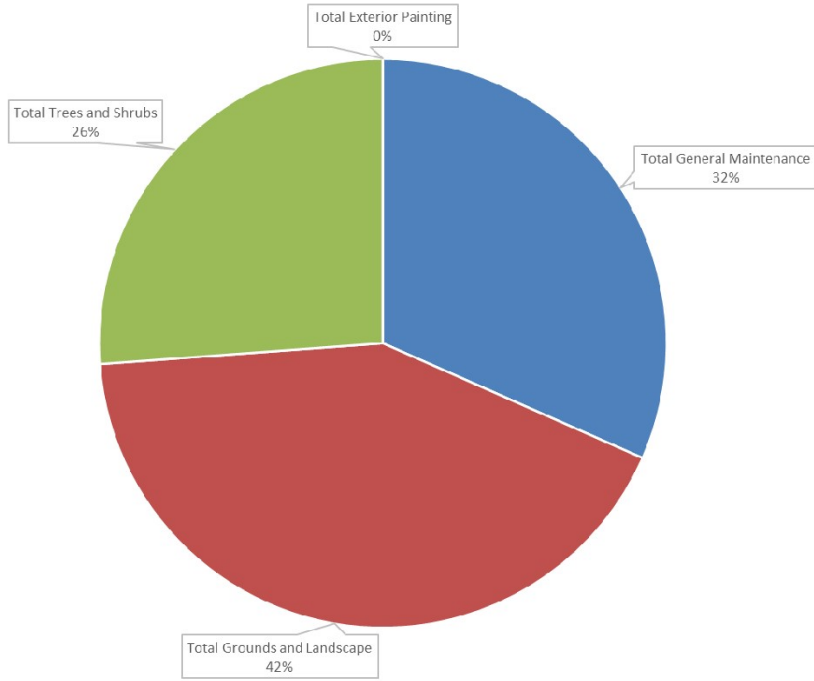
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Operating Budget Breakdown



Project Expense Breakdown



Monthly Dues

- 2013 224 per month
- 2014 230 per month (2.68% increase)
- 2015 253 per month (10 % increase)
- 2016 265 per month (4.74% increase)
- 2017 projected 280 per month (5.66% increase)

Agenda

- Report of Committees
 - Landscape Committee
 - Restarted this year
 - Members are Cheryl Coots, Patricia Henderson and Katrina Larsen, with Kerry Geurking as board liason
 - Conducted walk through of the Association
 - Observed many problems with trees & shrubs:
 - Planted too close
 - Not suitable for site
 - Dead and dying trees & shrubs
 - Trimming Needs

Agenda

- Report of Committees
 - Landscape committee
 - Prepared and presented a management plan for the next 2-3 years
 - Creating an online resource for homeowners to provide guidance on selection of replacement trees and shrubs
 - Streamlined landscaping forms and documents
 - Recommended budgeting for 2017 to address needs

Agenda

- Investment Committee
 - Beth Gaede joined as Secretary
 - Investment Policy Statement (IPS) allocation is Moderately Conservative
 - Investments perform within the IPS parameters
 - Modest allocation to equities, most in bonds or cash
 - Annual returns as of last meeting were slightly above 3%
 - Will meet again after budget is finalized

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- Election of Director
 - Larry Williamson has been nominated by the nominating committee
 - Nominations from the floor
 - Vote for Director

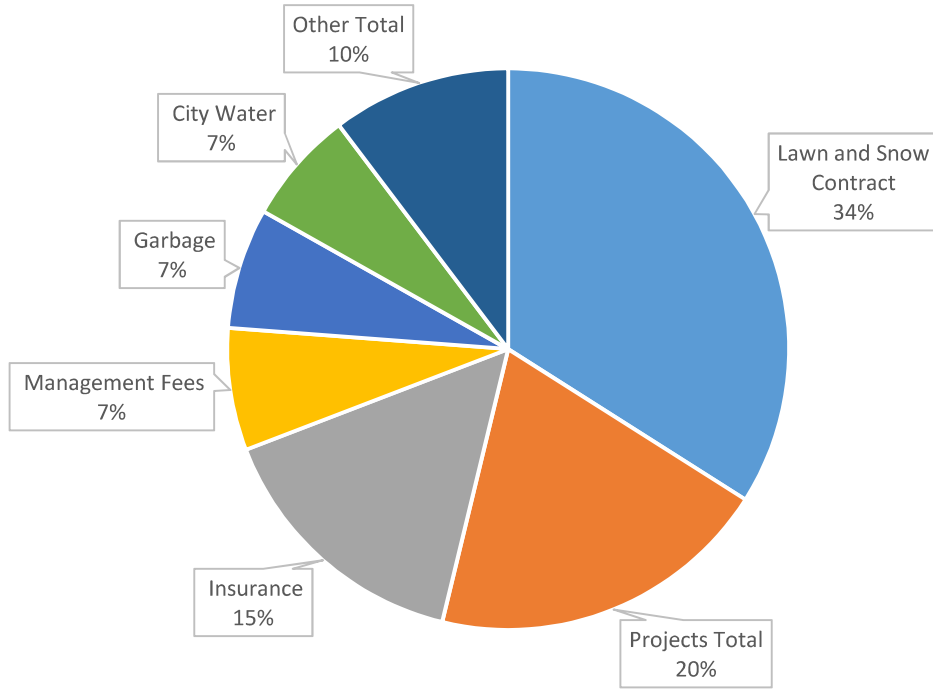
Agenda

- Unfinished Business

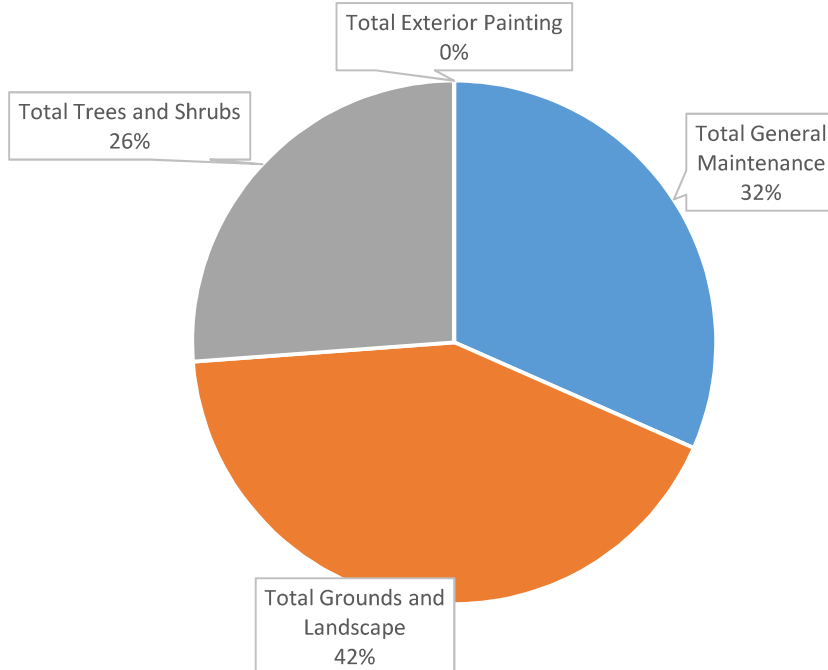
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- New Business
 - Maintenance Responsibility / Architectural Requests
 - Homeowner Questions
 - Introduce yourself and your unit number
 - 3 minute discussion on the topic
 - All others get a chance to speak prior to 2nd and 3rd questions

Operating Budget Breakdown



Project Expense Breakdown



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