

Red Cedar Canyon Townhouse Association (RCCTA)
Board of Directors Meeting Minutes/Notes
Thursday, December 21, 2017 — 6:00 p.m.
County Market Community Room — Hudson, WI

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

I. Preliminary matters

- A. Roll call: Called to order at 6:00 p.m. Present: Larry Williamson, president; Gene Hoff, vice president (via phone); Mark Meydam, treasurer; Beth Gaede, secretary; Kerry Geurkink, member-at-large. Guests: Audrey Ichel (41DWC); John Maas (109DWC).

NOTE: All homeowners are welcome to attend board meetings. The board requests only that homeowners notify the board, through Cities Management, that they plan to attend and whether they want to discuss a specific agenda item.

- B. Proof of meeting notice: Notice of meeting and agenda sent to board members in advance; no objections.
- C. Agenda adoption: Agenda adopted unanimously.
- D. Approval of November 16, 2017, minutes/notes. Moved, seconded, and approved to adopt the minutes.

II. Agenda items

A. Treasurer's report

1. Banking
We've had good returns on our investment accounts.
2. Invoices and transfers
Most of the invoices and transfers are regular monthly expenses. Moved, seconded, and approved to pay items 1 through 5 in the treasurer's report.
3. Unit owner assessment status
Most of the overdue amount is the result of one homeowner, who is in legal collections.
4. Reserve activity: We gained more than \$12,000 this past month. The reserve contribution will go up January 1.

B. Project updates

1. 112 townhouse units were reviewed for 2017 gutter cleaning at a cost of \$1,700.00.
 - DWC: *39, 49, 57, 63, 65, 67, 71, 73, 75, 77, 79, 81, 85, 89, *91, 93, 95, 97, 101, 103, 105, 109, 111, 113, 115, 119, 121, 123, 125, 127, 129, 133, 135, 137, 139, 141, 143, 145.
 - WCD: 149, 151, 153, *155, 163, 165, 169, *173, *175, *179, 187, 189, 193, *197,

201, 203, 207, *219, 221, 223, 229, *235, 239, 241, 245, 249, 255, 257, 259, 263.

- Units marked * were not as full but needed to be cleaned to prevent clogging and overflow. These units may only need to be cleaned every other year but should be checked.
2. A total of twenty squirrels were trapped and removed to new locations. The following townhouse soffit repairs, needed because of squirrel entry, were completed.
 - 97 DWC, upper right corner overhang, front door
 - 103 DWC, upper right and left hand corners, overhang on patio
 - 101 DWC, upper left corner, overhang on patio
 3. Recap of the salting/sanding on 12/6 and 12/7—Total cost: \$1,620
 - 12/6
 - 5 tons of salt/sand applied X \$220/ton = \$1,100
 - 180 lbs. ice melt applied X \$1.00/lb. = \$180 to sidewalks WCD and DWC
 - Two man-hours for ice melt X \$60/hour = \$120 (labor is built into the salt/sand)
 - 12/7
 - 1 ton salt/sand applied X \$220/ton = \$220 (return for missed areas)
 4. The following message is from Bill Alms, Alderperson District 2, Hudson WI, about reconfiguring Hanley Road.

Overall, we are looking to go from a four-lane road to a two-lane road with center lanes. The proposed plan will have raised curb at three different intersections: O’Neil to the north, a smaller one at the entrance to Red Cedar Canyon, and one at the entrance to Heritage Greens. Pad crossings will go at the O’Neill and Heritage Green entrances, and both will be offset in the intersection. Center pads will be big enough for pedestrians to stand, so they can cross half of Hanley and then wait to cross the second half. This is a big change, and I’m sure there will be a lot of voices on both sides, as this will undoubtedly slow time it takes to get from Hwy. 35 to Carmichael Rd. Folks who are going 50 will need to go closer to 40 and potentially slow down for trucks and pedestrians.

C. Project discussions

1. Legal matters/delinquent assessments collection

One homeowner is in collections. Cities works with a law firm that will do collections on our behalf. Kerry will ask Nicole what our next steps are. We could file a foreclosure claim or sue for a money judgment. Mark asked what our costs would be in each case. Either process involves starting a lawsuit. We can recoup our legal costs in the judgment. Moved, second, and approved to request Cities Management to pursue a money judgment.

A homeowner who was assessed a penalty for a violation still owes \$127. Mark will ask Nicole and Melanie what the \$127 is for.

2. Insurance

Audrey Ichel asked why homeowners were not notified sooner that board was considering changing insurance coverage. John pointed out that 30 people (25 percent) attended the special meeting to discuss the decision. He reiterated Audrey's point that homeowners should have been notified sooner that the board was considering changing coverage.

Board members pointed out that changes were made to coverage (increasing the deductible) in prior years without any negative reaction. Not all homeowners are experiencing an increase in their personal (HO6) policies as a result of this year's change. The bid request and specs were more detailed than we have received in prior years. The cost for property casualty insurance is going up nationwide. The association's responsibility, according to the covenants, is to cover units to the inside walls. Each homeowner determines how much coverage to carry for their personal insurance. Homeowners should work with their personal agent to determine what they coverage they want.

John agreed to serve on a committee to develop insurance specs, with the board requesting specs for budgeting purposes by July 1. The board is looking for volunteers to serve on this committee, especially if they have a background in insurance.

Because there is some frustration surrounding this decision, homeowners are reminded that good communication requires that homeowners are responsible for doing their part. Homeowners are responsible for ensuring that they have adequate personal insurance (HO6 coverage). Communications were provided at the annual meeting and subsequent to the annual meeting. Homeowners are encouraged to review every aspect of the budget, not just the insurance line item. Each homeowner plays a role in keeping our association fees at the appropriate level. The board will consider having informational meetings on other topics in order to improve understanding.

3. Reserve investment account (Kerry)

Based on the board's decision to move from an investment account to CDs, Kerry reduced the information to a series of recommendations. She presented the following motions:

1. To replace the prior Investment Policy Statement with the following:
 1. The RCCTA will invest reserves with the following goals and objectives:
 - i. To preserve principal.
 - ii. To invest in bank instruments that are insured by the FDIC.
 - iii. To match bank instrument maturities with anticipated cash flow needs for future planned reserve expenditures.
 2. To liquidate the investment account with NWML and transfer by wire to a new account established at BNC National Bank, investing in CDRs and ICS accounts.
 3. To disband the Investment Committee for the RCCTA Reserve Fund and maintain reporting on reserves through the monthly treasurers report.

Moved, seconded, and approved to adjust the Investment Policy Statement per Kerry's proposal.

Moved, seconded, and approved to liquidate the NWML funds and transfer them to BNC National Bank, per Kerry's proposal.

Moved, seconded, and approved to disband the Investment Committee, per Kerry's proposal.

Moved, seconded, and approved to invest in CDs according to the following timeframes and rates (as of 12/15/17):

- \$200,000 in a 4-week CDAR at 0.12%, with anticipated move to 5-year CD in January
- \$100,000 in a 3-year CDAR at 1.15%
- \$100,000 in a 2-year CDAR at 0.80%
- \$50,000 in ICS at 0.125%
- Remainder in checking account

4. Cities Management disaster recovery plan
Postponed until January.

5. Melanie Reiter's involvement in our monthly meetings
The board will ask Melanie (1) to attend every other meeting, beginning in February and including the annual meeting and (2) to schedule the County Market Community Room for every third Thursday at 6:00 p.m.

6. Amur maples/trimming schedule
Larry will prepare a memo to go out to homeowners regarding trimming of amur maples in January. Mark suggested that we notify Green Oasis that they will be expected to trim the amur maples in the fall, per their contract. Moved, seconded, and approved to approve the bid from New Richmond Tree Service to trim 32 amur maples to a height of four feet.

The board shifted its focus to other projects planned for 2018, including the kickplates. Nicole would like the board to sign a contract to lock in labor costs. This will be on the January agenda.

7. Snow piles/salting/sanding
Kerry presented a possible communication to homeowners about how the board deals with ice on our lanes. No decision was made about her proposal. She will ask Cities if other associations have such a policy.

III. Agenda items for next board meeting (January 18, 2018): legal matters, reserve fund investments, reserve fund historical comparison between recommended and actual

- IV. Next regular meeting: Thursday, January 18, 2018, 6:00 p.m., County Market Community Room, Hudson, WI
- V. Adjournment: The meeting adjourned at 7:55 p.m.