

Red Cedar Canyon Townhome Association
Annual Meeting Minutes
Tuesday, September 20, 2023, 5:00 pm
Hudson High School, Hudson, WI

The Annual Meeting Minutes are subject to review and approval at the 2024 Annual Meeting.

The Annual Meeting of the Red Cedar Canyon Townhome Association (RCCTA) was held on Wednesday, September 20, 2023, at Hudson High School, Hudson, WI. President Dave Preller (DP) called the meeting to order at 5:02 pm. Roll call of present Board members: Gretchen Trebnick (GT,) Vice President; Ronald Urhammer (RU,) Treasurer; Karen Cullum (KC,) Member-at-Large; Karen Mackesey (KM,) Secretary. Matthew Fee (MJF,) Property Manager (PM) was present.

Prior to the meeting's agenda, DP referenced if audience members had questions concerning topic material needing more clarification, it would be addressed during the meeting. If members had opinions about topic material, it would be heard during the open forum.

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 36 members consisting of 26 in-person and 10 proxies as of 5:04 pm.

1. **Approval of Annual Meeting Minutes**

KM motioned to approve the 2022 Annual Meeting Minutes; RU seconded; motion passed.

Approval of Monthly Meeting Minutes

KM motioned to approve the August 2023 Monthly Meeting Minutes; GT seconded; all BOD members approved; one audience homeowner, John Maas, dissented; motion passed.

2. **President's Report**

DP announced two members are leaving the BOD as their terms are expiring. Nominations will be addressed later in the meeting. During their time with the HOA, together, we have accomplished numerous tasks.

- Our previous 'big box' property management company was released; MJF and Associates, a private, locally owned business, was retained.
- Willow River was replaced by Cory Rhodes (CR) who is doing a much better job mowing and plowing.
- Nature's Touch was replaced by Evergreen Irrigation (EG.) During the first year of EG's service he had to repair and replace numerous RCCTA systems; it was long overdue and we were not aware of the need until EG was hired. As a result, more lawn areas are receiving irrigation coverage; he discovered many sprinkler heads not operating or covered.
- Sav-a-Tree (SAT) was hired to perform the work which the BOD decided was not being performed adequately by CR. SAT is contracted for tree removal/trimming, fertilizer application and weed control applications.

GT has always had the betterment of the HOA as the number one objective. She was instrumental in both FPI lane and driveway asphaltting phases. She has been tenacious at maintaining the budget, improving the curb appeal and maintaining and improving the valuations of our property. Also, she was instrumental and worked diligently at reducing water usage by installing 'hot spots' so the weather service and our irrigation system 'talked' to each other. GT is not seeking reelection after five plus years on the BOD.

RU has decided not to seek reelection. After four years as Treasurer, he has dedicated many hours to finding the best solution and financial opportunities for the HOA's money. After State Farm paid out the initial claim check in 2022, RU begin researching CD rates to take advantage of the time we received the check until the time it would be paid to the roofer in 2023 when the project would commence. From the 2022 Hailstorm insurance settlement and up to today, he has made approximately \$35k to \$40k in investment interest for the HOA.

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As a reminder, DP mentioned we have had some abnormal snow seasons in the prior years. It snows, thaws, freezes, rains and snows again. **RCCTA receives 10 contracted salting per year from CR.** Anything above is ala carte and is expense. Secondly, not all areas are going to be cleaned preciously like you desire. The HOA has 112 units to service, and we have contracted with CR to perform them as an Association; it cannot be serviced exactly like a homeowner wishes. Living in a HOA is not the same as living in a private residence. Secondly, we have limited areas to push the snow. Hauling it to another site is expense. CR does his best to minimize high piles, but it is not uncommon to receive 50 plus inches of snow. Last year, we had 80 inches. The snow got high, and the lanes were narrower; it was like this all over the Twin Cities, not just RCCTA.

In order to reduce costs, we **limit trim/branch trimming to once a year**; the list accumulates from the prior year; if you have requests, please understand there is a wait time.

The Reserve Fund (RF) remains healthy. The State Farm Settlement check allowed us to shingle and upgrade the roofs. Ron Birch of FPI will **determine when the next and last phase of the asphaltting should be completed.** We anticipate within the next two years. The RF after paying for Phase 2 of asphaltting is over \$500k.

The BOD has not finalized the 2024 budget, yet. **We are anticipating an increase in RCCTA HOA dues.** This is due to increasing energy charges and contractor services.

We are having a difficult time finding a **'handyman' for general repairs.** The currently handyman is reducing his workload; current contractors are quoting approximately \$150 per hour or \$1000 per day (as with another contractor.) **We are still looking for a reputable, reasonably priced person.** Further, RCCTA is over 20 years old; we are experiencing more maintenance needs with respect to buildings, landscaping and overall facilities.

3. Treasurer's Report

RU presented the Treasurer's Report.

	August 2023 Financials Reported Out on:	July 2023 Financials Reported Out on:
	September 20, 2023	August 21, 2023
Checking Account:	\$ 27,317	\$ 32,321
Savings Account:	\$ 8,081	\$ 7,000
Reserve Fund (net)	\$ 822,834	\$ 799,220
Reserve Fund (gross-w/insurance \$)	\$ 875,834	\$ 1,458,409

He thanked previous BODs for their diligence at continuing to build the RF. When taking over in 2019, \$727k was in the RF. Currently, we are at \$536k. This balance is after two phases of asphaltting, which in the original 2019 bid, did not take into consideration apron replacement, for a total of approximately \$50k and a \$20k deductible for the shingling project. **Currently, \$10,862 goes into the RF every month, \$130k yearly.** A pie chart was reviewed noting how much each homeowner contributes to the budget, monthly and yearly. (*Attached.*)

The cost of upgrading and repairing the irrigation system in 2022 has been seen in the 2023 shrub replacement expenses. Costs have decreased about 30 percent.

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For shingling and miscellaneous, the initial State Farm settlement was \$2.3 million. Brian Pechacek (BP) submitted supplemental documentation for uncovered costs. BP covered the additional expenses from the onset regardless of decision outcome. **GT motioned; KC seconded to accept and approve the September 20, 2023, Treasurer's Report; motion passed.**

MJF noted an important insurance detail and how it could have impacted our 2022/2023 Shingle Project. When a claim was made with State Farm, RCCTA paid \$20k per claim. In the case of the Hail Damage Project, RCCTA paid \$20k.

If we were still with the prior insurance company, RCCTA would have paid 1.0 percent of our property value which is approximately \$38,000,000. The Project would have cost RCCTA \$380,000 before we could even begin the project. If that happened, the \$380,000 would have either been taken out of RF (reducing funding for future projects) or assessed to all homeowners at about \$3,400 each. MJF is seeing some of his MN HOA insurance policies charging HOAs one to two percent. We are still waiting on our estimate from State Farm for the upcoming year.

In order to alleviate such a situation, MJF stated there is a HO6 supplement you can add to your individual insurance policy. The expense of adding this to your personal insurance is your choice but would allow you coverage (a designated amount) if such an assessment was ever made due to an insurance claim. Your insurance agent can explain HO6 assessment loss coverage.

Further, GT mentioned that the 2022 hail damage claim was declared a 'catastrophic loss.' This means the insurance company cannot increase our premiums due to this one claim. However, they can increase our premiums for other situations.

4. Old Business

DP reviewed the last 12 months of projects. The **Reserve Study was completed** by Reserve Advisors in February 2023. It has been posted under property information on the website.

The **shingling project, which originated due to the 2022 hail storm, was started and completed in 2023.** The insurance check's initial assessment and check payout was approximately \$2.3 million.

Phase 2 of the asphalt project was completed. FPI will review the remaining lanes and drives in 2024 to unbiasedly decide on Phase 3 urgency.

Lastly, snow plowing was mentioned. Upon design, the RCCTA development was not laid out conducive to large amounts of snow accumulation. All surrounding lots, townhome and estate lots, have been built up. At the end of lanes, there are fire hydrants so pushing snow is difficult. Hauling snow away is expensive, but it is also expensive when the plowing service brings in the large, industrial snow blowers.

5. New Business

Two positions are up for election this year. GT, Vice President, and RU, Treasurer, have elected not to run; next year, KC's position will be expiring and in 2025, DP and KM's positions will be expiring. It is imperative we have at least three members on the BOD in order to pass motions. Each position is for three years. A person is elected to the BOD, and the positions, such as secretary, president, etc. is decided internally amongst the BOD at a later date. The monthly meetings have been held via Zoom for those members not physically present due to vacations, work schedules, etc.

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Nominations from the floor were requested by DP. Members questioned how much time was involved. The BOD responded with individual answers. The meeting typically takes 1.5 hours each month; during the month, some BOD positions spend anywhere from a low of 3 hours to a high of 15 hours a month on various areas of the HOA; during the past few years, there have been larger projects which required more time due to special meetings (shingling/roofing, asphaltting, column repair, water pipe breaks, roof damage, financial research, property management interviews.) Further, a new BOD member might have an improved process of performing the task. DP called for nominations two more times and closed the nominations. **No one was nominated. If a member decides at a later date, they can still elect to participate on the BOD at a later date.**

6. Homeowner Input/Open Forum

Steven T'Kash began the open forum with a request to utilize the available meeting room which was sponsored by Bob Stabell. This would be for the monthly meetings and more audience members could attend. Currently, the BOD meets at First National Bank as the audience has been minimal and the bank offers Wifi.

Jackie Daharsh questioned the Code of Conduct and inquired about what prompted such as code as the members were not aware of issues or frictions in the neighborhood. Janet Quinto stated the wording could be 'softened up' so it does not appear so harsh. Audrey Ichel said it discourages future buyers. The BOD responded that the code was necessary as RCCTA members were rudely addressing other members, specifically walking pets and yard space. There was a Code of Conduct from previous BODs for the annual meetings as it related to rude, outspoken people. The code was expanded to include interactions outside of meetings.

Patty Solem commented the landscaped area behind her unit, where the pine trees were removed, has not adequately been addressed. It took a long time for the seed to germinate, and still does not look successful; there are three errant cables sticking out of the soil which should have been addressed. Judy Frank stated she was not happy with the artificial tree located in the area.

Jean Smith asked if the area around her townhome was common area. If someone is walking their dog in front of my house/area, do I have the right to tell them to pick up and/or not use it for a bathroom in the future.

DP commented that the **governing documents address the question regarding common area**. Furthermore, the **BOD does not have a position on the common area as that is dictated by RCCTA's governing documents; Article IV, Section 8**. With respect to people walking pets, the BOD will not be the pet police. John Maaz state the City of Hudson has a leash law, Statute 99. If a pet is out of control, citizens can call the non-emergency number.

Audrey Ichel asked if the agenda could be posted on the website prior to the meeting.

Lastly, Donna Wicherski stated, historically, past owners purported there was 19 inches around the units which 'was owned/belonged to' the owner. Further, she said if we personally owned our lots, why wouldn't larger lot areas pay more taxes.

KM motioned; GT seconded to adjourn the meeting at 6:30 pm. Motion carried.

Respectively submitted,

Karen M. Mackesey
Red Cedar Canyon Townhouse Association, Secretary

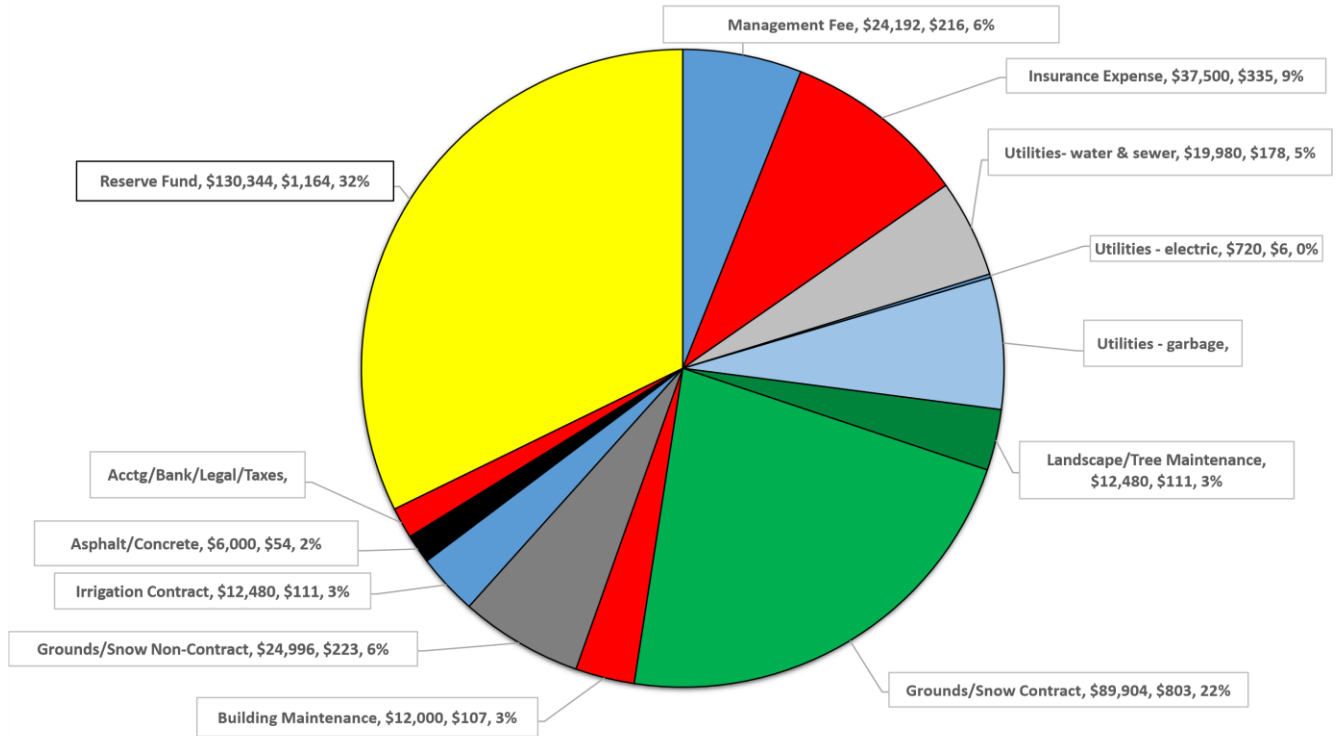
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**RED CEDAR CANYON TOWNHOME ASSOCIATION
ANNUAL MEETING OF MEMBERS
SEPTEMBER 20, 2023
5:00-8:00 PM - HUDSON HIGH SCHOOL
AGENDA**

1. MEETING CALLED TO ORDER - 5:00 pm
2. ROLL CALL OF BOARD MEMBERS
3. PROOF OF MEETING NOTICE - CERTIFICATION OF A QUORUM
4. APPROVAL OF MINUTES - Karen Mackesey, Secretary
 1. Annual Meeting Minutes 2022
 2. August 21, 2023 Board of Directors Meeting Minutes
5. PRESIDENTS REPORT - Dave Preller
 - Accomplishments for 2022-23:
 - DUES: Homeowners pay 2 separate HOA fees; RCCTA fee of \$(to be announced later.) Your umbrella (Master) association fee of \$330 paid to Cities Management.
 - Future Projects: Edging, Gutters/Down Spouts/Redo Governing Docs
6. TREASURERS REPORT - Ron Urhammer
7. OLD BUSINESS:
 1. Reserve Study - Reserve Fund
 2. Hail Storm Damage Report: Recoverable Depreciation
 3. Asphalt Project - Plan Going Forward Phase 3 - Expanding Lane Aprons
 4. Lawn Maintenance/Irrigation: CR/Meadowlark/Sav-A-Tree/Evergreen
 5. Snow Removal: We Live Up North. Ice. No place to put the snow.
9. NEW BUSINESS:
10. ELECTION OF BOARD OF DIRECTORS - 2 board positions open (three-year term)
 1. Nominations Filed Early
 2. Nominations From the Floor
 3. Close Nominations - candidates 2 mins each - Call the Vote
11. OPEN FORUM
12. ADJOURNMENT

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**RCCTA HOA
2023 Annual Yearly Budget/Homeowner
-How Much Each Homeowner Pays Towards Different Budgeted Accounts over 12 Months-**



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