

FANNO CREEK TOWNHOMES OWNER'S ASSOCIATION

Board of Directors Member Meeting Minutes

October 16, 2019

Opening:

The Member Meeting of the Board of Directors of Fanno Creek Townhomes Owner's Association was called to order at 7:05 PM on October 16, 2019 at 7595 SW Onnaf Ct, Tigard, OR by President, Matt Friesen.

Board Members Present:	President	Matt Friesen	7585
	Treasurer	Heather Macdonald	7595
	Secretary	Position to be filled	

Members in Attendance: Lori, Jason, & Sheryl

A. Approval of Agenda

The agenda was unanimously approved as distributed.

B. Approval of Minutes

Reading of the minutes of the previous meeting was waived.

C. Treasurer's Report

The treasurer's report was read.

D. Open Issues

1. None

E. New Business

1. Appointment of New Board Member

Averie Hafley resigned as a Board member and Sheryl Soliday has accepted the responsibility of Secretary. Motion by Heather Macdonald was made and seconded to appoint Sheryl Soliday to the position of Secretary on the Board of Directors. The vote was taken and passed.

2. 2020 Estimated Budget

Attached is the calculation of the estimated budget for 2020 based on the expenses incurred during the first 9 months of 2019 with extrapolated expenses estimated for the last 3 months of 2019 and the 2020 estimated budget derived from those calculations. From that calculation a reasonable estimated budget was established which will require setting the member monthly assessments at \$300.00. Motion by Heather Macdonald was made and seconded to accept the 2020 Estimated Budget and set the member monthly assessment to \$300.00. The vote was taken and passed.

3. 2019 Reserves Study

Oregon Planned Community Statutes require the HOA to perform a reserves study each year. The purpose of the Reserves Study is to formulate a plan to cover expenses of repair and/or replacement of fixed assets owned by the Association. Attached is the reserves study findings for 2019. The study demonstrates a lack of financial resources of the Association. At the end of 2019 the balance in the Reserves account is only slightly more than 10% of the calculated replacement costs of the Association fixed assets. It is anticipated that in 2024 a new roof will be required at an estimated cost in excess of \$65,000.00. In order to prepare for that expenditure it is imperative the Association contribute no less than \$12,000.00 annually to the reserves for the next 5 years for that expenditure alone. Motion by Heather Macdonald was made and seconded to accept the 2019 Reserves Study. The vote was taken and passed.

F. Adjournment:

Meeting was adjourned at 8:00P.M. in Tigard, OR. by President, Matt Friesen. The schedule for the next meeting to be held April 2020.

Minutes submitted by: Sheryl Soliday, Secretary

Fanno Creek Townhomes Owner's Association
Comparison of Estimated Budget with Actual Expenditures
 January 1 through October 1, 2019

	Jan 1 - Sep 30, 2019			Oct thru Dec Estimate	2019 Estimated Total	Estimated % of Budget
	Current	Budget	% of Budget			
Expense						
Asset Repairs & Maintenance	3,675.00	8,500.00	43.24%	\$ 2,000.00	\$ 5,675.00	66.77%
Bank Charges	0.00	50.00	0.0%		\$ -	
Depreciation Expense	8,191.44	12,000.00	68.26%	\$ 2,730.48	\$ 10,921.92	91.02%
Fixed Asset Reserves Expense	3,712.50	10,000.00	37.13%	\$ 6,287.50	\$ 10,000.00	100.0%
Insurance Expense						
Earthquake Insurance	0.00	2,200.00	0.0%	\$ 2,200.00	\$ 2,200.00	
General Liability Insurance	2,883.00	8,700.00	33.14%	\$ 7,000.00	\$ 9,883.00	113.6%
Total Insurance Expense	2,883.00	10,900.00	26.45%	\$ 9,200.00	\$ 12,083.00	110.85%
Landscaping and Groundskeeping						
Common Area Maintenance	1,050.00	2,100.00	50.0%	\$ 525.00	\$ 1,575.00	75.0%
Landscape Special Projects	1,350.00	500.00	270.0%		\$ 1,350.00	270.0%
Total Landscaping and Groundskeeping	2,400.00	2,600.00	92.31%	\$ 525.00	\$ 2,925.00	112.5%
Legal Expenses	242.50	0.00	100.0%		\$ 242.50	
Miscellaneous Expense	272.00	500.00	54.4%		\$ 272.00	54.4%
Office Supplies	161.20	200.00	80.6%		\$ 161.20	80.6%
Postage	111.70	150.00	74.47%		\$ 111.70	74.47%
Taxes & Licenses	0.00	50.00	0.0%	\$ 50.00	\$ 50.00	100.0%
Utilities	195.61	240.00	81.5%	\$ 80.00	\$ 275.61	114.84%
Total Expense	21,844.95	45,190.00	48.34%	\$ 130.00	\$ 42,717.93	94.53%

Fanno Creek Townhomes Owner's Association

2020 Estimated Budget

	2020 Estimated Budget	Monthly	Per Lot
Expense			
Asset Repairs & Maintenance	\$ 6,100.00		
Bank Charges	\$ 50.00		
Depreciation Expense	\$10,921.92		
Fixed Asset Reserves Expense¹	\$15,000.00	\$1,250.00	\$ 113.64
Savings Transfer	\$ 6,000.00	\$ 500.00	\$ 45.45
Insurance Expense			
Earthquake Insurance	\$ 1,200.00		
General Liability Insurance	\$ 7,000.00		
Total Insurance Expense	\$ 8,200.00		
Landscaping and Groundskeeping			
Common Area Maintenance	\$ 2,400.00	\$ 200.00	
Landscape Special Projects	\$ 1,000.00		
Total Landscaping and Groundskeeping	\$ 3,400.00		
Legal/Collection Expenses	\$ 100.00		
Miscellaneous Expense	\$ 200.00		
Office Supplies	\$ 100.00		
Postage	\$ 150.00		
Taxes & Licenses	\$ 50.00		
Utilities	\$ 250.00	\$ 20.83	
Total Expense	\$50,521.92		
Less Depreciation	\$10,921.92		
Estimated Total Budgeted Expenses	\$39,600.00		
Annual per lot	\$ 3,600.00		
Monthly per lot	\$ 300.00		

¹ See 2019 Reserves Study

**Fanno Creek Townhomes Owner's Association
Estimated Reserves Study as of
12/31/2019**

Capital Expenses

Placed in Service Date	Description	Building	Location	Quantity	Cost	Total Cost	Useful Life in Years	Replacement Cost as of 06/08/2018	Estimated Replacement Cost as of 12/31/2019	Rate of Inflation	Calculated Replacement	Cost per lot per year	Number of years to 12/31/2019
10/01/2002	1001 - Asphalt			6391	\$4.10	\$ 26,203.10	35	\$ 26,203.10	\$ 26,648.55	1.67%	\$ 13,133.93	\$ 69.22	17.25
10/01/2002	1002 - Asphalt Overlay			6391	\$2.87	\$ 18,342.17	35	\$ 18,342.17	\$ 18,653.99	1.67%	\$ 9,193.75	\$ 48.45	17.25
10/01/2002	1003 - Asphalt Seal Coat			6391	\$0.28	\$ 1,789.48	15	\$ 1,789.48	\$ 1,819.90	1.67%	\$ 1,819.90	\$ 11.03	15.00
10/01/2002	1007 - Siding Fiber Cement	Building 1	7565	1	\$ 24,484.69	\$ 24,484.69	45	\$ 24,484.69	\$ 24,900.93	1.67%	\$ 9,545.36	\$ 50.30	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 1	7565	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 1	7565	1	\$ 8,160.00	\$ 8,160.00	20	\$ 8,160.00	\$ 8,298.72	1.67%	\$ 3,561.53	\$ 37.72	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 1	7565	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 1	7565	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 1	7565	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1007 - Siding Fiber Cement	Building 1	7575	1	\$ 15,234.38	\$ 15,234.38	45	\$ 15,234.38	\$ 15,493.36	1.67%	\$ 5,939.12	\$ 31.30	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 1	7575	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 1	7575	1	\$ 6,285.00	\$ 6,285.00	20	\$ 6,285.00	\$ 6,391.85	1.67%	\$ 2,743.17	\$ 29.05	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 1	7575	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 1	7575	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 1	7585	1	\$ 15,234.38	\$ 15,234.38	45	\$ 15,234.38	\$ 15,493.36	1.67%	\$ 5,939.12	\$ 31.30	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 1	7585	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 1	7585	1	\$ 6,285.00	\$ 6,285.00	20	\$ 6,285.00	\$ 6,391.85	1.67%	\$ 2,743.17	\$ 29.05	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 1	7585	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 1	7585	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 1	7595	1	\$ 24,484.69	\$ 24,484.69	45	\$ 24,484.69	\$ 24,900.93	1.67%	\$ 9,545.36	\$ 50.30	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 1	7595	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 1	7595	1	\$ 8,160.00	\$ 8,160.00	20	\$ 8,160.00	\$ 8,298.72	1.67%	\$ 3,561.53	\$ 37.72	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 1	7595	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 1	7595	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 1	7595	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1005 - Roof	Building 1		4062	\$5.51	\$ 22,381.62	30	\$ 22,381.62	\$ 22,762.11	1.67%	\$ 13,088.21	\$ 68.98	17.25
10/01/2002	1015 - Concrete	Building 1		872	\$7.49	\$ 6,531.28	30	\$ 6,531.28	\$ 6,642.31	1.67%	\$ 3,819.33	\$ 20.13	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 2	7525	1	\$ 32,906.25	\$ 32,906.25	45	\$ 32,906.25	\$ 33,465.66	1.67%	\$ 12,828.50	\$ 67.61	17.25
01/21/2019	1010 - Gutters & Downspouts	Building 2	7525	1	\$780.00	\$ 780.00	30	\$ 780.00	\$ 793.26	1.67%	\$ 24.97	\$ 2.40	0.94
06/01/2011	1017 - Paint Exterior	Building 2	7525	1	\$ 8,968.00	\$ 8,968.00	20	\$ 8,968.00	\$ 9,120.46	1.67%	\$ 3,914.20	\$ 41.46	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 2	7525	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 2	7525	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 2	7525	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1007 - Siding Fiber Cement	Building 2	7535	1	\$ 20,657.81	\$ 20,657.81	45	\$ 20,657.81	\$ 21,008.99	1.67%	\$ 8,053.45	\$ 42.44	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 2	7535	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 2	7535	1	\$ 7,885.00	\$ 7,885.00	20	\$ 7,885.00	\$ 8,019.05	1.67%	\$ 3,441.51	\$ 36.45	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 2	7535	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 2	7535	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 2	7545	1	\$ 20,657.81	\$ 20,657.81	45	\$ 20,657.81	\$ 21,008.99	1.67%	\$ 8,053.45	\$ 42.44	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 2	7545	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 2	7545	1	\$ 7,885.00	\$ 7,885.00	20	\$ 7,885.00	\$ 8,019.05	1.67%	\$ 3,441.51	\$ 36.45	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 2	7545	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 2	7545	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 2	7555	1	\$ 32,906.25	\$ 32,906.25	45	\$ 32,906.25	\$ 33,465.66	1.67%	\$ 12,828.50	\$ 67.61	17.25

Placed in Service Date	Description	Building	Location	Quantity	Cost	Total Cost	Useful Life in Years	Replacement Cost as of 06/08/2018	Estimated Replacement Cost as of 12/31/2019	Rate of Inflation	Calculated Replacement	Cost per lot per year	Number of years to 12/31/2019
10/01/2002	1010 - Gutters & Downspouts	Building 2	7555	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 2	7555	1	\$ 8,968.00	\$ 8,968.00	20	\$ 8,968.00	\$ 9,120.46	1.67%	\$ 3,914.20	\$ 41.46	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 2	7555	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 2	7555	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 2	7555	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1005 - Roof	Building 2		3966	\$5.51	\$ 21,852.66	30	\$ 21,852.66	\$ 22,224.16	1.67%	\$ 12,778.89	\$ 67.35	17.25
10/01/2002	1015 - Concrete	Building 2		1088	\$7.49	\$ 8,149.12	30	\$ 8,149.12	\$ 8,287.66	1.67%	\$ 4,765.40	\$ 25.11	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 3	7570	1	\$ 21,937.50	\$ 21,937.50	45	\$ 21,937.50	\$ 22,310.44	1.67%	\$ 8,552.33	\$ 45.07	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 3	7570	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 3	7570	1	\$ 6,750.00	\$ 6,750.00	20	\$ 6,750.00	\$ 6,864.75	1.67%	\$ 2,946.12	\$ 31.20	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 3	7570	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 3	7570	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 3	7570	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1007 - Siding Fiber Cement	Building 3	7580	1	\$ 15,843.75	\$ 15,843.75	45	\$ 15,843.75	\$ 16,113.09	1.67%	\$ 6,176.69	\$ 32.55	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 3	7580	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 3	7580	1	\$ 4,875.00	\$ 4,875.00	20	\$ 4,875.00	\$ 4,957.88	1.67%	\$ 2,127.75	\$ 22.54	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 3	7580	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 3	7580	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
10/01/2002	1007 - Siding Fiber Cement	Building 3	7590	1	\$ 21,937.50	\$ 21,937.50	45	\$ 21,937.50	\$ 22,310.44	1.67%	\$ 8,552.33	\$ 45.07	17.25
10/01/2002	1010 - Gutters & Downspouts	Building 3	7590	1	\$810.00	\$ 810.00	30	\$ 810.00	\$ 823.77	1.67%	\$ 473.67	\$ 2.50	17.25
06/01/2011	1017 - Paint Exterior	Building 3	7590	1	\$ 6,750.00	\$ 6,750.00	20	\$ 6,750.00	\$ 6,864.75	1.67%	\$ 2,946.12	\$ 31.20	8.58
10/01/2002	1019 - Lighting Entry Fixtures	Building 3	7590	2	\$71.35	\$ 142.70	30	\$ 142.70	\$ 145.13	1.67%	\$ 83.45	\$ 0.44	17.25
10/01/2002	1020 - Lighting Recessed Can	Building 3	7590	1	\$71.35	\$ 71.35	30	\$ 71.35	\$ 72.56	1.67%	\$ 41.72	\$ 0.22	17.25
06/01/2011	1021 - Porch Columns	Building 3	7590	1	\$600.00	\$ 600.00	15	\$ 600.00	\$ 610.20	1.67%	\$ 349.17	\$ 3.70	8.58
10/01/2002	1005 - Roof	Building 3		3182	\$5.51	\$ 17,532.82	30	\$ 17,532.82	\$ 17,830.88	1.67%	\$ 10,252.75	\$ 54.03	17.25
10/01/2002	1015 - Concrete	Building 3		1173	\$7.49	\$ 8,785.77	30	\$ 8,785.77	\$ 8,935.13	1.67%	\$ 5,137.70	\$ 27.08	17.25
									\$ 481,710.78		\$ 213,578.44	\$ 1,328.49	
											Cost/Lot/month	\$ 110.71	

01/01/2019 Reserves Balance	\$ 2,475.00	
01/01/2019 Savings Balance	\$ 7,525.00	
8/1/2019 Reserves Balance		\$ 5,362.59
Aug thru Dec Monthly Transfers		\$ 2,062.50
		\$ 7,425.09
End of Year Transfer		\$ 2,575.00
Total		\$ 10,000.09
8/1/2019 Savings Balance		\$ 7,526.58
End of Year Transfer		\$ 2,000.00
Total		\$ 9,526.58
12/31/2019 Estimated Reserves Balance		\$ 12,475.09
12/31/2019 Estimated Savings Balance		\$ 9,526.58
12/31/2019 Estimated Total Funds Available		\$ 22,001.67
Fund % of Calculated Replacement		10.30%

New Roof in 2024 years requires approx \$65K
Without any other capital expenditures this requires saving at least \$12K per year begin 2020