

Red Cedar Canyon Townhouse Association (RCCTA)
Board of Directors Meeting Minutes/Notes
Thursday, January 18, 2018 — 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 6:03 p.m. Present: Larry Williamson, president; Gene Hoff, vice president, via phone; Mark Meydam, treasurer; Beth Gaede, secretary; Kerry Geurkink, member-at-large. Guests: Melanie Reiter, Cities Management, via phone; John Maas (109DWC), Audrey Ichel (41DWC), Bob Staebell (51DWC), Jo Radzwill (157WCD).
- B. Proof of meeting notice: Notice of meeting and agenda sent to board members in advance; no objections.
- C. Agenda adoption: Agenda reviewed and adopted unanimously.
- D. Approval of December 21, 2017, minutes/notes: Minutes and updates were previously posted on the Cities Management website.

II. Agenda items

A. Treasurer's report

1. Banking

The transfer out of NW Mutual didn't hit the BNC account, so the fund balances don't match. Savings account is up to \$180,000, so we need to move money to savings. Kerry noted that the rate for a five-year jumbo (minimum of \$200,000) is 2.65 percent. The treasurer's report includes an update of the reserve fund projections, with a dip in July when the caulking/sealing project for windows and doors will be paid.

2. Invoices and transfers

The monthly transfer to reserves will go up in 2018. We are now funding at 100 percent of recommended reserves. Invoice for sanding and salting (\$1,620) came through. Waste Management bill is about \$90 lower than usual because homeowners notified Cities they were gone for an extended time. That amount could be lowered even further if more homeowners reported extended absences. Lommen Abdo fee is for interpretation of insurance requirements in the covenants. Moved, second, and approved to pay invoices as listed.

3. Unit owner assessment status

The unit that was in arrears has caught up. None of the current past-due amounts are more than 60 days late.

Mark assembled a spreadsheet showing what 2018 projects need to be bid out this year.

B. Project updates: See attached report.

Mailbox update: Melanie talked with the postmaster about communication with homeowners about new mailboxes, keys, and so on. The postmaster plans to communicate directly with homeowners. Melanie requested a copy of any communications, so they can be posted on the Cities Website. Melanie will send the postmaster a copy of all homeowners and addresses in the association.

C. Project discussions

1. Legal matters/fines

We received a legal opinion from Brent Johnson indicating that the association is in compliance with the covenants' insurance requirements. He will send a formal letter but wrote following in an email:

At a minimum, the Association is required to insure all of the areas that it owns, maintains and controls. This includes the common areas (and all improvements, furnishings, equipment, conduits, pipes and wires located in the common areas), the Lots (i.e., the land), lawns, driveways, walkways, parking areas, easements, and the exterior of all Living Units, including exterior windows and doors.

The owners are responsible for insuring the Living Units. This means everything from the sheetrock inward and would include floor and wall coverings. The Association may elect to insure the interior of the Living Units and assess as a common expense, but is not required to do so. The "bare walls" policy appears to be adequate.

2. Reserve fund investments

We have not yet seen a consolidated account statement, and Melanie will follow up on that. After the board receives a consolidated statement, members will discuss whether to invest in a jumbo certificate.

3. Reserve fund historical comparison between recommended and actual

Until this budget year, the association has not funded the reserve account at the full amount of anticipated expenditures. We are now at 100 percent, but the contributions might need to rise in future years. The board agreed that in the future, full funding should be maintained. The next major scheduled expense is the start of lane replacements in 2020, although the board might decide the project can be delayed.

4. Insurance information

- a. The board appointed a committee to develop a Request For Proposals for 2019 association insurance bids. Members include John Maas, Jackie Daharsh, and Bob Staebell. The committee will submit its work to the board by the May 17, 2018, meeting. Kerry gave John a copy of the RFP Cities Management used this past year.
- b. Fireplaces: The Sandeen Agency told Bob Staebell that fireplaces are covered by the master policy.

5. Kickplates

Larry has received two bids for kickplate work. The association has 124 doors because the Milans each have two. Cities submitted three options: smooth aluminum

coil, PVC-coated aluminum wrap, and galvanized steel. Larry needs to clarify a few aspects of the bid. JT Improvements submitted a bid for Kryon resin baked onto metal, and Larry is waiting for warranty information from them. The association budgeted \$77 per door. The board will make a decision after missing information is provided.

6. Water line, 263WCD

The board is waiting for the Zappa Brothers assessment of the cause of the water line leak.

- III. Agenda items for next board meeting: legal matters, reserve fund investments, kickplates, rentals, project bidding process, water contract, audit and update on tax payments, maintenance requests, landscape committee
- IV. Next board meeting: Thursday, February 22, 2018, 6:00 p.m., County Market Community Room. March meeting will be March 22 (not 15), 6:00 p.m., at County Market.
- V. Adjournment: The meeting adjourned at 7:24 p.m.

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B. Project updates

1. Welcome to our association:
 - Colleen Conard, 239WCD. Colleen will be having a lot of renovation done to her home. Moving time is scheduled for sometime in April.
 - Carlene and Ron Krueger, 159 WCD.
2. ID 804871 gutter repair was completed by GW Handyman Service.
3. ID 804188 water leak in laundry room vent @ 147 DWC. Brian Pechacek's General Contracting reviewed shingles on roof and vent at no charge. Owner is contacting St. Croix Energy Solutions for an insulation inspection. It's important to have the proper humidity inside home so frost won't accumulate in the vents or attic.
4. Zappa Brothers repaired main (copper tubing) water line @ 263 WCD. The city water department contacted Zappa for this job. Reid, previous site manager for Hans Hagen, said warranty was for one year. Labor and materials costs along with a report of the problem will be sent to Cities Management. Repair for the lawn will be in the spring.
5. CBU cluster box units for townhouse's have been installed by Cities Tech personnel. Hoods for these units are on back order. Cities Management will notify owners when post office will be distributing keys at the proper time. Owners will need proof of address to get their keys. Owners will have a time frame in which to do this before mail is sent to the new CBUs. Owners who are out of town and have their mail forwarded can get their keys when they arrive back home. Old mailboxes will remain up until the time frame for owners to get their keys has passed. Once the key time frame is over, the mailboxes will be dismantled with the 6X6 posts likely remaining until spring because of frozen ground.

RED CEDAR CANYON TOWNHOUSE ASSOCIATION
Treasurer's Report for November 2017
Submitted December 21, 2017

RED CEDAR CANYON TOWNHOUSE ASSOCIATION		
Banking Report as of 12/31/17		
Reported 1/18/2018		
Checking account (Westconsin and Cities Mgt)	starting balance	\$29,329.79
inc. deposits, checks, etc. not cleared or written after end of month	ending balance	\$339,973.80
Reserve Savings account (Cities Mgt)	starting balance	\$168,979.85
	ending balance	\$180,001.79
Northwestern Mutual Reserve Account	starting balance	\$299,232.66
	ending balance	\$0.00
Total operating balance		\$339,973.80
Total reserves		\$180,001.79
Total all funds		\$519,975.59

Bills and Transfers Requiring Board Approval

1. Transfer to Reserves		\$11,004.00
2. Cities Management		\$1,419.00
December Property Management		
3. Green Oasis		\$8,557.94
December Contract	6,937.94	
Salting and Sanding 12/6 & 7	1,620.00	
4. Advanced Disposal		\$3,697.29
January to March service		
5. Lommen Abdo		\$425.00
Review declaration & covenants regarding insurance coverage requirements		
6. Travelers Insurance		\$1,820.00
Insurance installment		

Owner Assessments

As of 1/17/2018 there are 13 property owners who are behind in their payments to the association. The total amount owed to the association is \$2,335.00. This is broken down as follows:

Less than 30 days late =	\$1,760.00
Over 30 days late =	\$575.00
Over 60 days late =	\$0.00
Over 90 days late =	\$0.00
 Total	 \$2,335.00

Notes:

- The large balance in the checking account is due to the closing of the Northwestern Mutual Brokerage Account. \$299,418.19 was moved to the checking account and is being transferred to BNC Bank to be invested in CD's. The checking account balance would be 40,555.61 if the reserve funds had not been in the account.
- Please be sure that you have adjusted your dues payment amount to \$285 per month.

Red Cedar Canyon Townhouse Association				
Reserve Fund Balance Information - January 18, 2018				
Actuals until December 2017 Projections thru Dec 18				
Month	Reserve Savings Acct	Reserve Investment Acct	Total	Change from previous month
December-18	302,458.79	299,418.19	601,876.98	11,333.00
November-18	291,125.79	299,418.19	590,543.98	11,333.00
October-18	279,792.79	299,418.19	579,210.98	11,333.00
September-18	268,459.79	299,418.19	567,877.98	11,333.00
August-18	257,126.79	299,418.19	556,544.98	11,333.00
July-18	245,793.79	299,418.19	545,211.98	-2,206.00
June-18	247,999.79	299,418.19	547,417.98	11,333.00
May-18	236,666.79	299,418.19	536,084.98	11,333.00
April-18	225,333.79	299,418.19	524,751.98	11,333.00
March-18	214,000.79	299,418.19	513,418.98	11,333.00
February-18	202,667.79	299,418.19	502,085.98	11,333.00
January-18	191,334.79	299,418.19	490,752.98	11,333.00
December-17	180,001.79	299,418.19	479,419.98	11,207.47
November-17	168,979.85	299,232.66	468,212.51	12,908.64
October-17	157,959.67	297,344.20	455,303.87	12,662.91
September-17	146,940.15	295,700.81	442,640.96	-21,595.28
August-17	169,439.82	294,796.42	464,236.24	13,573.00
July-17	158,419.00	292,244.24	450,663.24	10,876.08
June-17	147,366.30	292,420.86	439,787.16	9,800.33
May-17	137,706.20	292,280.63	429,986.83	10,947.72
April-17	127,940.70	291,098.41	419,039.11	12,186.96
March-17	116,924.73	289,927.42	406,852.15	10,910.38
February-17	155,907.26	240,034.51	395,941.77	13,493.16
January-17	144,889.49	237,559.12	382,448.61	12,696.17