

**Knollwood Village HOA Board
Meeting
Monday, November 25, 2019
7:00 pm 287 Spruce**

Attendees included Board members Cathy Allen, Robert Owens, Philippa Gregson, Allan Press, and Gareth Coville. Amy Scott (property manager) attended by phone because of the snow storm. Cindy Owens and Teri and Dick Golden also sat in at the meeting.

A. Call to Order/ Opportunity for Guests to Address Board. At the beginning of the meeting Teri Golden raised the issue of the stucco work done on their east wall by their front door. Teri's concerns were addressed in the discussion during the first item under Pending Business.

B. September Meeting Minutes -previously e-mailed, not yet finalized The September meeting minutes were finalized. Amy will send them out to owners in the next day or two.

C. Review Financial and Delinquency Reports

As of October 31, 2019, the HOA's total cash position was \$89,100.92, with \$3,553.03 in the Operating Account and \$85,547.89 in the Reserve Account. Through October, the HOA has a net operating income of \$4,257.91 vs. a budget of \$12,143.40. Tree maintenance accounts for the majority of the variance in the operating budget to date. Two large reserve expenses are not yet paid: stucco work by Melton \$8738, and Azek handrail project by Lookout Renovation \$15,600-\$18,065. 275 is delinquent by 4 months at \$1718, issues with bank account & ACH program; owner has not responded to statements, letters or e-mail notifications. **As per HOA policy the delinquent account is being charged late fees. If needed more serious steps will be taken.** Unfortunately when you subtract the two projects above the HOA's cash position is around \$60,000. While there is still one more month where the HOA will receive home owner's dues, there are other expenses the HOA expects to occur (see items 2 and 3 under new business). Thus despite a substantial percentage increase in dues this year our end-of-year balance will be significantly lower than was the case last year.

D. Pending Business

- a. **Stucco repairs-** Completed by Melton Design/Build in October, 295's front wall was repaired but is visually an eyesore. Total cost was \$8738. **As noted above this bill has not yet been paid.**

Here is a brief history of stucco repairs over the 40 years since these units were built. On the fourplex side a textured Dryvit coating was spray applied over conventional cement plaster which was reinforced with chicken wire. On the duplex side textured Dryvit coating was spray applied over rigid foam insulation board. Perhaps for this reason stucco repairs to fix cracks or areas where the stucco has separated from the underlying wall have been common on the duplex side for at least the last 10 years. Similar repairs on the fourplex side have been both minor and infrequent until this year.

Press and Owens took a walk around the duplex units before the Board meeting to see how well the stucco patches on the duplex side blended into the surrounding stucco. They found in general that the texturing of the stucco repairs done a month

or so ago were satisfactory not an exact match to the sprayed applied texture but adequate in most locations. The color of the texture used was much too dark, however, providing a very poor match. Interestingly an exception to this was a very difficult patch on the northeast corner of 299 that was done extremely well.

Amy will contact Melton to ask that a staff person be sent out to look at the work that was done and discuss what they are willing to do to rectify it. This will be coordinated so that at least one Board member can also be present.

Bob Owens, a Board member and retired architect, recently looked into the properties of Dryvit, the stucco material that was used on the duplex and fourplex units. As noted above back when the units were being built the stucco was originally sprayed on rather than troweled. A consequence of the stucco being sprayed is that it is almost impossible to do an exact texture match.

Teri Golden shared her concerns about how the appearance of her front walls could affect the appearance/value of her duplex unit. She would like a much better color match, ideally a perfect match, on stucco patches that are done. Bob requested bids from a stucco repair company that is reputed to do excellent work. The bid to handle the color work on the two walls by applying Dryvit's Demandit Smooth coating was \$1600. The bid to make the surface uniform as well as fix the color by applying a base coat and then a hand trowel Dryvit textured coating was \$2600. While ideally all the stucco in all of the duplex units would be redone we all agreed that this would be prohibitively expensive. Allan offered to survey the duplex walls with Teri to see the extent to which color varies across a given surface. Meanwhile before any other decision is made Melton will be given the opportunity to rectify the problems with their work.

Decisions to be made on future stucco repair include how good a color matching needs to be to be acceptable, and whether the extent of the match depends on how visible is the area being repaired.

- b. **Hand-rail project-** Lookout Renovations has been working on project throughout November. One extra piece of Azek will be stored in 287's garage (note: 276 may want to use this board for a new patio deck). By email, board approved installation of low voltage LED lights underneath handrails for \$1400, Allan coordinated with electrician Dana Richards, lights installed week of November 18. Lookout has finished the largest part of the job, replacing the top railings with Azek along with doing any other needed repair work and staining. They rebuilt one gate by the sidewalk up from 256, and added a gate between the fronts of 256 and 250. This gate was needed to allow entry into the space between the two units. It was put in the 256 railing because the ground where the gate posts needed to go were easier to work with. The cost for the two gates was \$980.

Still to be done is restraining the tops of the fourplex patio walls, and handling several tasks on the duplex side. In looking at the duplex work needed, an owner asked if the HOA was responsible for maintaining the balcony flooring. This is a new request; to the best of everyone's knowledge the HOA has never taken responsibility for this task. Amy is looking into this.

Dana Richards, an electrician, has installed new railing lights and new led bulbs in the five tall parking lot lights. The railing lights stopped working in the area around

the tennis courts, apparently because the new electrical outlet failed. Allan tried to reset this electrical outlet but was unable to do this. Dana plans to replace the outlet and handle any other needed repair on Friday.

- c. **Fence at 252** needs to be stained, fence along street at 265 also needs re-staining. Cal's Painting provided pricing; other variables to be discussed. **Because of the quality of work done (see item 1 under New Business) there are repairs that need to be made on the new cedar fence by 252. For this reason, and because it is recommended that staining be postponed between 2 – 6 months, staining will be done in the spring. Amy will contact Cal's and accept their bid of \$735 to stain and pressure wash both sides of the fence at 265 that runs along the sidewalk.**
- d. **256 Common Area project** -little response from owner. Tenant claims HOA must go through her. Any further discussion at this time? **Amy and the Board agreed that with respect to the HOA a renter and/or agent does not have the status of an owner. The renter did report that the owner has told her that he does not open HOA emails. The HOA will consider this project on hold until the owner contacts our property manager.**

E. New Business

- 1) **Fence at 252**-Email sent to BC Fence requesting meeting to address quality of work No response as of 11/21/19 to phone calls / emails / texts. **There is a list of about 5 issues about BC Fence work. These include: a post that consists of two separate pieces combined together, a post that is a bit too short, decorative work that is not nearly as well done as the decorative work on the existing fence that runs north-south, section of the gate that is not firmly fastened, and connecting the new fence with the existing fence using nails that stick out rather than appropriately-sized screws. Amy will continue to attempt contact. If we are not successful the next step would be contacting the Better Business Bureau. Here is a link to two reviews at the BBB (<https://www.bbb.org/us/tx/cedar-park/profile/fence-sales/bc-fence-0825-90089851/customer-reviews>).**
- 2) **Gutter bid** - received Nov. 13 from Colorado Seamless Gutters, more work needed. Bid and correspondence attached. **The HOA has a number of gutter projects that need to be handled as quickly as possible. These include the following. The guttering over 264 will be replaced to ensure that it can handle large volumes of water. The gutter on the south side of units 262 and 264 will be removed so that a new fascia board can be installed before reinstalling the gutter. This is needed because without the fascia board water was running from the gutter on the east side back into the wood behind it. Finally two small repairs will be made to the gutter system at 252. Finally the patio gutter at 262 may be moved a few inches so that the gutter strain can be straightened.**
Amy will contact Colorado Seamless Gutter and give them the go-ahead on these projects.
- 3) **Stucco Repairs at 295, 287, and 276**-see Bob Owens correspondence and Stucco Doctor bids. **Bob will contact the Stucco Doctor to ask that the work on fourplex unit 276 be done. He will also give the go-ahead to stucco repair on his unit that was done when 287 was renovated; he is responsible for payment for this work. The color repairs for 295 is on hold while Melton responds to our request that the color matching be redone.**

4) Draft 2020 Budget attached

	4-plex	2-plex
<u>Current Fees:</u>	\$295	\$422
12% increase	\$330	\$473
10% increase	\$325	\$464
7.5 % increase	\$317	\$454

The Board discussed possible percentage increases to the monthly home-owner dues. Unfortunately it appears highly likely that after paying expected bill, the end-of-year financial position of the HOA will be about \$15,000 - \$20,000 less than was the case last year. For this coming year among other predictable maintenance costs we will again be inoculating 65+ ash against the Emerald Ash Borer.

Given this deterioration in our financial position because of various predictable along with unexpected maintenance expenses the Board voted unanimously to approve a 12% increase next year. As the table above indicates the monthly fourplex fee will increase to \$330, while the monthly duplex fee will increase to \$473.

5) Other New Business

Bob asked Amy if Todd, our tree person, is scheduled to handle a tree issue that had previously been discussed. Amy said that Todd has it on his winter schedule.

Allan reported on work needing to be done by Garvins Sewer Service on the underground gutter drainage pipe that runs along units 254 and 256. The bottom section of pipe that is at the end of the 254 patio running under the sidewalk has cracked due to the growth of a root from the cherry tree right next to that area. This needs to be repaired. Also the section of pipe that turns east on the common area will be cut so that the pipe can be extended directly south. Garvins said that they would try to have a bid ready in the next week or so. Based on an estimate provided by the Garvin worker who scoped the pipe and found the crack expected cost is expected to be around \$2500.

F. Set Annual Meeting Date The Annual Homeowners meeting will meet at 287 Spruce Court on Monday, January 27, 2020 at 7 pm. This will be preceded by a Board meeting at 6 pm.

G. Adjourn

MINUTES
Knollwood Village HOA Board Meeting
Thursday, September 19, 2019
7:00 pm 287 Spruce

Attendees included Board members Cathy Allen, Gareth Coville, Philippa Gregson, Bob Owens, Allan Press, Amy Scott (property manager), and Cindy Owens and Kathy Lowenstein

Call to Order / Opportunity for Guests to Address the Board. No one addressed the Board.

July Meeting Minutes -previously approved, attached for reference. No Changes.

Review Financial and Delinquency Reports

As of August 31, 2019 the HOA's total cash position was \$90,132.27, with \$4,584.38 in the Operating Account and \$85,547.89 in the Reserve Account. Through August, the HOA has a net operating income of \$4,914.26 vs. a budget of \$11,028.72. Tree maintenance accounts for most of the variance. One unit (275) was behind on August's dues, caught up as of September. As of the end of last month, operating expenses are approximately \$6,000 behind budget. In addition, \$2,400 in fence replacement expenses were taken from HOA reserves. The HOA's total cash position is only \$2,000 ahead of its 2018 end-of-year total cash position.

Pending Business

Maintenance/Repairs:

- a. Stucco repairs: Melton Design/Build will complete stucco repairs on list on T & M basis, anticipated to be \$8500-\$9000. Noted.

- b. Hand-rail project throughout complex – board approved Azek for top rails, with carpenter to repair/replace any spindles that are deteriorated. Lookout Maintenance has been very delayed. Amy is speaking to them and one other contractor (KDT Construction) to see who can schedule project first. Board needs final cost from both before proceeding. Amy reported that she has scheduled a master carpenter from Lookout Restoration in an attempt to finalize this project. An owner's death in the family has delayed getting a revised bid that includes Azek. As part of this project the vines that cover the railing in front of 266-260 fourplex units will be removed.

- c. Fence at 252 was re-built in mid-July; needs to be stained. The HOA will pay to stain the new fence, which runs east-west. The owners of #252 will pay to power wash and stain the HOA side of the old fence that runs north-south.

- d. Gate at sidewalk near 256 was repaired sloppily – contractor says gate was screwed closed, not cemented shut. The gate was actually nailed shut; the nails have since been

removed. Whichever company is hired for the hand-rail project will do these repairs as well.

- e. Fourplex lights were repaired by electrician Gary Garzone in August. Garzone also repaired an exposed line at the steps of 256. Lowensteins would like to put in low voltage strip under the stair railings. Allan and Cathy looked at the strip and think it would be a good plan for the entire fourplex stairs rather than the current lights. This means we would not replace the current lights after the Azek is put down; rather we would have an electrician install the strips at that time.

New Business

- a. Schedule inspection for bat access in fourplex/duplex buildings. The Board decided to delay this for one year, as there have been no reported sightings of bats.
- b. Discuss / Finalize plans for 256 common area improvements (Jim Shaw); these were broken down into Patio Walls / Drainage / Landscape issues.

Patio Walls: The proposal from Martinez Landscaping includes the amount to be charged for removing the patio walls. The HOA needs to see this figure to determine whether the HOA will pay the entire amount or consider alternatives.

Drainage: Work was done after the meeting to deal with a gutter issue. The main gutter at the bottom of the roof and associated patio drains need to be replaced; this has been scheduled.

The HOA still has not seen a description of the drainage plan for this area. The HOA Board has voted unanimously that the owner Jim Shaw is responsible for paying for these changes. According to both Jim Shaw and tenant Kem Minnick the drainage problem occurs because the patio slab has settled. As owners are responsible for their patio slab, the HOA will not be dealing with nor paying for the issues associated with the current state of the patio.

Landscaping the slope directly north of the #256 fourplex: The HOA Board approved Martinez Landscaping's plan for the part of the landscaping pertaining to the new retaining wall. We are requesting a more detailed plan as to what plantings are to be put in specific places. The HOA has voted to contribute \$5,500 towards the cost of the landscaping project. This is the amount in the contract for timbers and associated items related to constructing a retaining wall. Also, since this project involves extensive planting and regrading, the document titled "Knollwood Village Homeowners Association Architectural Control Improvement Request – Future Responsibilities" needs to be signed and returned to our property manager.

- c. Landscaping Topics

Yard at 252 – possible regrade, re-sod. Filling in the low area by the fence still needs to be done.

Additional Irrigation – slope by 256, change from spray to drip at 260, connect water to lilac tree in front of 266. Amy will ask Hummer to provide a method for doing this and a bid for the work.

Maintenance for roof overhang at 264. This work is expected to be done by the same firm that does the hand-rail project.

Possible flashing issue at 256. Amy will ask Jim Shaw to send his property manager to inspect the loft to see where water might be leaking in, and if so where along the inside roof line this is happening.

d. Snow Removal Contract – renewal contract includes a 4% increase from the last 2 years. This bid was approved. Jack Frost Snow Removal will be asked to use ice melt only on the fourplex stairs (and on duplex walks where this is requested).

e. Preliminary Dues discussion for 2020, based on 2019 expenses. Last year homeowner's dues were raised 12% because of several factors including: inflation, a large recurring biennial expense of injecting the ash trees on HOA land, the continuing deterioration of the HOA's end-of-year balance over the last few years, and the maintenance tasks that have been scheduled that are likely to be above budget. The end-of-year cash position last year was just over \$88,000.

This year the end-of-year cash position was projected to be about \$105,000. It is currently at just over \$90,000, with 3 months to go. Unpaid bills and maintenance work involving both the fourplex and duplex units (e.g., tree trimming and removal, railings, stucco, among others) , are estimated to total \$25,000 or more. This means that the HOA cash position at the end of this year is almost definitely going to be less than last year, possibly considerably less.

Given this, the Board is expecting to authorize another 12% increase at our November Board meeting. A final determination will be made based on our cash position at the November Board meeting.

A rationale for this was included in the Homeowner's Board minutes for our January 2019 meeting. We reported that the Board also realized that around 2032 or so the HOA is going to have to replace its roofs for an estimated cost of about \$250,000, based on inflation and building cost increases. With our property manager's assistance the Board decided that it would like to see the end-of-year cash position increased to about \$200,000, of which about 60% or so would be ear-marked for eventual roof replacement. Unfortunately we will be further away from our goal at the end of this year than at the end of 2018.

Let us put things in further perspective. Current fourplex dues are about \$296, while duplex dues are about \$411. A condo currently for sale at Brierly Orchards currently has monthly dues of \$254/month the unit has 658 square feet of space. This cost is a bit less than one of our fourplex units for a much smaller living space. A townhouse currently

for sale in the Spruce Confections complex has monthly dues of about \$525/month, with 1525 square feet of space. This cost is more than one of our duplex units for a slightly smaller living space.

In summary, costs and then need for maintenance and repairs is increasing. We need to build up our cash position to properly maintain the value of our residences.

Other New Business: None.

Set Next Meeting Date: The next meeting will be held at 7 pm on Monday, November 25 at Bob and Cindy Owens, 287 Spruce Court.

Adjourn

Knollwood Village HOA
Board Meeting Monday, July 1, 2019
7:00 pm 287 Spruce

Attendees included Board members Cathy Allen, Robert Owens, Philippa Gregson, Allan Press, and Amy Scott (property manager). Cindy Owens also sat in at the meeting.

A. Call to Order / Opportunity for Guests to Address Board

April Meeting Minutes -previously approved, attached for reference. **No changes**

B. Review Financial and Delinquency Reports

As of June 30, 2019 the HOA's total cash position was \$100,470.83, with \$14,922.94 in the Operating Account and \$85,547.89 in the Reserve Account. Through June, the HOA has a net operating income of \$12,356.06 vs. a budget of \$9,374.04 CD's to be set up with local Wells Fargo contact, no need to open additional checking account at Wells Fargo. No delinquencies. **In the first six months the HOA has just about reached this year's end-of-year goal of \$100,800. The year-to-date operating indicates that the HOA is 60% of the way to this year's projected goal. This would be even more impressive if it weren't for the cost of insurance for our HOA. This expense was almost \$6,000 over budget. Note that this increased cost for insurance will now be part of future budgets.**

Projections for the next six months, however, are much less positive. With the exception of insurance for the HOA all the large expenses will occur in these coming months. Tree maintenance for this year will likely reach around \$10,000, of which only about \$5,000 has been included in the budget. Railing maintenance, which has been deferred, will substantially exceed budget. We are currently waiting on a new bid from Lookout Maintenance. Stucco repairs will most likely exceed the \$1000 that has been budgeted. Finally a section of fence is being redone, at the cost of several thousand dollars. The bottom line is that our HOA hopefully will at least meet the majority of the projected goal.

One more note: the fourplex unit #272 just sold for \$815,000. This is a considerable increase over the price paid for previous fourplex units.

C. Pending Business

1) Maintenance/Repairs:

a) Duplexes-angled top board on edge of divider wall needed to be stained at one duplex. **Lookout Maintenance is scheduled to handle this.**

b) Fourplex hand railings: Not completed, spring weather has delayed scheduling. Consider alternatives to wood top railings (see attached detail on pricing options). **Last year Lookout Maintenance gave our HOA a bid of \$10,771 to do needed maintenance on the duplex railings, replace the fourplex railings with Trex, and repair any other parts of the railings as needed. This bid also included any needed repair on fourplex wall caps. The 4 members of the Board agreed to have Lookout Maintenance give us a bid replacing Trex with AZEK. While more expensive AZEK blends in with the existing wood on the railings. And, while Trex holds in heat, AZEK doesn't. Once we receive the bid the Board will decide on how to best go forward. Every effort will be made to complete this week by the end of summer.**

c) Stucco repairs: Melton Design's home services will complete stucco repairs on list - need to complete list of repairs for Melton. **The walk-about scheduled before the meeting was interrupted by rain. The fourplex inspection was more or less completed; Bob Owens and Allan Press will do a joint inspection on the duplex side, paying particular attention to stucco issues.**

- 2) **Parking Spaces** - Superior Aggregates completed striping and numbering of parking spaces on June 13. **Noted.**

D. New Business

- 1) **Fence Rebuild near 252 Spruce** - review options discussed by email (attached.) **The four Board members approved the bid from BD Fence to tear down and replace the existing fence. Changes to the fence will include rebuilding it at a constant height and, to the extent possible, rebuilding it in a straight line. This work is scheduled to be done on July 18 and July 19.**
- 2) **Ground Water / Ditch Concerns** - City / Ditch contact Doug Dunn checked Knollwood, advised that PAM would be added to ditch to alleviate leaking, groundwater issues seem to have improved in last 2-3 weeks. **All four units in the #25x fourplex building were discharging water through their respective sump pumps. This is no longer a problem. The ditch was reported to be temporarily shut down a few weeks ago. This area of the ditch may be lined in the future.**
- 3) **Radon Mitigation** - set HOA policy for radon systems, per inspection of 272 and City code, radon pipes must exhaust well over the roof lines. **The Board decided to deal with design issues for each radon installation that needs to be installed or modified to rise above the roof. The Board will also arrange to have the radon pipe at the #272 fourplex painted to match the stucco.**
- 4) **Tree Walk-Around** - Arborist Todd Huston and partner walked property with Allan, Amy, Cathy and Bob on June 21, identified needed trimming and safety issues. Cherry tree near 254 is likely infected with Shot Hole disease (Coryneum Blight). Todd & Chuck will proceed on T & M basis. Todd will submit bid for corner behind 274 Spruce to clean and thin trees. **Todd submitted a bid of \$2820 to do the needed work by the 274 fourplex. Approved by the Board, this work will be done in the fall. Meanwhile other fourplex tree work has been completed, and duplex tree work is well underway.**
- 5) **Railing/Post repair completed at 256 Spruce** - hand rails need to be sanded & stained or replaced (see Pending Business #1-b). **These tasks are expected to be handled by Lookout Maintenance as part of their work on fourplex and duplex maintenance of our railings.**
- 6) **Flagstone piled & stored behind 274** - identify possible uses for flagstone throughout HOA during walk-around. **While no uses were noted during the walk-around, two owners requested use for a few of the pieces. The Lowensteins plan to create a terraced path from their patio down to the sidewalk. Maurie Marcil wants to use a few pieces for landscaping.**
- 7) **Fourplex and Duplex Walk-Around (interrupted by rain):**
 - a. **The fourplex walk-around was more or less completed. Philippa noted that the pole lights in the parking lot have not been working for a number of days.**

Press checked the circuit breaker box a couple of days later and discovered that the circuit break reported that it was in the "Off" position; it was reset. Still to be determined is whether the lights will go back on.

- b. The duplex walk-around was canceled. Allan Press and Bob Owens subsequently walked around the duplex buildings. They found a number of issues, almost all related to stucco, that Owens noted. About half of these were already on the stucco list. Press sent the photos to Owens, who has integrated them into his report for Amy.

8) Other New Business

Press raised the issue of whether the fourplex side is due to have each of the three buildings inspected for bat entrances, and when necessary.

- E. **Set Next Meeting Date:** The Board will next meet at 287 Spruce Court on Thursday, September 19 at 7 pm.
- F. **Adjourn**

Knollwood Village HOA
Board Meeting **Tuesday, April 2, 2019**
7:00pm **287 Spruce**

In attendance: Cathy Allen, Gareth Coville, Sandy Fisher, Philippa Gregson, Bob Owens, Cindy Owens, Allen Press, and Amy Scott

A. Call to Order / Opportunity for Guests to Address Board *None present*

January Meeting Minutes -previously approved, attached for reference *No changes.*

B. Review Financial and Delinquency Reports

As of March 31, 2019 the HOA's total cash position was \$102,310.95, with \$16,763.06 in the Operating Account and \$85,547.89 in the Reserve Account. Through March, the HOA has a net operating income of \$14,196.18 vs. a budget of \$5,992.02. Two owners have minor balances (\$10, \$45), no owners are delinquent. *Amy pointed out that to date, the HOA has done very well financially over the last three months. The current balance of about \$102k represents a \$15k increase compared to the cash position at the end of last year. Thus the HOA is making good progress to add somewhere around \$17k to \$20k to this year's compared to last year's end of year cash balance. It should also be pointed out that several expensive maintenance tasks are going to be started soon. The bill for this year's HOA insurance coverage is also \$4,000 above what was budgeted. But even given this the improvement in the HOA cash position seems very positive.*

C. Pending Business

- 1) **City Reimbursement from Tennis Court project** – Reimbursement still pending. *The Board asked Amy to become more proactive about encouraging the City to pay the approximately \$1,400 owed to us for landscaping our HOA paid for by the tennis court. One suggestion made was for Amy to use the site Inquire Boulder to determine the best person to approach to resolve this issue.*
- 2) **Maintenance/Repairs (all noted):**
 - a) Duplex balcony railings-railings completed, one owner noted that angled board on edge of divider wall needed to be stained, which will be done in the spring.
 - b) Fourplex hand railings: Lookout Maintenance will complete in spring.
 - c) Stucco repairs: Melton Design's home services will complete these relatively minor stucco repairs on list.
- 3) **Parking Spaces** - Superior Aggregates will complete striping and a few remaining numbers when ground temperatures will accommodate adhesion of striping paint. *Noted.*
- 4) **Insurance** – HOA's policy written with IHG as of 3/6/2019. The policy has a \$5000 deductible unless damage is from wind or hail, in which case the deductible is 2% of the policy value, or \$124,830. All owners encouraged to obtain Loss Assessment Coverage. *All but four owners have reported that they have sufficient Loss Assessment Coverage. These owners are either self-insuring themselves or have chosen not to report their coverage to the Board.*

- 5) **Lighting Concerns-** Solar lights added to help with visibility near steps around 272, and at the corner of 254; HOA reimbursed cost of lights (\$70.72 for 4 lights.) *Noted.*

D. New Business

- 1) **Cordless Weed Trimmer** purchased for HOA use at Tennis Court, rocks, and/or any other areas not handled by our landscaping company. *There was a brief discussion about procedures regarding the weed trimmer. Generally only Board members should use it, or at a minimum be responsible for someone else's use. The trimmer should never be used off premises. Still to be decided is whether one board member will be responsible for keeping it, or whether the last board member to use it will be responsible for keeping it. Initially the weed trimmer will be housed at either 254 Spruce (Allan Press) or 272 Spruce (Sandy Fisher).*
- 2) **Gutter Drain/Leak-** assess and repair issue near 254 Spruce. *Allan Press will see whether the leak can be repaired without professional help.*
- 3) **Review CD Options** – Review CD Options- see attached page for details on current CD and options for HOA. The Board discussed two possible options for investing about \$75k of the HOA reserve money in CDs One was Elevations Credit Union, the other Wells-Fargo. Elevations Credit Union has an impeccable reputation; Wells-Fargo has been cited numerous times for various illegal practices. Wells-Fargo's interest rates are about twice high as Elevations, roughly 2% vs. 1% for a one-year CD. The majority of Board members chose to invest HOA money with Wells-Fargo. Amy Scott will decide how to apportion the funds among the CDs Wells-Fargo offers.

E. Other New Business

1. **Possible landscaping on Brierley Orchards land on the east side of the main fourplex common area.** *Cathy and Allan will talk to the Brierley Orchards HOA President to get his approval for plantings and cutting down weeds with the HOA weed trimmer that is proposed for the north side of Brierley Orchards.*
2. **Some leaf removal still needed on fourplex side.** *Amy will arrange to have a worker finish the clean-up on the fourplex side.*
3. **Work needed by 252 Spruce.** *Amy has a fence company that will take a look at the fence along the south border by 252. Possibilities include: replacing that entire section, power washing the fence, or doing minor repairs. They will also repair the gate leading to the 252 patio.*
4. **Ditch work.** *There had been issues with tree limbs in the ditch behind #287. Ditch company workers removed the limbs and placed them on the other side of the ditch. They said that they don't remove them; rather they put them on the banks to help retain the soil. New pieces of trunk appear to be behind the #256 parking spaces. It's possible the same thing happened there.*

- F. Set Next Meeting Date** *The next Board meeting will be held on Tuesday, June 25 at 287 Spruce Court, starting around 7 pm. This Board meeting will be preceded by a walk-around of the fourplex and duplex areas to look for maintenance issues. In addition a walk-around to look for tree issues is being scheduled for around this date with our tree person Todd Huston, Left Hand Tree and Landscape.*

Knollwood Village HOA
Annual Membership Meeting
January 22, 2019
7:00 265 Spruce Ct.

A. Registration and Introductions *Determination of Quorum (25% or 5 homes represented)*

There were a total of 14 out of 20 (70%) of homeowners represented at this year's meeting. Ten homes had one or two owners present (5 duplex and 6 fourplex) and 3 homeowners (1 duplex and 2 fourplex) gave their proxies to other homeowners.

B. Past Year Highlights / Upcoming Projects

Here is a list of highlights/issues that dominated our HOA over the past year.

1. Allan brought up arguably the biggest issue, the cost of maintaining our trees. Regular tree maintenance (removing dead trees, trimming trees and removing dead limbs) was a major expense this year. Deciding how to best combat the emerald ash borer was another major issue. Analysis that was done indicated that the least expensive option was to inject all medium and large ash. Smaller ash were injected if they served an aesthetic purpose; otherwise they were removed so that they would not grow larger. This option also has the advantage of maintaining as many of our currently healthy trees as possible. It should also be noted that allowing ash trees to become infected results in major expenses once the trees die – three to five years after infestation. Dead ash are a hazard and would need to be cut down.
2. Upcoming projects focused on needed maintenance. While repainting stucco has not been seen as a required maintenance task maintaining wood balconies and railings are part of the maintenance that is done. This work was started on the duplex side in late fall and is expected to be completed on both the fourplex and duplex side this spring.
3. Allan provided a rationale for the Board's decision to raise the dues by 12% for this coming year. To summarize, as recently as 2003 the HOA's total cash position at the end of the year was only about \$30,000. With appropriate yearly increases this

cash position reached \$100,000 by 2012. The Board decided around 2009 not to increase dues, not even for cost-of-living increases. This decision was kept in place through 2015. At that point our HOA started to experience expenses that outpaced revenue and the decision was made to again increase home owners' dues each year. Starting this last year the HOA has a recurring bi-yearly expense of about \$8,000, the cost of injecting about 65 ash trees on our property that the Board has decided to maintain (see 1. above). The Board also realized that around 2032 or so the HOA is going to have to replace its roofs, for an estimated cost of about \$250,000, based on inflation and building cost increases. With our property manager's assistance the Board decided that it would like to see the end-of-year cash position increased to about \$200,000, of which about 60% or so would be ear-marked for eventual roof replacement. Since it was unclear how much of a jolt was needed to substantially move our Association's cash position to \$200,000, and since there were so many years where there was no increase, the decision was made to increase homeowner dues by 12% for the coming year. Allan created a spreadsheet to help the HOA keep track each year of how well the HOA is moving toward this goal. Quarterly updates will be provided in the minutes of each HOA meeting.

C. Report on Association's Financial Status.

Amy Scott, property manager, went through the association finances. As of December 31, 2018, the HOA's total cash position was \$88,112.81, with \$2,564.92 in the Operating Account and \$85,547.89 in the Reserve Account. The HOA had a net operating income of \$3,833.93 vs. a budget of \$15,190.00. The Emerald Ash Borer treatment (\$7744), additional tree maintenance (\$5674), and fall/spring clean ups were the largest variances. All owners are current on their HOA fees.

Amy Scott also brought up expected changes in the HOA's umbrella insurance policy. Currently there is a fixed \$ value on the deductible that would occur if, for example, a hail storm severely damaged all the building's roofs, requiring roof replacement. Our future policy, starting in March of this year, is going to have a separate fire, wind and hail deductible, based on the replacement values for all 20 duplex and fourplex properties. This will essentially mean that our HOA insurance policy will cover little if any of costs due to wind, hail, and fire damage. Given this, our property manager and the Board is urging all owners to check

with their home insurance policy to see whether they already have loss assessment coverage. If not, home owners are strongly advised to purchase a rider, which our property manager estimates will typically cost less than \$50.

D. Nominations and Election of Five Board Directors

Six owners were nominated to the Board, 4 from the fourplex side and two from the duplex side. Allan Press, the Board president, expressed a generally held view that there should be a minimum of two Board members elected from the duplex side and the fourplex side (e.g., the Board ideally would not be represented by 4 members from one side and only 1 member from the other). Three fourplex Board members serving in 2018 were nominated, as was fourplex owner Sandy Shaw. Philippa Gregson, a current Board member, and duplex owner Robert Owens, were nominated on the duplex side. Election results and subsequent office assignments were: (Allan Press, President; Robert Owens, Vice President; Cathy Allen, Secretary; Philippa Gregson, Treasurer; and Gareth Coville, at large). 2018 Board member Mauri Marcel chose not to run this year.

E. General Discussion *(limit of 15 minutes per topic)*

The main topic discussed was the need for each fourplex and duplex home owner to check with their home insurance policy to see whether they have loss assessment coverage. **If not, home owners are strongly advised to purchase a rider, which Amy Scott estimates will typically cost less than \$50.** This topic was introduced in Section C. above.

F. Adjourn

Followed by brief meeting of new board to elect officers and schedule the next board meeting

The next Board meeting is scheduled for 7 pm on Tuesday, April 4 at Robert Owens (287 Spruce Court).

Knollwood Village HOA
Board Meeting January 22, 2019
6:00 pm, 265 Spruce Court

In attendance: Cathy Allen, Gareth Coville, Philippa Gregson, Allen Press, and Amy Scott

A. Call to Order / Opportunity for Guests to Address Board

None expected, as Annual Meeting follows this meeting

B. November Meeting Minutes -previously approved, attached for reference *No changes.*

C. Review Financial and Delinquency Reports

As of December 31, 2018, the HOA's total cash position was \$88,112.81, with \$2,564.92 in the Operating Account and \$85,547.89 in the Reserve Account. The HOA had a net operating income of \$3,833.93 vs. a budget of \$15,190.00. The Emerald Ash Borer treatment (\$7744), additional tree maintenance (\$5674), and fall/spring clean ups were the largest variances. All owners are current on their HOA fees. *Noted.*

New Feature – *monthly assessment of how well HOA is achieving its goal of adding to reserves. Note before reading the results that our monthly expenses fluctuate a lot. And these numbers are based on one month only, January. Minutes from our next meeting will include results from the entire first quarter.*

Each month the HOA is budgeted to add \$1,430 to its reserves; if achieved this will show up as an addition of \$17,163 in our balance at the end of the year. This month the HOA added \$3,358, more than twice as much as expected. Again, results each month will fluctuate considerably.

D. Pending Business

1) **City Reimbursement from Tennis Court project** – Reimbursement still pending. *Noted.*

2) **Scott Cox & Associates** – invoiced HOA for \$444 from July site visit with Allan, Cathy and Amy. Report never received. Paid \$200 and sent letter to close out matter. *Noted.*

3) **Maintenance/Repairs:**

a) Duplex balcony railings – stained by Lookout Maintenance in late November. *Apparently the railings were stained, but the side wood was not stained. Will be done in the spring.*

b) Fourplex hand railings: Lookout Maintenance will complete when weather is warmer. *Noted.*

c) Stucco repairs: Melton Design's home services will complete stucco repairs on list. *These are relatively minor repairs.*

4) **Parking Spaces** - Numbers painted, striping to be done when ground temperatures will accommodate adhesion of striping paint. Numbers will be touched up if needed when striping is done. *Noted.*

5) **Insurance** – the HOA's policy with American Family is scheduled to renew on March 6, 2019. Amy is obtaining bids for HOA from Farmers Insurance, Travelers Insurance and others; American Family has been scaling back on HOA business and not renewing several policies. Board may need to meet to discuss insurance bids in February. *Noted. Board agreed to a short meeting when Amy has the needed information.*

E. New Business

- 1) **Drone** – discuss idea of HOA use of drone to view roofs, chimney stacks and trees, providing preliminary check before sending up a contractor. *The possibility of using a Board member's drone to check out issues on building roofs and trees was discussed. The need to follow federal, state and local rules and regulations was acknowledged. Also a unit's occupants will be notified if they are at home before a drone is sent to look at that unit's exterior.*
- 2) **Snow Removal** – concerns from tenant at 256; address policy for salt/sand/gravel on HOA common areas. *The concerns expressed by the tenant at 256 was acknowledged; these will be addressed to the extent possible. The Board also agreed that the use of salt on HOA common area will be minimized, used only in areas that really need it.*
- 3) **Lighting concerns** – Owner of 272 notes that lighting is insufficient in 2-3 areas with steps. *It appears that light is needed by the sidewalk step by the patio of #270. While there is a low voltage light at that corner, it appears to be powered by a circuit that goes under the raised patio of #264. That site is not likely to be easily accessible until sometime in the spring. Until that time the HOA will handle the cost of a solar light strong enough to light up that area for much if not most of the night.*
- 4) **Cordless weed wacker.** *Allan made the case for the HOA to purchase a cordless weed wacker for the fourplex side. This weed wacker would be used to improve the appearance of the sidewalks, parking lot and area by the trash enclosure, the area by the tennis court, and any other areas where it might be of use. Any owner would be able to borrow and then return it to the designated Board member responsible for its care. Maximum cost including tax would be \$150, though expectations are that the cost would be less than this. The weed wacker should be chosen so that the cord would not automatically be cut when the weed wacker is operated. The weed wacker is expected to both save the HOA money and improve the appearance of common areas of the HOA.*
Duplex owners could purchase one as well, though the duplex board member does not see a need for this.
A motion to purchase a cordless weed wacker for the fourplex side was passed unanimously.
- 5) **Prepare for Annual Meeting, immediately after this meeting** – 2 proxies received in RDPM office. 2 owners have expressed concern about dues increase. Bob Owens has expressed interest in serving on Board. *Attendees agreed that the two main issues to discuss are the work done on trees, and the analysis of HOA finances.*

F. Other New Business

There was a discussion of putting up a fence on the wall in front of #276 and #274 to obstruct their view of the common area just west of the tennis courts. An owner of #274 subsequently objected to this, so this proposal has been tabled. Feedback from the owner of #276 will be obtained; depending on this feedback the matter might be reopened.

G. Adjourn; Start Annual Meeting