

Management Committee Minutes for Meeting July 3, 2018

Fawngrove Board of Directors HOA Meeting

Present at meeting, Mike Kiernan (Pres), John Lindell (Treasurer), Jeff Batterson, David Bolles, Arnoldo, and Jeremy (ACS). Mary Ann was unable to attend. Minutes taken and typed by David Bolles.

Call to Order at 8:30 AM

Minutes from Last meeting

Old Business Discussed:

- Building Permits and various building discussions
 - Stamped Concrete site visit, no work done
 - Pam Jones 1474 – site visit, work looks good
 - Hot Tub 1412 – discussed, not started yet
 - Windows 1504 – discussed
 - Ruth unit remodel – permit posted on door, it progresses
 - 1586 – AC to be installed in Garage
- Garages Discussed
 - Peter is storing a boat and parking 3 cars, we suggest Boat be removed
 - David to Post notice, Arnoldo to enforce as needed, HOA rules forbid boats, ATV, and RVs...
 - Lawn Equipment being stored in G6 will be relocated
 - Large Boxes in G5 will be removed if not moved out before July 30th
 - Leslie Liberatore will remove stuff from storeroom before July 30th
 - David requested that missing/damaged Panels in Garage Ceilings be replaced
 - Arnoldo to find solution to new ceiling tiles that are fireproof.
 - Storage Rooms were discussed, one unlocked unit and older locks to be replaced
 - All will be keyed the same, by Arnoldo, to Garage storage room doors.

New Business Discussed:

- Public Access and Water Rights were addressed and discussed in great detail
 - The lake(s) water levels are observed to be really low, this seems to be because DV is pumping water out of the lakes. \$10K has been pledged by one of our Owners (Leslie) and the Board approved an additional \$5K to hire an attorney to investigate what can be done. This is to progress as quickly as possible and attorney experts were discussed. We are considering attorneys with Water Rights experience. Various concerns about public input were discussed as well.
 - The property is frequently being trespassed by walkers, dogs, bikers, etc. Current signage does not seem to be working, so gates were discussed. The board visited each ingress point and discussed where gates could be located. We decided to add some new signs like signs by Park City, and to wait to locate gates until we know the property boundaries. Also, there might be some negative public opinion against

Fawngrove if we gate the property “walkways around the lake”, so we are considering our position and the timing of the Water in the Lake issue – before committing to possibly unpopular gates. There were mixed feelings by BOD members regarding adding gates...

- Comcast Contract discussions:
 - The current contract cancellation will save Owners approximately \$30 per month per unit. It is outdated and offers really no benefit for most of our owners. It was a great decision to get all owners access to CATV and HS Internet at the time.
 - This contract wording was provided by John to each BOD and we are proposing to send a letter of cancellation to Comcast 90 days or so before the November 2018 end of the 5 year contract. Simultaneously we will investigate whether Comcast can provide HS Internet, HD Quality TV with good channel selections, DVR capability for under \$60 like our neighbors. If this rate is available, we may consider extending or creating a new contract with Comcast for services – if the HOA Board approves after speaking to Owners.
 - David will write the tentative cancel letter and mail it after Mike K. approval.
- Insurance issues were discussed
 - Our agent Tim Rosendahl from American Family insurance was present for this part of the meeting.
 - The board discussed varying issues that were questions and answer format for Tim.
 - The Directors D and O policy was discussed, and Tim will provide a more current policy quote for us that represents current trends in HOA BOD liability policies. The new policy may provide better benefits and lower rates as Tim will look outside AF.
 - Rossie’s claim of approximately \$30K was discussed, and Tim mentioned possible subrogation of the \$10K deductible that is to be paid by the HOA - to the plumber who caused the problem. A program called Exactoment was discussed.
 - Jeremy of ACS provided some useful insight on how situations like this are generally handled by other Utah Condo Associations.
- Sale of Building 6 property
 - There is space in Building 6 that is owned by the HOA and is now unused since the removal of the shared hot tub in that building. It is sized approximately 14 feet by 45 feet and would have a view of the lake. There was a request by one owner for this space, but that owner has not followed up with an offer.
 - The Board decided to ask the 3 adjacent Condo users if they would like to bid on this property to expand their unit’s square footage. Also hiring an Appraiser was discussed as no one knows the real value of the property. Should they not be interested, or bids received be too low, other suggestions or owners will be queried.
 - We would like to have a rough idea if this is feasible and if anyone is interested in this ground floor square footage before additional discussions are brought to the attention of the owners in the Annual Meeting.
- Capital Projects for the upcoming year were discussed

- During the BOD walkabout it was seen that there are three bridges in our Common Area owned and maintained by the HOA . These are unsightly, and probably in need maintenance and upgrading. We believe this may be done “in house” to save cost.
- Driveway Asphalt is seen to be damaged, we will request and audit and bid from Miller Paving (past contractor), to see what needs to be done and how much, this project would be scheduled for 2019.
- Cast Iron pipes are being replaced as needed, so as not to overspend
- Stairwells need painting off-white and some steps need to be painted as they are damaged and unsightly. This might be done inhouse.
- Patio Coatings on Patio B3 and B4 were discussed and some approaches to improving their water drainage and cosmetic appearances were proposed. The firm that installed the test coating last year should be contacted to assess the results.
- David mentioned possibly adding some DVR cameras and asking our insurance agent if this would lower our policy. He said yes, but not by much. David is to send photos of the current systems in a few garages to Tim.

Financials:

- John Lindell provided a summary of the following: the 2018 Budget (Approved at the 2017 Annual Meeting) and the First Quarter 2018 Income statement and Summary of Assets.
- These statements were reviewed and approved, no problems were noted.
- John said that combining ACS Xero accounting with last year’s QuickBooks accounting is a large and difficult task and is why the final 2017 reports are not yet available. This is an ongoing transition issue – and should be complete soon.
- John did a lot of work to create these statements as ACS is still not giving us the information John needs like payroll details, and Xero Accounting “access”. John feels like he does not have enough transparency to their accounting methods and he does not feel any confidence in their ability to fix these ongoing issues. Jeremy has committed to fixing these problems for John and John mentioned that this was the last time we would request this ongoing problem be “fixed”. Jeremy mentioned he has hired an assistant to help him have more time to service us and other HOA’s. The strong words to ACS show that the Board believes this company (ACS) may not be the long-term management solution for the HOA. The board members were wondering why there were some very large “late fees” being paid by us, when ACS should have paid the bills on time. I suggested that ACS could maybe defer these costs or a portion there of to our HOA and mentioned that I would bring this up with ACS.
- Mike Kiernan mentioned the Jeremy we felt that after Sheldon left our area we were not getting on-site visits to interface with Arnaldo that we expected when we hired ACS. Jeremy committed to bi-weekly in face meetings (suggested on Friday) with Arnaldo. In general, there are several frustrated Board members. The frustration seemed to be due to the condition of the grounds, lack of good management of Arnaldo and ongoing financial issues that John is concerned about.
- The biggest issues John and Jeremy will try to resolve are these:

- Payroll reports that provide data like our old payroll handler
 - Categorization clarification for Xero books and removal of unused categories
 - Access to ongoing Accounting statements – this is a security issues for ACS
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- Statements as detailed above were approved, and John will post them on the site when finalized.
 - This is progress, but leaves us with no Income statement for 2017, a serious and concerning shortcoming.
 - A/R was discussed, it is not large. John mentioned that he did not have as much confidence in the number as he has had in past reporting periods.

Property Management Report

- Jeremy did not provide a property management report, we discussed things.
- Arnolddo did not provide a property management report, we discussed things.

Next Meeting and Annual Owners Meeting

- Normal date for the Annual Meeting is second Saturday in October, this year this falls on October 13. This date is Ok with Committee members. ACS is to reserve the room at DV's Snow Park Lodge.

Meeting Closed

- After a walk on the entire grounds to discuss various issues and make inspections occurred at approximately 12:30pm

End of Minutes.