

**Fawngrove Homeowners Association**  
**2019 Annual Meeting**  
**October 12, 2019**

Minutes from the meeting:

Jeff Batterson called the meeting to order at 9:10 am.

Roll call: Jeff Batterson, David Bolles, Duncan Patterson and Theresa Rollins from the Fawngrove Management Committee (Board) were all present. Andrew (Drew) Fuller from Mountain Resorts Management was present. An attachment to these minutes shows the HOA members present and proxies sent.

Proof of Notice of Meeting: A copy of the notice of the meeting was presented and all present acknowledged receipt.

Minutes of the 2018 Annual Meeting: Motion by Jeff Batterson to waive the reading of the 2018 minutes and to approve the minutes. Seconded by Theresa Rollins. Unanimous approval.

President's review of 2019:

1. The Board did not feel confident with the financials last year and thus did not provide a budget at the meeting. They had terminated the contract with the previous management company and hired Mountain Resorts Management. The Board had also hired Holly Carlin, CPA to take over the accounting. Jeff thanked John Lindell for all the work he did with Holly to get the financials in order. After reviewing the information from Holly Carlin, the Board increased dues by 10% to cover rising expenses. In July of 2019, the Board voted for a 10% assessment to cover the deficit from the prior year, primarily caused by water use during the drought and one-time legal fees over questions about the pond water levels.
2. Andrew Fuller has been helpful in handling non-emergency calls, our transition to Comcast Basic Cable to Comcast Xfinity High-Speed internet.
3. Landscaping and snow removal have been taken in house. Arnoldo Alvarado and staff have done a wonderful job in both areas. Special thanks were given to Rita Lindell, Mary Ann Montgomery, Michelle Brosnan and Bill Case for their help with flowers on the patios.
4. New signs and cameras have been installed along the walkways. David Bolles was instrumental in getting this done. John and Rita Lindell donated the signs calling for all pets to be on a leash.

Treasurer's Review of 2019 Financials and 2020 Budget:

1. This year is a learning experience for Treasurer and Board. Holly Carlin has done an excellent job and John Lindell spent much time helping Theresa come up to speed.
2. As of the end of September, we have a favorable variance in expenses, primarily as a result of lower irrigation water costs. We hope to end the year with a surplus and

will put any surplus into the capital reserve account. The current balance in the reserve cash account is \$67,000.

3. The Board made two adjustments to the 2020 Budget. We added \$50,000 for the possible sale of the common space in Building 6, no longer used for a communal hot tub. This is a conservative estimate, though it is unclear if we will be able to sell the space. If sold, the funds will be put into the capital reserve account.
4. We reduced our planned dues increase from 10% to 7.5%. We will expect this will allow us to put \$20,000 from operations into the reserve fund at the end of the year.
5. There was discussion about the expenses.
6. John Lindell made a motion to approve the budget. David Bolles seconded the motion. All voted in favor.
7. The Board recommended that the HOA change its deductible from \$10,000 to \$20,000 incident on its policy with American Family Insurance. Tim Rosenthal, our agent, had recommended this. This will decrease our expense by approximately \$45 per unit, while individual owners' policies will go up, most likely by a smaller amount. In addition, this will help keep our rate increases down in the future. We do not know what the exact cost of our renewal will be yet, as our policy renews in January. The agent will send out notices to all the homeowners. A motion was made by Duncan Patterson and seconded by Scott Jacobs to change the deductible. All voted in favor.

#### Election of Management Committee Members:

Jeff Batterson was re-elected, and Theresa Rollins was elected (she had been appointed). David Bolles made a motion to elect Jeff and Theresa. It was seconded by John Lindell. All voted in favor. Jeff noted that the Board had appointed Bill Case to a Board position. Bill lives here full-time and has been very helpful.

#### Review of the policy for payment of dues:

1. Duncan Patterson noted that there is confusion over when the dues are due and when late fees are applicable. The Board agreed that the policy was not as clear as it could be. Duncan suggested that the policy make clear that the dues are due on the first day of the quarter. After 30 days, the payment will be considered "late" and a finance charge of 1.5% per month will be added from the due date (the first of the month).
2. There was discussion about sending the bills out sooner. The Board will request that Holly Carlin send the bills out earlier.
3. There was a motion made by David Bolles and seconded by Gary Anderson to change the policy. All voted in favor.

#### Remarks from Deer Valley CEO:

Jeff Batterson invited Todd Shalan, CEO of Deer Valley, to speak about recent developments at Deer Valley. Of particular interest to the HOA members present was the discussion about the development of the Snow Park parking area. For the short-term, more spaces were added to the lot, which will alleviate on street parking. The

resort is beginning the design process for Snow Park Village. There will be a boutique hotel and other buildings, including restaurants and retail. They also intend to add some "adventure" type activities, including a pool. Todd heard from the HOA members regarding their concerns over the increased use of the open green space. He suggested any activities would be in keeping with the area. He also talked about the traffic problems and the development of the Mayflower area. It is not clear who will manage the ski area being developed there. He also spoke about changes in the Ikon pass and the Locals pass. The HOA members present found his remarks very informative.

**Additional discussion:**

There was additional discussion about a number of issues, including separately metering water use. The feasibility of this will be researched. Also, there was general discussion about the tight labor market in the area and its effect on our labor costs.

Jeff brought up the plan to revise our by-laws to allow email transmission of the annual meeting materials to HOA members. We will need the approval of two-thirds of the HOA membership and must consult an attorney. The Board will review the by-laws to see if any other changes are beneficial.

**Adjournment:**

There being no other new business, Jeff Batterson moved the meeting adjourned at 11:25 am. Theresa Rollins seconded the motion. All voted in favor.