

**Fawngrove Homeowners Association
Annual Meeting
November 21, 2020**

Minutes from the meeting:

Jeff Batterson called the meeting to order at 9:10 am MST, via Zoom.

Roll call: Jeff Batterson, David Bolles, Duncan Patterson, Bill Case and Theresa Rollins from the Fawngrove Management Committee were all 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 2019 Annual Meeting: Motion by Jeff Batterson to waive the reading of the 2019 minutes and approve the minutes. Seconded by Dennis Fish. Unanimous approval.

President's review of 2020:

On April 3rd, 2020, the management committee sent out a DocuSign Vote requesting a change in the 1980 Bylaws allowing document communication by email, online voting and online HOA meetings. We received approximately 97% approval from the unit owners in favor of changing the Bylaws.

On April 13th, we hired local Park City attorneys Cameron Banko and Natalie Segall to update our Bylaws to current Utah Law. We received over 80% approval from unit owners to update our 2003 Bylaws to current Utah law, to update the allocation ownership interests resulting from the combination of Units 1604 and 1608, and to get approval once again for online voting, online meetings, and communication by email instead of mailing documents through the US Postal Service.

These actions save the HOA money and time by not having to mail out over 300 plus pages of documents via USPS as well as travel related expenses for board members to attend meetings.

Because we now have 3 out of 5 highly qualified board members living on the Fawngrove Property, we ended Fawngrove's relationship with our outside Property Manager on May 1st. David Bolles, Bill Case, and Jeff Batterson took on the responsibilities of the outside property manager. The trio of board members met twice a month with Arnoldo and his team, outlining a specific checklist of tasks. Our focus for 2020 was to make maintenance repairs that had not been addressed by the previous Property Manager.

In reallocating the property management roles, Bill Case handles the phone and email communication from Fawngroveutah.com website, significantly improving our customer service response time.

David Bolles handled all remodel requests paying special attention to improving noise abatement between condos.

The management committee hired Centurion Technologies for fire monitoring, replacing Comcast Business, lowering our fixed costs.

The MC understands that Deer Valley has started discussions with Park City Municipal to understand the process for getting the necessary permits to develop Snow Park Village on the Deer Valley Parking Lots. The MC will keep an eye on Snow Park Village developments and will make sure the unit owners are kept informed to how things are moving along.

2020 was a record-breaking year for Park City Real Estate Sales and high asset valuations at Fawngrove. Since the last annual meeting in October of 2019, six properties have sold at Fawngrove with a seventh property currently under contract.

Looking ahead to 2021, we will continue the aggressive correction of maintenance issues that have fallen behind, and we will keep a close watch on the Snow Park Village Development.

Jeff noted that David Bolles is rolling off the MC. He thanked David for all the work he had done for Fawngrove. David was responsible for reducing costs for fire maintenance systems in the garage, putting up the birdhouses with the security cameras, improving the approval process for renovations, as well as ongoing efforts around finding better contractors and vendors for the HOA. David noted that he has enjoyed working with MC and that he will stay involved, especially around the renovation approval process.

Treasurer's Review of 2020 Financials and 2021 Budget:

1. Theresa reviewed the financial statements as of September 30, 2020. While there were many variances in individual line items, we expect that we will be within budget by the end of the year. There are a number of areas where we have saved money (management fees, elimination of in person meetings, snow and ice control). We also had higher legal fees than budgeted (from bylaws revision) and we continue to have growing water expenses, especially around irrigation. The MC will look at ways to control this expense going forward.
2. We expect to have \$91,000 in our capital reserve by the end of the year.
3. The 2021 Budget was presented, with a minor change to what had been sent out a month earlier. We decreased liability insurance to reflect the actual cost and increased irrigation water expense by \$3,400. The budget reflects a 3.5% increase in

dues and the addition of a reinvestment fee of 0.5% on the sale of units, to be paid by the buyer.

4. Duncan Patterson explained the reinvestment fee. Many homeowners' associations are using this fee to increase the capital reserve. The funds can only be used for capital improvement. The state of Utah allows a fee of up to 0.5% for associations of our size. We estimated the revenue of this fee, conservatively, by assuming there would be three sales next year and that the average sale would be \$1,000,000. This fee must be approved by 67% of the unit owners and Jeff will be sending out a DocuSign document for this. Using the polling feature on Zoom, all but one owner supported the fee, so we expect the formal vote to pass.
5. Theresa went over the rest of the budget. She noted that with this fee and the dues increase, we anticipate that we will add \$25,000 to the capital account. Based on the current Reserve Study, we expect to have a large expenditure around the driveways for repaving and concrete gutters. We have not determined what work will be done or when, but we expect to have enough funds in the capital reserve to cover this. She also noted that we need to have an interim update of our reserve study in 2021. The MC will have a professional firm do this. Bill Case gave an update on the maintenance expenses and ongoing projects.
6. We used the polling feature on Zoom to get approval for the budget. All voted in favor. [Note: at the end of the meeting we realized we had not gotten a formal motion and second. David Rossi asked that we increase the dues by 5% (as opposed to 3.5%) so that we can better cover costs. We discussed this. Craig Morris motioned that we accept the budget as originally presented and Dennis Fish seconded the motion. The motion passed.]

Election of Management Committee Members:

Stephen Watson chaired the Nominating Committee. John Lindell and Penny McNulty were members. The committee asked current MC members what attributes were important in new members and asked unit owners to submit their names, if interested. Based upon the committee's analysis, they recommended that Duncan Patterson be re-elected, and that Tom Miller be elected, both for a two-year term. Using the Zoom polling feature, Duncan and Tom were unanimously elected. [As was noted before, formal motions were made after the vote. Scott Jacobs moved the nominations Nigel Farnsworth seconded them.]

Discussion of other business:

A number of issues were brought up. There was a question about the water level in the lakes. Fawngrove cannot control this and much of the problem is a result of the drought. There were questions on the garages – new code for the door opener (1397) and fixing the garage door for Building 6. There was much concern over the increased use of our property by outsiders. The increase this year has been significant. While we have new signs and cameras, the MC feels we do not have many options to change this, but we will look at this problem in the coming year.

Bill Case explained the process of requesting work to be done on a unit. There is information on the website (Fawngroveutah.com). There was concern over owners asking Arnoldo to do personal work for them without being clear about the process. Arnoldo can do work for owners, on his own time, but he must be compensated by the owners. We will make the language on the website clearer. Bill also addressed the issue of water damage. Unit owners are required to turn off the water in their units when they are not present, per the bylaws. In the last few years, there have been three significant incidents involving water damage. In addition, the HOA pays for a lot of water usage caused by leaking and a lot of time is spent by Arnoldo looking for these leaks.

There was also discussion on the appropriate level of expenses and funding of the capital reserve. Scott Jacobs suggested that the MC do a survey to get a sense of what the HOA members think.

A number of HOA members thanked the MC for the time that they have put into Fawngrove.

There being no other business, the meeting was adjourned at 10:30 am, MST.

Respectfully submitted,

Theresa Rollins

List of attendees per roll call:

1408 McNulty, Robert H.
1416 Brandon, Shaida T and Noah S.
1420 Jeff Batterson
1428 DVN LLC
1432 Ruth Lott
1454 Lebow, Patricia, a and p club Proxy Jeff Batterson
1478 Profant/Brokaw Proxy Jeff Batterson
1482 Gould, Gardner & Rita Proxy Jeff Batterson
1486 Duncan Patterson
1520 Leslie Liberatore
1524 Dennis Fish
1532 Morris, Craig/Stoll Peter
1536 Gordon, Daniel and Suzanna
1554 Hyslop, Ron Proxy Jeff Batterson
1558 William Case
1566 Scott Jacobs
1570 Bald Mountain Ent,. Inc.
1582 John & Rita Lindell
1600 Matt Kirby

1604 David Rossi

1620 John & Theresa Rollins

1636 David Bolles

1670 Kevin McAndrews

1674 Nigel Farnsworth

1678 Tom & Gail Miller

1686 Catherine A Seale Revocable Trust