

NOV 15th, 2023, General BOD meeting Villas 46A

Board members Mike Meyer-President/Ray Burbank-Treasurer/Bo Walden-Secretary/Bruce Davidson-member at large were present. Ron Betti, VP, was not able to attend. Landscape Manager Doug Anderson, Maintenance Manager Craig Paddock, and Accountant Alice Kurz were also in attendance.

The meeting was called to order at 5:30 by Mike Meyer.

Mr. Meyer introduced the board members and staff. A quorum was reached.

New Home Owners introduced themselves. Bill Pate, Tom & Christine Walch, Brad & Cindy Paskey and Tim Smith.

Mike provided an explanation of the operating budget and the reserve fund.

There are no minutes to approve for September since the meeting was cancelled due to BOD travel. August meeting minutes were approved and posted.

2023 Budget overview was provided.

- Increase in pest control due to 12 service dates per year vs. 6
- Over budget on unit repairs because stucco repair was done
- Over budget on HOA 46 Insurance as rates were higher than the increase the BOD anticipated.
- Under budget on Waste Disposal budget as negotiated with Republic to reduce summer rates as there is a significant portion of residents not here.

A resident asked about the spending of \$35,000 to \$50,000 for roof repairs that was circulating verbally. Mike explained patio roofs were budgeted, but work on this was stopped since plans to replace roofs were in the works and the budget was reduced. In the past, Mike indicated the HOA has spent between \$35k and the \$50k in past years. The 2022 monsoon season was bad and 2023 was much better.

All the HOA reserve money is invested and all HOA funds including operating money FDIC insured.

Maintenance Manager Update

- Stucco inspection was delayed due to surgery recovery. There is a 2-year guarantee for repairs. Craig plans to do the inspection of all properties by year end.
- Focused on roofing project.
- Mailbox door replacement is ongoing. Most of 2023 allocation is done and the rest will be completed by year end.

Mike said Bruce is sitting down with Craig to update his job description so that it accurately reflects his actual responsibilities.

Landscape Manager

- Overseeding is complete. Some south facing areas are struggling and will need to be touched up.
- Many home owners have requested plant replacement. Doug said they would be replacing front shrubs, but not shrubs between the villas.
- Trees that need to be removed will be done in December. Replacement of trees will be determined on a case-by-case basis. A removal list is to be completed by Doug.
- Granite replacement is also scheduled to be done.

- Trimming will continue. Nacoma, Arrowvale and Golfview are done.
- Plant list will be updated.
- Doug said a homeowner asked about whether concrete was okay to use in lieu of pavers to extend their patio. Doug said he didn't know. Craig said he advises residents to use pavers in the event it needs to be removed.
- There was a question about water reduction. Mike explained that once we receive mandates, that will take place.

Mike reminded homeowners that anything they do to the exterior of their villa requires 46A Board approval as well as approval by the master HOA3.

The 2024 46A Meeting schedule has been set. The next General Meeting is February and will be a voting meeting.

Accountant – Alice is transitioning away from doing HOA work. The board has shopped for a CPA, which is difficult to find in this area. They researched accounting firms and individuals in the area. The best option for the HOA is to transition the responsibilities to Alice's daughter's business-Krystle Tax & Accounting LLC.

Bruce motioned to transition the accounting role to Krystle Tax & Accounting LLC, and Ray seconded the motion. The motion passed unanimously.

Alice is going to start training the first 2 weeks in December. Ray asked about signature authorization and requested access to all accounts, which Alice said was a good idea.

The 2024 HOA dues were discussed. The proposed quarterly dues of \$605 represent a \$35/quarter increase (\$10 going into the reserve and \$25 for the operating budget).

Bo motioned to approved the 2024 dues of \$605/quarter. Ray seconded the motion. The motion passed unanimously.

Mike provided an overview of the history of the 2019/2020 reserve study on which the \$250/quarter special assessment was based. This assessment has been in effect for about 3 ½ years, and the HOA reserve fund of \$600k is in a better position as a result. Bo made a motion to continue the \$250/quarter special assessment for 2024. Bruce seconded the motion. The motion passed unanimously.

Special Project Roof Replacement Acceleration

Estimated costs for this project have increased since the original estimates were received. The most recent estimates are \$1.3m, 1.4m and 1.5m, which are rounded.

- GPS did the painting of the villas
- K&T Roofing has an A+ BBB rating
- Silverback Roofing is a commercial and residential roof with an A+ BBB rating.

A resident asked if GPS has an A+ BBB rating. Mike said he believed that they did, but would need to check.

Each contractor was asked to see if they could reduce their estimate. GPS is working on their quote. K&T did lower their original estimate, and Silverback Roofing was firm on their original estimate. All quoted the same underlayment material, Malarkey 40# fiberglass composite or equivalent GAF material.

The project was originally scheduled to be done over three years – 2025 through 2027 doing 20 buildings/year. The original cost estimate of \$1.1m had added 3% for inflation. The updated quotes are 28% to 36% higher.

The board plans to review the updated quotes and determine the financial impact on the reserve. There is no project contingency for rotted plywood or fascia. Homeowners who have had downspouts installed will be responsible for the cost of fascia replacement. Broken tiles replacement is included, and each roofer said this would be 5-10% of the tiles. They may have to replace all tiles on one unit to use the original tiles as a boneyard because the tiles are no longer available.

The board is looking to abort the current plan, doing a one-time special project assessment and accelerating this project to be done over one year starting in the 2nd quarter of 2024. Depending on which contractor is selected will determine how the money will be collected; over three quarters or over four quarters.

A resident asked if pigeon wiring would be replaced, and Mike indicated it could be re-installed if the homeowner desires. Wire repairs are up to the homeowners to arrange.

During the budget planning the one-time special assessment figure that was mentioned was \$6,500/unit, but that would drain the reserves leaving no money for painting in three years and irrigation work. The actual assessment is more likely to be around \$7,800

A resident suggested collecting a one-time assessment in one lump sum for the roofing project to get an additional crew to shorten the project length of approx. 40 weeks. The BOD is planning to eliminate/reduce the quarterly assessment for the other two projects. The irrigation project is more conducive to staggering on an as-needed basis of repair.

A resident asked how long estimates are valid. Mr. Meyer indicated the quotes are valid through the 1st quarter of 2024 a decision will need to be made.

A resident suggested pro-rating the assessment based on square footage of villa. Bo provided information that each unit was 5,700 or 5,800 square feet regardless of their configuration.

Mike thanked the residents for their attendance and their questions. A homeowner town hall type meeting will be held in January with voting on at the February meeting on the special project roof acceleration.

Bo made a motion to adjourn the meeting. Ray seconded the motion.

Bo Walden / Secretary. / Date

Bo Walden November 18, 2023