

Garden Grove Townhomes
Annual Meeting
October 5th, 2018

Board Member Present: John Farmer, Mike Murdie, Jean Jacobson, Carolyn Holmgren, Kay Coulson

John called the meeting to order at 6:00 p.m. Nineteen (19) members were required to establish a quorum. A quorum was present with 19 members in attendance and 25 proxy forms.

Agenda:

John Farmer introduced himself and current attending board members. John Farmer also introduced Tonya McFarland of Fusion Property Management and Real Estate, LLC. Tonya spoke briefly informing owners that she is trying to get additional records from The Dakes. For those who have followed up with Fusion regarding their dues, Tonya will get back to them as soon as she has received the information she needs. This could take a few weeks.

Treasurer's Report: Tonya gave the treasurer's report. The accounts had just been reconciled for the month of August. The operating account has \$76,082.45 and the reserve account has \$230,780.63. Current expenses included management fees, WD Yards, and office printing for the Octoberfest Picnic and the CCR's. Tonya also mentioned, at this time, she could not give much information as she is still learning Garden Grove's regular expenses. Discussion included the interest on the reserve account. It was asked how much interest is being earned on the Reserve Account. Tonya stated in this last cycle the reserve earned \$10.75. Discussion continued as to this not being adequate and it should be earning far more. Tonya was asked when this would be taken care of. Tonya reminded the owner, this was not her job responsibility but a decision of the BOD. This item is on the agenda for the next board meeting. John reiterated that the State has regulations regarding the keeping of reserve monies.

Approve 2019 Budget: The 2019 budget was presented to owners. John asked if there were any questions regarding the budget. There was no discussion and the budget was approved.

Updates from President:

John Farmer gave an update of the Board's accomplishments. The BOD has changed over the last couple years. When the current Board of Directors came into office they worked diligently to make the necessary improvements to the subdivision. This included merging the two subdivisions into one, filing the Declarations of Covenants and getting a new HOA insurance policy in place which provides the same all-inclusive coverage as the previous policy but results in a \$6,500.00 annual savings to the HOA. With the adoption of the CCR's the Board of Directors was reduced from seven members to five members. When the Dakes announced their retirement for November, the BOD determined it was time to hire a licensed management company as the Dakes had not kept their license and had only been responsible for the accounting. This is when Fusion Property Management and Real Estate, LLC was chosen, and they will be assisting the board with the full scope of the HOA needs.

Policies and Procedures: At tonight's meeting those present have received a copy of the CCR's. The question was asked as to when this new version of the CCR's had been approved. The BOD had worked with an attorney last year and the meeting had been held last fall. Also, at the last BOD meeting several policies and procedures were updated and are on the property management company's website.

Updates from Committees:

Landscaping - Mike Murdie gave an update on landscaping. Discussion included the research Mike has done. He has been exploring issues with the sidewalks that have settled due to overwatering, the types of sprinkler nozzles, the overspray on sidewalks and the dry spots from inadequate coverage. Mike is proposing the HOA go out for bid this year and hire a new landscaper for the next season. Mike is also proposing the HOA change the sprinkler nozzles to provide adequate coverage yet reduce water flow and work toward establishing a healthier lawn.

Architectural Review Committee – Luann Stone announced this committee has completed a form for owners to fill out to make their request and it will be posted on the management company website.

Social Committee – Carolyn Holmgren shared that this committee developed over a few neighbors having coffee together and anyone who would like to attend can. This month the committee is hosting an October Fest on October 18th from 5:30 to 7:30.

Board of Directors:

The vote for the Board of Directors was a written ballot. It was done this way to establish the new board and reset the terms served based on number of votes per person. The new Board of Directors and the number of votes each had is John Farmer (39), Mike Murdie (38), Jean Jacobson (34), Carolyn Holmgren (35), Kay Coulson (35) and Doug Neam (18).

Open Forum - Discussion included:

Insurance – many owners had questions regarding the change of insurance and what was covered. Also, asking what coverage they should have. John will reach out to Jesse Dryer at Farmers Insurance for more information and a letter will be mailed to the owners.

Reserve Study – discussion included what is the plan for the roofs. Also the Reserve Study which will be completed in sections and as funds continue to grow this will ensure the integrity of the HOA. It was also asked if Fusion would look at the Reserve Study. Fusion has agreed to review and share their thoughts. The Reserve Study will be posted on the website as requested.

The meeting was adjourned by John Farmer at 7:37 p.m.