

LWCCOA Board of Directors

Meeting Minutes for

July 15, 2023

1. Call to Order
 - a. Attending: Scott Whitmire (chair) Rici Peterson (secretary), Judy Sims (at large), Don Olsen (Vice Chair), Steve Ford (COA Treasurer; joined via Zoom at 9:10). LWCHOA Treasurer Tim Buller also attended, as advisor. Two MH homeowners attended.
 - b. Quorum established; meeting called to order at 9:05 am.
2. Approval of Minutes
 - a. Judy moved and Don seconded to accept minutes of 4-24-23 BOD organizational meeting; minutes approved unanimously.
3. FY 2023-2024 Budget
 - a. Chair opened discussion on budget, which began with insurance (Director & Officers liability, plus commercial property coverage (structural) for common garages in Meadow Houses). Questions emerged:
 - i. does the HOA already cover liability for garage and breezeway commons? If not, will they be able to work with us to add such coverage to the HOA policy? COA Treasurer Steve and HOA treasurer Tim Buller agreed to work on this. Tim did point out that changes to homeowner dues can take place only once in a six-month period.
 - ii. Don stated that it was unfair to charge Pines owners for MH garage structure coverage. All BOD members acknowledged in discussion that this is a “starter” budget that we must approve in order to obtain D&O coverage, and that it will be revised as often as needed as information evolves over the coming months. Also, as an assurance to Pines owners, the budget doesn’t reflect individual assessments to owners, just the COA operating expenses to date. All these questions should be answerable as the Reserve Study (anticipated in August) and other information become available.
 - iii. Motion to approve “starter” budget was seconded; budget unanimously approved.
4. D&O Insurance.
 - a. Discussion: Steve has obtained an affordable (\$1,038) quote for D&O by US Allied World Insurance. He says the amount will be slightly revised after he answers a lingering question from the insurer, but it will be bound on Monday July 17.
 - b. Motion to adopt D&O policy quote; Steve moved and Judy seconded; passed unanimously.
5. Homeowners Forum
 - a. Chair suggested that we depart from the published agenda to move the forum to this time slot as a courtesy to attending homeowners, so they don’t have to wait through a

(very possibly) long discussion about our remaining two agenda items: the draft MOU and the Reserve Fund.

- b. John Penrod (MH owner) congratulated the board on the healthy way we're handling the challenging process of reconstituting the COA board and encouraged us to stay thoughtful and transparent; eliminating the rumors and mystery around the COA board reconstitution will help everyone. Suggested we look into addressing some safety issues with fireplaces (some of which are very old, poorly maintained, and at risk of house fires). He volunteers his services to the COA board.
 - c. Dave Ledford (MH owner) recommended that we take our time to do this startup process right. There is no pressure. Keep open lines of communication and provide regular updates to homeowners.
 - d. The BOD thanked and responded to the speakers with general discussion and agreement that we could form committees as needed, that could include experts on particular issues as needed.
6. Draft MOU agreement
- a. General discussion about the merits of sharing the draft MOU with homeowners for comments and suggestions before we take action. Caveats from some BOD members-- including the point that homeowners elected us to do this work for them, and that decisions must be made only by those who have an acceptable level of understanding of the issues, options, and the alternative solutions, feasibility, and appurtenant ramifications of each, not by popular opinion--was overcome when agreement was reached that the MOU can be shared electronically, with all input submitted in writing only (not via conversation), for the board to consider. Agreement was reached that it be sent out (in poll form if possible) for owner input as soon as possible, with a clearly worded cover letter that explains that the MOU formalizes the HOA performing services we have long received, expected, and deserved, and that modifications to the COA declarations is an entirely separate discussion.
 - b. With that stipulation, Rici moved and Don seconded that the COA BOD accepts the draft MOU from the HOA as a starting point for discussion and refinement. Motion passed unanimously.
7. Reserve Study status
- a. Scott opened the item to general discussion:
 - b. The COA BOD faces two choices for garage commons maintenance: 1. the COA takes over all maintenance and repair, and owners are assessed according to the condition and schedule for each structure, or 2. Individual homeowners continue to pay privately for repair and maintenance for their garage stalls, as has been the custom since at least 1999.
 - c. A Reserve Fund is a statutory requirement of the state, although funding is optional.
 - d. All structures need maintenance and repair work, including driveways in the Pines and the MH parking lot. Some need work sooner than others; some are urgent.
 - e. We must decide how to manage these commons:
 - i. One extreme: The COA takes on all responsibility and, working with the HOA Reserve Committee, determines and assesses funds from owners (individually,

- to reflect who benefits from the assets, their varying conditions and repair schedules), and sets treatment schedules for each.
- ii. Other extreme: The COA takes on no responsibility for commons assets and leaves their maintenance and repair to the owners. Owners remain 100% responsible for paying for repairs.
 - iii. Some middle ground, to be determined.
- f. Judy raised the following points:
- i. She believes that the HOA should help the COA fund its reserves, and that there must be unused reserve funds in the LWCHA account because homeowners have been paying dues for years. Unfortunately there are no dues assessment or payment records on file older than about 6 years (statutory requirement), per research done by Gene Grant, volunteer legal counsel, nor have we found any long-term residents who have memories or records of separate COA dues.
 - ii. She has been told that 20% of Innisfree dues go into their reserve funds. LWCHA Tim Buller responded that that isn't true; it's more like \$10k. He offered to meet with Judy to further explain, and anyone who wanted a more in-depth discussion.
 - iii. Currently, each 2-stall shared garage in MH shares one electric meter that is billed to just one owner. That arrangement was not a big deal in the 70s when electricity was cheap, but today some owners charge EVs or operate electric power tools. General agreement that re-metering is needed. Tim said that meter retrofit costs should be considered in the Reserve Study.
- g. LWCHA is working with us on a separate reserve study for COA common assets, and it will be available later this summer.
- h. Discussion ended with an agreement that many questions are unanswered at this point and that more information is needed.
8. Adjournment: Meeting was adjourned at 11:28 am.