

**King City Highlands Homeowners Association
Board of Directors Regular meeting
September 28,2020**

Minutes of the King City Highlands Homeowners Association Board of Directors Meeting held on September 28, 2020 at 3:30 p.m. at the Highlands Clubhouse. The September 23, 2020 Board Meeting was delayed due to a power outage. Following the Oregon guidelines of no more than 25 people per open meetings, residents had the opportunity to participate in the Town Hall and then listen to the Board meeting via Zoom meeting software.

KCHOA is an Oregon Planned community restricted to residents fifty-five (55) years of age or older.

Present at Board Meeting:

- Mike Dahlstrom, President**
- Judith Baese, Secretary**
- Cheri Stanley, Treasurer**
- Dave Platt, Director**
- Mary Kelly, Finance Chair**
- Rob Mustard, ALC Chair**
- Jerry Crane, Clubhouse Maintenance**

- I. **Call to Order:** Meeting was called to order at 3:45 p.m.
- II. **Establish Quorum:** A quorum was established.
- III. **Approval or Amendment of the Agenda:** Baese moved and Platt seconded to accept the amendments to the agenda. Passed without objection.
- IV. **Approval of August 28, 2020 Board Minutes:** Dahlstrom moved and Stanley seconded to approval of August 28, 2020 Board Minutes. Passed without objection.
- V. **Treasurer's Report:** Stanley reported that there is **\$175,090.23** in the Operating Budget, and **\$357,283.07** in the Reserve Account for a total of **\$532,373.30**. Dahlstrom moved and Stanley seconded to accept the treasurer's report. Passed without objection.
- VI: **Unfinished Business:** There was no unfinished business.

VII: New Business:

A. Finance Committee Charter: Mary Kelly, Finance Board Chair submitted a Finance Committee Charter for review. The Board acknowledges that Finance is extremely valuable to the Board providing oversight to all financial transactions and processes. Dahlstrom moved and Platt seconded that the Board acknowledges the Finance committee. Dahlstrom amended the motion to accept the Finance Committee Charter as functioning guidelines. Baese seconded the amendment. Passed without objection.

B. ALC: Rob Mustard presented the following proposals for Board consideration.

1. LE&W presented a proposal for \$752.00 to re-plant bed in upper greenway where bench was re-oriented and rhododendrons were removed. Plantings to include 3 sm. boulders, 3ea/1gal. Hechera Caramel; 1ea/3gal. Dwarf Hemlock; 5ea/1gal. English Lavender; 3ea/1gal Shasta Daisy; 3ea/1gal Gallardia. Platt moved and Baese seconded to accept this proposal to be paid from GL #20-7750. Passed without objection.

2. Halstead's presented a proposal of \$575.00 to remove one Sugar Maple tree at 12610 SW Dickson St. The tree roots have intruded into the sewer line. Dahlstrom moved and Stanley seconded to accept proposal to be paid from GL #20-7705. Passed without objection.

3. Leggett Asphalt, Inc. presented a proposal for \$3,300.00 for replacement and repair of 303 sq. ft. of the asphalt walking path. Repairs are needed due to tree roots and cracks. Repairs to be paid from GL #20-6391. Baese moved and Platt seconded to accept proposal.

4. LE&W presented a proposal of \$1400.00 to split the watering zone that runs the drip line on Beef Bend Rd. Currently one zone runs both the lawn rotors on 131st. and the drip line on Beef Bend Rd. They will add a valve and valve box on Peachvale and separate the drip line from the lawn rotors. They will run a drip line up to Beef Bend along the wall to feed that zone and cap off the supply from the rotor zone to the drip lines. This will be paid from GL #20-7630. Stanley moved and Dahlstrom seconded to accept this proposal. Passed without objection.

5. Halstead's presented a proposal of \$575.00 to remove a Sugar Maple located at 12820 SW Peachvale St. due to root damage to one house drain. To be paid from GL #20-7705. Dahlstrom moved and Stanley seconded to accept proposal. Passed without objection.

C. Clubhouse Maintenance: Jerry Crane, Clubhouse Maintenance Chair presented a proposal from Pro-Maintenance for \$3250.00 to texture and repaint the walls in the Clubhouse restrooms. Dahlstrom moved and Stanley seconded to accept proposal. To be paid from Interior Committee Budget.

D. Clubhouse Interior Committee: A proposed 2021 budget was presented to the Board for consideration. A total request of \$3200.00 was put forth to update the two restrooms since the wallpaper has been removed and the walls painted. \$1,000.00 was proposed for 3 new bathroom faucets; \$1200.00 for new restroom fans and lighting and \$1,000.00 for misc. accessories to include a piece of furniture and artwork. The Board did not act on this proposal at this time.

A discussion followed regarding the Operating and Reserve Budgets. Dahlstrom presented information about the **Operating Budget**. The deficit for 2020 is approximately \$5,765.00. At this time the Board will move forward without changes to the existing homeowner assessment. At the October Board meeting, Stanley will present the final budget so it can be distributed to all homeowners before the annual meeting in November. Platt mentioned that holding the annual assessment at a flat rate could result in future large increases if kept at a flat rate for multiple years in a row.

The **Reserve Budget** in the last 5 years has seen substantial growth in the account due to the 1% transfer fee that is 90% of the Reserve funding. The budget workgroup recommends a conservative approach with the amount of uncertainty due to COVID-19 impacts on the economy and real estate markets. Historically the Reserve Fund income is projected as the average of the previous 5 years Transfer Fees. To be cautious, the budget workgroup suggests using the lowest year's Transfer Fee as a projected income, which was 2018's Transfer Fee of \$90,000. The budget workgroup also recommends that the Board commits to reassessing the 2021 Budget in June given the economy and market at that time.

Discussion: Having the Art and Craft Faire was presented at the Town Hall meeting. The committee asked permission of the Board to have the Faire on Dec. 5, 2020 in the Clubhouse. Baese asked the Board to give this committee a yes or no answer so plans could move forward. Dahlstrom polled each Board member; Platt, Stanley, Baese and Dahlstrom said "yes". The Board did not approve the Faire, but supports the Faire

committee's work moving forward and desires to see a more robust plan including strong safety measures in place.

VIII. **Next Meeting:** The next scheduled Board Meeting will be held on Wednesday, October 28, 2020. The Townhall will start at 3:00 p.m. The KC Highlands Board Meeting to follow.

IX. **Adjournment:** Board Meeting was adjourned at 5:05 p.m.

Judith Baese

Judith Baese, Secretary

Approved:

Date: 10.28.20