

Woodbrook Townhouse Owners Association

Annual Meeting

November 14, 2017

The Annual Meeting of Woodbrook Townhouse Owners Association was held on Tuesday November 14, 2017 at the Pilgrim Congregational Church in Bozeman. President Don Baide called the meeting to order at 7:00pm.

**Roll Call and Quorum Count:**

Roll call recorded 39 owners present and 12 by proxy for a total of 51. This constituted a quorum and business proceeded.

President Don Baide introduced the Board of Directors, Manager, Residential Manager, Treasurer, and Secretary. Next Don recognized those owners who have served on the Board of Directors in past years. Don introduced the newest owners at Woodbrook.

**Minutes of the 2016 Annual Meeting:**

Don explained that everyone had received a copy of last year's minutes and there were hard copies available, as well as a copy of the minutes posted on the website, for review. He requested that to save time the reading of the minutes be waived and the minutes accepted. This motion was made and seconded. Approved.

**Property Manager's Report:**

Gene Murray presented the Manager's Report.

Gene addressed concerns about the gutters at Woodbrook. The gutters are cleaned out every fall but this year a snowstorm came early and the clean out was delayed. As of today this work is 65% complete and will continue as weather permits.

The 5 year painting cycle calls for 15 units to be painted every 2 years, 14 units every 2 years and 13 units every fifth year. He explained that he also does siding maintenance as part of the painting.

Murray discussed grounds maintenance and landscaping improvements. Every spring the Board does a walk around the grounds to identify necessary improvements. If you would like to join the walk or suggest improvements please contact Gene in the spring.

The streets need to be sealed on a regular basis and this work is continuing.

Ground maintenance- there is a shrub crew that comes around once a week to trim and maintain shrubs on the property. If you have compost please put it on the curb and they will remove it.

Sprinkler System: The system continues to perform well and save thousands of dollars on water each year. There have been questions about watering during the day and Gene explained that this is done to benefit the trees and shrubs on the property. We do not receive enough precipitation to keep these plants healthy so the sprinklers are used to provide additional water.

Murray outlined several short and long term projects. He spoke about the replacement of fences and upper decks around Woodbrook.

Gene spoke about the fire which occurred at 1661 South Black last February. He reported that the City has just recently issued the permit necessary for renovation of the unit. As a result, the work will begin soon.

A motion was made to approve the report, seconded. Approved.

**Resident Manager's Report:**

Debbie Nelson is completing her first year in the Resident Manager position. She explained that her job is to support the Board and to fill in where needed. This means that she maintains information on the rental units, monitors the wait list for rentals and makes sure that forms associated with rental properties are turned in. She works closely with Gene, Pat and Susie to keep things running smoothly. For example, Debbie was the contact person after the fire while Gene was out of town.

Debbie also oversees compliance with the Rules and Regulations and Covenants.

Debbie praised the hard work the Board has done in trying to improve the Covenants and Rules and generally working hard to maintain the quality of life at Woodbrook.

**Treasurer's Report:**

Pat Dunn distributed copies and explained the Balance Sheets, Statement of Revenues and Expenses and Supplemental Statement of Reserves for 2017.

Pat addressed 1659 South Black, the unit owned by KFF, LLC. The owners have paid nothing since they bought the unit, they currently owe \$5,076, and the Board has a lien on the property.

We have a net loss of \$9,210 this year. Last year we had an income of \$4,472.

Pat said that we did pay out money on 2 of the units involved with the fire. We also had some expensive maintenance including fences and upper decks.

We received \$187,000 from our insurance company to cover our costs associated with the February fire. Rod Gilbert asked about the unit owner's liability. Gene explained that Woodbrook is responsible for returning the unit to "as built" condition and the owners are responsible for any upgrades they choose to make. Rod asked why the unit owner choose the contractor if it was our responsibility and Gene explained that he recommended several contractors and Mike Kelly was chosen. Mike Kelly has 2 separate contracts, one with Woodbrook and one with the owners. Pat pays the bills associated with our portion and the others are paid by the owner. Also, it was mentioned that the owners did pay the \$10,000 deductible on our policy.

A motion was made to approve the report, and seconded. Approved.

**Audit Report:**

Treasurer Dunn read a statement signed by Gary Huls, owner. Gary Huls reviewed the accounts, revenues and expenses for 2017 and they appeared to be in order. Pat recognized Gary's service to the WTOA in performing this audit for many years. A motion was made to approve the report, seconded. Approved.

**Budget Proposal for 2018:**

Pat explained the Budget Proposal developed by the Board and sent to owners. It had minor updates. The income reflects the increased HOA dues to \$150/month. The increase is all for Operating Funds and not the Reserve Fund. The monthly assessment of \$150 per month will become effective January 1, 2018.

Linda Crane asked about contractors working at Woodbrook. She sees them working in owner's private yards and wondered if the Association was paying for this. The answer is no. Gene further explained that owners are encouraged to contact the contractor working around Woodbrook and arrange for them to take care of an owner's personal yard at their own (not the Association's) expense. This has been the policy at Woodbrook for many years. Some owners are already working with the contractors in this capacity.

A motion was made to approve the Budget, seconded. Approved.

**Unfinished Business:**

Don Baide explained that there was no unfinished business and asked to waive this agenda item. A motion to waive was made, seconded. Approved.

**New Business****Launch of Woodbrook Website:**

Donna Minton showed the newly launched website. She explained that the website would provide information to owners including newsletters, meeting minutes, and policies. Documents can be downloaded from the website. It would also give Woodbrook a presence on the web. She expressed the hope that realtors and people interested in buying at Woodbrook would explore the website to learn more about our community, rules and policies.

Heather Jackson said that the website was awesome, and there was very positive feedback from the owners on the new website.

**Clarification of Board Positions:**

Don explained that the Rules and Regulations dictate that the Board have a designated President and Vice President. Don and Tom had been serving as Co-Presidents but now Don is the President and Tom is the Vice-President.

**Increase in Monthly HOA Dues:**

It is within the power of the Board of Directors to set the dues of the Association. The Board has deliberated and thought quite a bit and have decided to raise the dues \$15 per month to \$150. Don

provided a brief review: In 2007 the dues were \$110. They were raised from \$125 to \$135 in 2015 but the \$10 went directly to the Reserve Fund to build up the Reserve. The new increase, effective January 1, 2018 will be \$15.00, raising the dues to \$150 per month. This money will be for Operating Funds.

Linda Crane felt that the Board and Managers should check what they are spending and that other associations have similar HOA dues but the cost includes the association insurance where we pay separately for that insurance. She felt that the dues should not be increased but the Board should find ways to save money. She brought up HOA Dues in Willowbrook as an example.

There was a great deal of discussion about this; Don explained that the Board works hard to squeeze every penny. He said that some Board members wondered if the increase was enough to cover the rising cost of doing business in Bozeman and maintaining the high quality of Woodbrook. He mentioned the damage done to the grounds this summer when someone went four-wheeling across Woodbrook and that repairing that damage was expensive. He reminded everyone that the concrete driveways are crumbling and eventually will need to be repaired.

It was pointed out also that Willowbrook units are condos and not townhomes, so there is a fundamental difference. Also, Willowbrook has significantly more units than Woodbrook.

Gene pointed out that many associations have younger buildings and do not have the maintenance that we do. He reminded everyone that we have made significant upgrades such as the wells which do save money in the long run. Gene also mentioned that some HOA Dues in Bozeman are over \$300 per month, and in general, we get what we pay for.

There was a question from another owner about why the HOA Dues were not higher to anticipate future needs. Don responded by saying that the Board increases the Dues in way that is responsible, based on the budget, and not overly burdensome to the owners.

Tom explained that he felt it was important to complete improvements as needed rather than waiting. He said if you wait too long you end up with even bigger maintenance issues.

We need to rebuild our Reserves so that we will have a healthy Reserve Fund when we need it.

#### **Updating of the Woodbrook Covenants and Rules and Regulations:**

Donna Minton spoke about the updating of the Covenants and Rules and Regulations that the Board took on this past year. The Board felt it was time to take a good look at these documents, since they had not been updated in a while and things are changing in Bozeman. Also, legal counsel had advised the Board to take a look at the documents to make sure they are consistent with each other to avoid possible problems in the future. The attorney spoke of the need to clarify the language so future boards can deal with situations that may arise.

The Board spent hours over the past year working on this project, going line by line and has produced two draft documents. The Board would like the membership to read these documents and offer feedback.

These amendments will supersede all the other, older versions.

The Board distributed copies of the both documents (after the meeting was adjourned) with proposed changes shown in italics and strikeouts. Also distributed were feedback forms. The feedback forms are

due back to the Board by December 1, 2017. Input from the Membership about the proposed changes was encouraged.

A Special Association Membership Meeting has been scheduled for January 16, 2018 to discuss membership feedback, answer questions and vote on the Covenants and the Rules and Regulations. The membership will vote on the Rules and Regulations at that meeting. Adoption of the Covenants requires a 2/3 majority of the membership and the ballots for the Covenants will be due in early February.

**Occupancy Form:**

Tom explained that this was brought to the Board attention during and after the fire. There was no way to contact the unit owners on either side of the fire and so Northwestern Energy could not enter the unit to turn off the gas and electric. The Board feels it would be a good to have a way to reach owners and to have emergency contact information in the event of an emergency. Since many owners travel or have homes elsewhere it would be good to be able to have contact information for someone local who can make decisions and provide access.

The forms are NOT mandatory but they are for everyone's safety. The Board will not share the information with anyone who does not need it.

There being no further business the meeting was adjourned.

Respectfully submitted, Susie Becker, Secretary