

ABERDEEN HOMEOWNERS ASSOCIATION

Annual Board Meeting

November 14, 2023

The annual meeting of the Aberdeen Homeowners Association was held at 6:00 pm on November 14, 2023 via Zoom. Rachel Christensen from Welch Randall hosted the meeting. Participating were: Steve Madsen, Alex Jones, Cindy Christensen, Colleen Hilton, Eric Green, Eliza Washburn, Anne Elwood, Kim Aagard, Josh Jones, Connie Ringwood, Amber Houk, Ian Humphreys, Cameron Jenkins, Angelica Lees, Jake Miller and Courtney Miller. Elzard Sikkema was excused. Steve Madsen conducted the meeting.

1. Finances. Colleen Hilton gave a detailed and thorough accounting of our finances. She provided a year-to-date income statement and balance sheet as of mid-November, a 4 year income statement for 2019 through 2022, a frequently asked question list of why costs have gone up and what the HOA fees pay for, and the budget for 2024. As indicated on the income statement, at the end of 2023, there will be a deficit of around \$9,000.

State statutes provide that HOAs must make a monthly contribution to a reserve fund. Previously, zero monies were budgeted for a reserve fund because there was not enough money coming in through HOA fees to do so. Colleen said the 5 year CD can be considered our current reserve but we need money in our 2024 budget for a reserve fund contribution on a monthly basis to comply with the law.

In addition, Rachel stated that when a unit is being sold, the lender will look at the HOA's finances to make sure that a percentage of our monthly income (solely from HOA fees) is being put into a reserve fund. She further stated that a lot of HOAs have been caught by surprise because they were not aware of this Utah law.

Our 2024 budget projects expenses of \$45,400. With no HOA fee increase, we will only bring in \$39,600 and with the 15% increase, we will see income from HOA fees of \$46,200 as long as the increase is effective the first of 2024, otherwise we will again have a shortfall.

Welch Randall manages approx. 60 HOAs and the vast majority increase their HOA fees \$5 to \$10 every year. Doing the math, with just a \$5 increase each year for twenty years totals \$100 which would make our HOA fees \$175 at this time; and for every other year it totals \$50 which would make our HOA fees \$125 now.

The Board admitted they were slow to act in increasing the fees which is part of the reason it became a pressing issue requiring not only an increase this year but an additional one the first of next year. The other reason being the cost of services going up more each year than anticipated while our fees remained the same. The Board determines how much and when a fee increase is implemented and commit to do better in the future.

Anne Elwood stated the Board is not doing their part and is putting the financial burden on the community because the Board gets a discount on their HOA fees. She also said the Board should pay \$70 in HOA fees although she gave no reasoning for this number. The Board explained about the considerable amount of time spent on HOA matters which the community is NOT aware of, and that no Board member has ever put in for monies they are out of pocket. It was suggested that the Board provide to the community an itemized statement each month setting out what they did that month, the time it took and any monies expended for the HOA. **

At this time the Board President moved on with the agenda.

2. Cameras. Two cameras were installed in August by Peak Alarm. One shoots along the cul-de-sac and the other covers Lochlevan Lane. Steve Madsen talked about the need to record criminal activity in the community. He spoke of one camera capturing an individual attempting to steal his expensive motorcycle. This person got to Lochlevan Lane with the bike before the bike's alarms started going off. He abandoned the bike and then proceeded to go up and down Lochlevan Lane canvassing the cars and units. Steve urged everyone to be watchful of what goes on around them and keep their doors and cars locked and garage doors down.

3. Lochlevan Lane. Courtney Miller said Lochlevan Lane was not looked after by the Board because there was never anything done to maintain Lochlevan such as snow removal. It was pointed out that in the 2024 budget shown earlier by Colleen, there were two line items specifically for Lochlevan: snow removal and road repair. Last winter was the only year that no snow removal company was engaged and this was done because of problems encountered the previous year with providers. Last winter, Board member Elzard Sikkema used our snow blower and spent hours clearing Lochlevan and Board members contributed salt. In addition, Jake Miller also helped clear Lochlevan and, although not requested, was paid for his services.

Also, a bid was submitted for the cost to repair the cracks in the road next year when the weather permits. After the first of the year, another bid will be obtained.

4. Utopia Fiber. At the fall social in 2022, having Utopia Fiber brought into the community was requested as it will provide another option for internet services. The Board contacted Utopia Fiber and provided the necessary documents for them to go forward. Since that time, the Board has been in regular contact with them and provided updates to the community on occasion. Last month, the Board was informed that the recent delay was because they had to create a new design for Utopia Fiber to trace their fiber all the way back to the hut that houses the fiber lines which gives each resident their dedicated fiber line. After this redesign was done, they then had to wait for new permits to be issued by Murray City. The last update given was that the permits had been issued and the work was now being completed at the hut which is several miles from our community. Once the completion date is known, the Board will be notified and will forward that information to the community.

5. Fall Social. The rainout at this year's fall social was laughed about. Next year some options for a community decision are: pot luck instead of a catered meal to save money; and,

renting a pavilion at Murray City park at a cost of only \$40 which would provide cover, tables, benches and grilling facilities and save the cost of renting tables and chairs.

6. Elections. Two Board members terms expire at the end of 2023. Cindy Christensen and Colleen Hilton. No proxies were submitted for nominations. Cindy nominated Colleen to continue as the financial officer and said that since filing the vacant position in August, Colleen has spent over 150 hours using her years of professional auditing experience to improve the state of the community's finances. The Board greatly appreciates her willingness to serve and has full confidence in her expertise going into the future. Alex seconded the nomination and Steve asked for other nominations but there were none. Steve then asked for a vote, the result being that Colleen will continue in her Board position. Steve nominated Cindy to continue as Board Secretary and Colleen seconded the nomination stating her appreciation for the excess in personal time and resources Cindy has put into her position during her time on the Board. Steve asked for other nominations but there were none. Steve then asked for a vote, the result being that Cindy will continue in her position on the Board.

7. 2024 Projects. (a) the cracks in Lochleven Lane will be repaired; and (b) the vandalism to the fence in the cul-de-sac in the form of bullet holes, being hacked with a crowbar and being kicked in will be repaired and also the portion of the fence behind the mailboxes which has bowed and close to breaking due to a huge root from a Hunter Woods tree. It was pointed out that Hunter Woods is not responsible for trimming any of their trees branches or removing any tree roots which encroach on our property. In the common area, the HOA is responsible for resolving the problem; and in backyards, the unit owner is responsible if they need to have tree roots removed and overhanging tree branches cut down.

8. Misc. Unit owners need only to clear their driveways as Board members Steve and Elzard, with help from Dave and Eric, will continue to clear the sidewalks using the HOA's snow blowers which Steve stores at his expense in addition to buying the petrol to run the snow blowers.

The Board requests that any unit owner who is disabled or cannot clear their driveway, to please contact a Board member, or forward a request for help to Rachel, and assistance which will be readily given.

In addition, anyone looking to become involved in the community is encouraged to attend the 2024 Board meetings listed on the agenda and set out again here: January 21 at 4:00 pm; April 21 at 4:00 pm; August 18 at 4:00 pm; and the annual meeting via Zoom on November 12 at 6:00 pm.

Rachel complimented the Aberdeen Board saying that she is very impressed by those serving on the Board for, among other things, the amount of time and care put into their Board position, along with their overall efficiency. This was greatly appreciated by the Board.

Cindy Christensen made a motion to adjourn and with a second from Alex Jones, the meeting was adjourned at 7:21 p.m.

*** The Board requested information from Welch Randall regarding issues raised during this meeting. Welch Randall replied that approx. 15% of the HOAs they manage do give board members a reduction in their fees; and that no HOA board has to give an accounting of their time.*

In addition, the Board reviewed the relevant state statute, our CC&Rs and Bylaws and found nothing to support the request for an accounting of each Board member's time.