

MINUTES

Minutes of the Board of Directors Meeting for the Murrayhill Woods Condominium Owners Association held at 6:00pm on November 12, 2020 via Zoom at remote locations.

Call to Order: President Patty Higham called the meeting to order at 6:04pm.

Quorum Present: Yes

Board Members in attendance: Patty Higham, President
Missy Hughes, Secretary
Jeremy Letendre, Treasurer
Aaron Dent, Director
Nicole Stewart, Director
Melissa Hartvigsen, Director

Board Members absent: None.

Others in attendance by invitation: Mark Vandervest, Community Manager
Cindy Vandervest, Office Manager
FRESH START Real Estate, Inc.

Guests in attendance: Jessie Sweeney Unit S-5

Proof of Notice: Via electronic invitation

Welcome & Introductions: President Patty opened the meeting by welcoming the board members to the Zoom meeting of the HOA. Patty asked community manager Mark Vandervest to run the meeting. Mark moved forward to the Approval of the Agenda.

Approval of Agenda: Mark requested a motion to approve the Agenda as written. A motion was made by Patty to approve the Agenda as written. The motion was seconded by Melissa. There was no additional discussion, and the motion was unanimously approved.

Owners Forum: There were no questions from Owners at this time.

Approval of Minutes: The minutes from May 21, 2020 were reviewed. Aaron motioned to approve the minutes as written. Patty Seconded the motion. There was no additional discussion and the motion to approve the minutes as written were unanimously approved. The minutes from the May 26, 2020 hearing meeting were reviewed. Patty motioned to approve the minutes as written. Melissa seconded the motion. There was no additional discussion and the motion to approve the minutes as written were approved by majority vote with Missy abstaining from the vote.

Financial Report: Management reported the following information to the financial report:

Financials as of 10/31/2020:

- Total operating funds: \$161,815.90 including pending EFTs.
- Total reserve funds: \$570,642.49
- Total cash assets: \$732,458.39
- Total YTD income: \$531,189.42
- Total YTD expenses: \$406,833.73 including \$137,202.82 of Reserve expenses.
- Budget vs. Actual Income: 92.42% collected YTD.
- Budget vs. Actual Expenses: 63.89% paid YTD incl. 51.56% of Reserve expenses
- Total delinquencies: \$1,221.00 6 units (only one unit over 60 days)

Manager's Report:

REPAIRS, MAINTENANCE & UPDATES

The following maintenance updates are for informational purposes only and do not require Board action at this time:

1. Gutter maintenance performed throughout the community.
2. Attic mitigation above unit H-8
3. New address light plaques installed on all buildings (including clubhouse)
4. Crawlspace vents closed for winter.
5. Exterior faucet insulators installed for winter.
6. Crawlspace mitigation under Unit V-2
7. Pruning of bushes.
8. Crawlspace mitigation under unit D-1
9. Attic mitigation above unit I-7
10. Attic mitigation above unit P-6
11. Re-load bait boxes throughout community.
12. Clean graffiti from dumpster cubicle L and retaining wall by Bldg. O.
13. Lighting maintenance is ongoing.
14. Garbage maintenance is ongoing.
15. Cigarette receptacle cleaning is ongoing.

ADMINISTRATION

1. Violations (9/30/2020 thru 11/12/2020):

For informational purpose:

- a. None

2. Homeowner Correspondence and Administration

For informational purpose:

- a. None

FOUR covered carport leases are in place as follows:

- a. #13 to C-7
- b. #56 to H-4
- c. #68 to N-6
- d. #119 to O-5

3. Owner correspondence for Board Review

Board action requested:

- a. D-1 Sewage Backup correspondence: There was a sewage backup into unit D-1. The source of the backup was a clog in the outgoing sanitary line. As defined in the Bylaws, any damage to the interior of a unit caused by sanitary lines is the responsibility of the owner. Owners are responsible and required to obtain and maintain an insurance policy that covers the Association's deductible, which is currently \$10,000. The Owner's insurance would be primary in such an event and be responsible for the first \$10,000 of expenses. The Association would be responsible for any costs that exceed the \$10,000 (insurance deductible). In the case of this event, it is likely that the Association will be required to cover approximately \$5,000 in repairs above the \$10,000 deductible. The Association's insurance policy would cover this additional expense, however placing a claim on the HOA policy, especially in such a modest amount, would adversely impact the Association's insurability and inevitably cause insurance premiums to increase dramatically, or worse yet, cause a non-renewal of the insurance policy. Missy suggested that the Association increase the deductible to \$15,000 or \$20,000 to avoid additional expenses to the Association. Owners would then be required to increase their policies to cover the increased Association deductible. Mark recommended that the Association's insurance agent be invited to a future meeting and he could then discuss the options and give the Association the opportunity to make an educated decision on whether increasing the deductible would make sense for the Association.
- b. There was discussion about concern with some recent criminal activity associated with a Tenant residing in Building U. Management reported that the Tenant was in the process of being evicted and had recently been arrested for damage caused to a unit in Building S. A claim for restitution for the repairs has been submitted by management to the Washington County Court. Management stressed the importance of Residents calling the Police if anything suspicious is observed within the community. The Beaverton Police non-emergency number is 503-629-0111.

Missy requested that the Manager's Report be emailed to the Board monthly since the Association is now holding meetings bi-monthly. Mark explained that the monthly completed work is always included in each month's financial report under the expense report provided for that month. By reviewing the expense report the Board could see each component of work that was completed and paid for by the Association on a monthly basis.

Missy expressed concern about the dark stairways leading down to the back parking lot. Management noted that new yard lamps were proposed to be installed as part of the new lighting project.

Mark added that the large dead tree just south of Unit V-3 was removed today.

Old Business:

1. Siding elevation replacements: Siding replacements are progressing as planned.
2. Exterior light replacements: Samples have been installed on the clubhouse, next to the Q dumpster, and on Building R. The Association is waiting for the additional shipment to be processed.
3. Maintenance room addition: Bids ranged between \$55,000 and \$64,000. This falls under the price already approved by the Board. It has been difficult to get subcontractors to give bids on the project given the current pandemic. Mark will continue to work on the bids and hopefully get the project started soon. The permit process with the City of Beaverton is an unknown variable and may cause further delays. Management has been unable to find anyone to draft the plans needed for the permit process.
4. Clubhouse entrance doors: Similar to the maintenance room addition, it has been difficult to get contractors to commit to the work and put the project in their schedule. The Board previously approved the purchase and installation of the new clubhouse doors as planned at a cost not to exceed \$9,000. Management will continue to work towards completing the installations as approved.

New Business:

1. **2020 Reserve Study:** Manager Mark Vandervest went over the modified Reserve Study for 2020 and identified many additional projects that were added to the study for the next 30 years. Under the proposed Study, the Reserves contribution will increase 2% per year through 2025, then decrease 2% per year from 2026 through 2036, then increase 2% per year from 2037 through 2039, then increase 4% per year from 2040 through 2047. Beginning in 2036, the reserves may be reduced by 8% each year through 2045, and then remain level beginning in 2046 through 2052. Providing that there are no unplanned significant or catastrophic events that would require a significant amount of funds to be used, the Association will be able to proceed with the scheduled repairs without the need for any special assessment. Missy asked about upcoming concrete work. Mark explained that there is a line item built into the reserve study each year for concrete work. Unfortunately, contractors are extremely hard to come by during the pandemic and the concrete contractor that Murrayhill Woods has been using for years has become non-responsive. Melissa mentioned that she would provide some names of concrete contractors that she has worked with. Melissa noted that the Reserve Study was far more detailed and had far more components built into it that everything else she has seen.
2. **2021 Proposed Annual Budget:** The proposed 2021 Annual Budget was presented by Management. Mark noted that the Association was doing very well financially. Even though the Reserve contributions were increasing 2% from 2020 to 2021, the general operating budget was able to be trimmed to make up the difference. Mark was happy inform the Board that in his opinion there did not need to be any increase in HOA dues from 2020 to 2021! The Budget components were shared as follows:

Grounds & Maintenance Expenses:	-4.94%	Decrease
Building Repairs & Maintenance Expenses:	-4.14%	Decrease
Utility Expenses:	+1.57%	Increase
Operating Expenses:	-1.15%	Decrease
Reserves Contribution:	+2.0%	Increase

Overall Budget Increase:	+0.0%	Level
2021 Operating Budget:	\$390,495	
2021 Reserves Budget:	\$231,037	
Total 2021 Budget:	\$621,532	

The board was very satisfied that there would be no increase in HOA dues for the upcoming year. Missy motioned to approve the 2021 budget as presented. Patty seconded the motion. There was no additional discussion and the motion to approve the 2021 budget passed unanimously. Notices will be broadcast to the Owners by Management within the next week.

Schedule Next Meeting:

The next meeting was scheduled to be January 25, 2021 at 6:00pm via Zoom.

Adjournment:

Patty motioned to adjourn the meeting at 7:30pm. Missy seconded the motion.

Submitted by:

FRESH START Real Estate, Inc. ~ Community Manager.