

# Brian Head Village HOA Annual Meeting Minutes

Saturday, July 7, 2018, 10 am

## ORDER OF BUSINESS

**CALL TO ORDER:** The meeting was called to order by Vickie Hicks (O2) at 10:05am. All members stood for the Pledge of Allegiance, and then Vickie Hicks (O2) said a prayer.

## OPENING COMMENTS:

**Vickie Hicks, Acting President:** All of the board members are present. Vickie reported on the highlights of what's been done this year. Bev Noyce, Acting Secretary, (O2) will take the minutes for today. Eric Joot has stepped down as president because he sold his condo, so Vickie presided over this meeting.

- Our accountant, Claude Slack, represents eight other associations at Brian Head. Ours is the most solvent. We're in the main line with dues, which means we are not out of line. We live in a resort which makes fees more expensive.
- Vote regulations. According to votes needed, we must get 60% +1 votes for Bylaws changes, so 51 Yes votes are required. General items to vote for require 43 votes. There's no one who cannot vote.
- It was asked if there are any empty units? Vickie said two are currently in escrow.
- Vickie send out the financial information and other info in the packets in May.
- Vickie asked Eric Joot to explain how the fees for the units were calculated. Eric said the system before was arbitrary. He's not sure how dues were calculated. Currently, 95% of the expenses are not related to the size of a condo, so there's not much impact there. To calculate the proposed fees, he used blueprints and got the square footage of each unit multiplied by 5%. Everyone pays a base plus a small amount according to the size of the unit. Vickie said most units went down in cost, but a few went up. The calculation is \$275 x 5%, not \$300 as written in the materials sent out to everyone in May.

**QUORUM VALIDATION AND ROLL CALL:** Notice of the meeting was evidenced by the attendees, and the proxy votes were returned by mail, email, and phone calls. Vickie Hicks took the roll call; Eric Joot and Greg Hicks (O2) figured out who is in attendance. Total attendance: 25 units represented. The room was full. Vickie took each proxy received, noted how they voted, and then Eric and Greg added the votes. We received 38 proxy votes. Note to a proxy holder: if we vote on an item other than what is on the voting ballot for today, we will only count the proxy votes and no new items.

**WHAT WE'RE VOTING ON:** Peter Murphy (F1) said that some homeowners have berated Scott for various reasons, and that that needs to be addressed for anyone considering a board position. Vickie stated that if anyone has an issue please talk to a member of the board to get the issue resolved. We need to work as a group.

- **Nominations.** Vickie asked those who were nominated to tell group about themselves. Zach Harpin is not present, so he cannot qualify as a candidate. Kathleen Murphy (F1) accepted and stated her background. She wants to get things done for the association. Doug Swift (F2) accepted. He said we need more vacancies to fill, and he wants to get more done. Doug is a Cardiologist. Rick McGough (P4) accepted. Rick spends a lot of time at Brian Head, and he has been involved in many business interests. Vickie Hicks (O2) accepted. Vickie's been on the board for four years. Crystal Rock (G1) accepted. Crystal is a real estate agent. Leslie Hahn (D4) accepted. Leslie's been on the board for four years. Peter Murphy (F1) accepted. Peter is an airline pilot. He bought his unit four years ago and comes to Brian Head as much as possible. He said we need people involved; we have a good community here. Bev Noyce (O2) accepted. Bev's been in the software business for over 40 years as a writer and manager. She volunteered to work on the Bylaws which has been ongoing for three years, she took over as acting secretary when Darryl stepped down a year ago, and she volunteered to create a new BHV website. Vickie asked if there were any nominations from the floor: Tim Geary (F5) accepted a nomination. Tim lives in St. George so he is close in proximity. He'd like to make sure the grounds stay in good condition.
- Vickie asked Leslie Hahn to write the nominees names on the white board.

**READING OF MINUTES:** A motion was made by Peter Murphy (F1) to dispense of the reading of minutes from the Annual meeting of 2017 as presented. The motion was seconded. The 2017 minutes are available on the new website at mybhv.org under "Minutes" and were sent out with the packets to all homeowners in May.

**BYLAWS APPROVAL AND OPEN ITEMS VOTE:** Eric Joot and Greg Hicks passed out the voting ballots to all homeowners in attendance. Vickie asked if there were any discussions on the following items on the ballot.

- **Wood.** Vickie said wood must stay on the decks and patios and not in the unit (except for a few pieces to burn). The cost of wood is \$3.69/month. The security of our wood is a concern. Peter Murphy (F1) said the security issue can be addressed later. We pay a minimal amount. Kathleen Murphy (F1) said we should keep the firewood. Some people looked at other places and the fact that the firewood is available at BHV was a selling point for our complex. We can issue locks and keys for each storage unit. People outside our complex are also using the hot tub and bathrooms, and these rooms need to be locked up as well.
- **New Windows.** Vickie said a lot of water damage has been done to the weeps and walls. Some homeowners have replaced their windows already. We can replace the windows without a great amount of cost. Rick McGough (P4) said for those who choose not to replace your windows, you're talking about the well-being of the structure. The owner of N2 asked if it was an individual expense. Eric explained the background: when converted to stucco, the stucco guys covered the weep holes, so that was an HOA mistake which falls under the homeowners' jurisdiction to replace. But the damage it caused will affect the whole building, and this is the issue we're faced with. Scott said no stucco repair would be needed if the windows were replaced. Bud Vault (B4) asked if you are able to work with the window company to replace the patio sliders too to avoid a mishmash. Scott said he hasn't priced anything yet. Rose Marie (H6) asked if all windows need to be replaced. Scott said yes except for units that have been

replaced already. Someone recommended that all need to be replaced. Susanna Taylor (E4) said who knows if someone did their window to the current code. If they've already been replaced, they could still be weeping or at least they should be checked. Kelly Gray asked if it was up to the homeowner to replace them. Yes or no? The N2 owner said to get a background on the weep hole issue; \$100,000 is a lot of money. Scott said the only way to determine if a wall is leaking is to tear into the wall. Diane Perusse (G4) said it's easy to determine if a window needs to be replaced. Dave (J4) said he had a window problem for a long time. Would repair it, but the water damage doesn't appear on the outside; it goes down inside the wall causing the wall to swell and contract. The problem needs to be taken care of. Scott asked Dutch D (F4) when the stucco was added. Dutch responded about ten years ago, but he can't remember for sure. Rick McGough (P4) said it was a lot of money. If fragmented, we could stagger it to cushion the cost. If some are done and some not done, all of them will eventually have to be done anyway. Kathleen Murphy (F1) asked if the cost is for everybody. To appease, would it be fair to reimburse those who've already had their windows replaced? There was strong disapproval from the group on that comment. The new windows might not meet the new requirements and codes. Rick McGough (P4) said we don't want to go there. Peter Murphy (F1) asked how many units have been replaced so far. This is an investment in all of our units. Eric said at the end of the day replacing whole the building would cost much more.

- **Gravel and Asphalt Work.** Vickie said it costs \$5,000 a year to replace gravel and add to it. The snow removal people always push the existing gravel away. Asphalt is also an item to discuss with gravel. Scott said new asphalt is cheaper than windows but requires ongoing maintenance. The N2 owner said we still need to do gravel this year. Scott said we don't have to keep adding gravel, but if we don't keep up with it, we'll have a mud mess. Doug Swift (F2) said we need the gravel laid yearly for aesthetics and to eliminate the mud. Leslie Hahn (E4) asked if the rocks chunk up. Do we have to fill each year for gravel? Scott said maintenance is the striping if we get asphalt. Other places we'd have to slurry (patch) every year. The asphalt should last 10 years. We'd have to fill it in periodically and the potholes would have to be fixed. With gravel, the parking lots become an ice rink, not so with asphalt. During the summer, dust and dirt is everywhere with gravel. Parking lots will need to be striped. Marie Claire Mehanna (A2) said ice is everywhere, and without stripes, three cars take a space so there's never enough space. Scott said no trailers are allowed in the top building parking lot. He wants to make room for trailers. Bev Noyce (O2) asked if the back building would be asphalted. Scott said no. It's a fire lane.

After the discussion, Vickie asked everyone to fill out their voting ballots for the items above and give them to Eric and Greg. Eric Joot and Greg Hicks tallied the votes. Vickie said that Rev C. of the Bylaws will pass this time.

**ELECTION OF NEW BOARD MEMBERS for 2018-2020 (5 to 7 people):** Vickie Hicks sent out a voting form for everyone to fill out and return them for count during the meeting. The new board will determine each position. Vickie presented the names for all to vote on.

Eric Joot and Greg Hicks tallied the votes for the eight people who have been nominated.

## REPORT OF BOARD MEMBERS:

### Vickie Hicks (O2), Acting President:

- **Homeowner's insurance.** Vickie has to fill out info about the association often when a homeowner wants to buy or sell their condo. She has to state the contents of the unit; if it's structural, it's BHV's responsibility. The law states that if you own a unit you must buy homeowner's insurance. You must cover the \$10,000 deductible on the BHV insurance policy with the coverage for your unit. BHV does not hand out a whole policy, only the Declarations page. Lenders also want information about our reserves. We are not required to do a reserves study. We have more reserves than other HOAs on the mountain. Lenders recommend that we put in 10% of our monthly dues for reserve. Our accountant said we don't need to put any more in reserves than we now have. If we do that, we open ourselves up to liability. If reserves get too high and our projects are done, we should lower our dues. Vickie asked for a recommendation from the group about what BHV should provide to the lenders. Should we continue to put \$3,000 in reserve monthly or leave it as it is? Crystal asked what do we open this up to if we put \$3,000 a month in reserve? Vickie said a homeowner wanted his portion of the reserve money when he sold his home. We don't need over \$500,000 in reserves. Do we want to satisfy what lenders like Quicken Loans want? Rick McGough (P4) asked what the total monthly overhead was; Eric said \$22,000. Doug Swift (F2) asked how we use the reserves. Vickie said once we start putting money in reserve, it must come out for a specific project. We didn't have to hit the reserve account for the painting project. The guy from N2 said lenders look for 10% reserves as a standard. Vickie said if we're looking at two projects, it won't break us to spend money on both projects. She's not convinced we should deposit \$3,000/month. With approval of the Bylaws we're lowering our dues about \$19,000. Next year, however, the budget will need to be revamped because of the fee changes. Brian Head is charging more this year for water. We're charged for 5,000 gallons of water per unit per month regardless of how much water is used. We have no control over that. ACTION: Vickie will prepare an amended budget that accommodates the dues for the new Bylaws.
- **Renters licensing:** Vickie was contacted by Brian Head town for a list of everyone who rents their unit. Homeowners who rent their units out are required by law to have a Business License, pay quarterly taxes, pay taxes to Brian Head town, and get a Utah state license number. If not, you are subject to a \$1,000 fine and loss of your business license for two years. Airbnb, VRBO, and other rental management companies are now required by law to report to the town of Brian Head and state how much money you received as rental money which is a huge liability. It was stated by a homeowner that a company will set up your licensing for you. If doing it as an individual, it is your responsibility. Scott said if you don't go through a rental company, you and your cleaning person must be licensed through Brian Head town.
- **Website:** Vickie thanked Bev Noyce for preparing a new website. We can access when meetings will be, minutes, send out email blasts. We're working on it.

**Vickie Hicks (O2), Treasurer:** Vickie presented the Treasurer's report.

- Vickie said the financial report sent out in the packet goes up to June 2018; currently, we have more money in reserves so the statement available today is current. Stockholders' equity is about \$1 million. One owner is past due.

#### NEW BUSINESS:

- Someone asked if there is a recycling facility at BHV. No. Brian Head and Parowan have one, however.
- Peter Murphy (F1) said we need to work on security for the wood and spa area. ACTION: The new board will look into security.
- Susanne Taylor (E4) proposed installing a fenced off-the-leash area for dogs. Could we add a fenced area? Bev Noyce (O2) suggested contacting Brian Head town to see if they could install one near the pond. Rick McGough (P4) said we need a physical quorum as an agenda item for the next time. It was stated that the insurance issue about this could be sticky. Marie Claire Mehanna (A2) said she must pick up dog excrement often. Bev Noyce (O2) said Rev C. of the new Bylaws states that you will be fined if you don't pick up your dog waste. Rick McGough (P4) said if you like your dog, keep it on a leash. There are wild animals all around.
- Bev Noyce (O2) suggested (via a proxy voter) that we put table tennis, foosball, etc. in the meeting room. Rick McGough (P4) said the owners would have to take responsibility if one is installed.
- Dutch D (F4) said parking has been a problem in Phase 3 since its inception. He proposed to have an engineer look at lowering the parking lot which won't be cheap. The town spends \$300,000/year in upkeep and maintenance.
- Doug D (H2) said we should consider reroofing in the next five years. This hasn't been done for 25 years.

#### REPORT OF COMMITTEES:

##### **Scott, Property Manager:**

- Scott has put in new washers and dryers and has also done maintenance and yard work. Some firepits are cracked which will be replaced.
- Doug Swift (F2) asked what was going on with the fire extinguishers. Scott said the guy who was doing it expired. His son will take over.
- Leslie Hahn (E4) asked if any picnic tables are being installed. Scott said no.
- Bev Noyce (O2) asked if Building O is getting a grill. Scott said it's not done yet; it's too heavy to haul up the hill.
- The spa is not yet working; the heater was fixed but then the blower motor went out.
- Crystal Rock (G1) asked about lighting; many areas are pretty dark at night. Scott said the stairwell lights are working. Scott wants to switch the whole area to LEDs which is not cheap. Peter Murphy (F1) doesn't want too much light because he wants to look at the stars. Scott is considering getting lights that are bottom lit. A homeowner said the light over the Brian Head sign is not working. It was stated to look into motion sensors for lights.

- Crystal Rock (G1) asked if we can install an auto irrigation system. Scott has to spread the hose across sidewalks. A sprinkler system would be problematic.
- Ron Trulock (M1, M2) said the steps and grid near the office have no guardrails. These are needed for safety reasons. ACTION: Scott will look into it.

#### UNFINISHED BUSINESS:

- **Agenda Items Voting Results.** Rev C of the Bylaws passed; Firewood: 61 voted Yes, 6 voted No; Windows: 51 voted Yes, 16 voted No; Gravel: 41 voted Yes, 25 voted No; Asphalt: 37 voted Yes, 30 voted No; Asphalt will be prioritized first, windows second.
- **New Board for 2018, 2019.** Kathleen Murphy, Rick McGough, Doug Swift, Vickie Hicks, Leslie Hahn, Beverly Noyce, and Tim Geary.
- **New BHV Website.** This new website contains all previous documents, minutes, announcements, and other documents concerning homeowners. To get the latest information, please go to [www.mybhv.org](http://www.mybhv.org). To email the Board with comments or questions, send your correspondence to [board@mybhv.org](mailto:board@mybhv.org).
- Next year's meeting will be at Brian Head around the 4<sup>th</sup> of July. Labor Day weekend was proposed.

The meeting was adjourned at 12:20pm.

The meeting minutes were prepared by Bev Noyce, Secretary.