

**Devon Hills Homeowner's Association**  
**Board of Directors**  
**Minutes**  
**March 9, 2023**

**Agenda**

**I. Call to Order & Establish Quorum**

The meeting was called to order at 6:15 pm at the Synergy offices with a quorum established and Rob Crosby Hoar, president presiding. Those attending were Susan Curley, Caroline Farmer, Rob Crosby Hoar, Lea Jankowski (via Zoom), Andy Lee (via Zoom), and Sandy Williamson. Dave Howard, ex-officio member and web administrator, was present as well as Dick Krebs, who represents Synergy Management.

**II. Minutes**

The minutes were submitted for approval via email on 3/7/2023. Corrections were made and Rob moved for approval as corrected with Caroline seconding the motion. The minutes were approved electronically on 3/9/2023.

**III. Financial Reports**

There were no financial reports that required approval, as they are approved quarterly.

The financials for this year were reviewed and it was pointed out that there were still roughly \$2,600 bills that have not been processed for this quarter and that expenses are as they were anticipated to this point.

**IV. Continuing Business**

**A. New Board Member**

Rob welcomed Lea Jankowski to the Board. Lea replaces Jon Zagami who resigned and will represent Glenway neighborhood.

**B. Investment of Funds for Pond Reserve**

The Board reviewed the information that Andy sent to the Board concerning "laddering" the CD investments for the Pond Reserve Fund. Andy reported that he had investigated CDs offered by Alliance Associate Bank (AAB) with whom Synergy does banking business and houses all of the HOA accounts. Alliance Bank is a division of Western Alliance Bank. AAB is streamlined to deal exclusively with Condominium Associations and HOAs. We are eligible for rates under the "Time Certificates" which do have an early withdrawal penalty of 180 days of interest for CDs 6 months or longer. (The Board does not anticipate this need as the pond liner is not showing any failures and it is anticipated it could outlast the suggested 25-year life.) He also learned that in case of an emergency, AAB offers HOAs loans at 7% based on good financial standing.

He also had a discussion with Brian Krebs concerning moving funds from AAB to another banking institution. Going outside the AAB umbrella could result in extra costs from Synergy (an estimated minimum of \$75 a month) for handling the posting of the account as well as a possible increase of insurance to make sure the outside funds are covered.

With this information in hand, the Board agreed that investment options through AAB were the optimum fiscal options. Susan pointed out that the Federal Reserve just announced that they are going to be raising interest rates so it is anticipated that the interest rates for CDs are likely to continue to rise. With this knowledge in mind the Andy and Susan, both CPAs, recommended breaking the investment into shorter term CD's so that the Board can take advantage of the increasing rates.

Andy moved via email that the Board give the Treasurer and President the authority to monitor and invest funds at AAB and to monitor the investments on a yearly basis for best investment opportunities. Such changes are to be approved by the Board and handled through Synergy. The motions then specifically addressed the initial investment concerning the funds in the Restricted Reserve Fund for the Pond Liner which states: \$15,000 will be immediately invested in a CD for 13 months at 4.15%. The current CD that matures on March 22<sup>nd</sup> will be reinvested no later than March 31<sup>st</sup> for 13 months at 4.15%. On May 1, another 15,000 will be reinvested at the best rate available. The staggered investment of the CDs is called "laddering" and gives the best opportunity to maximize the return on the saved monies.

Susan seconded the motion, and the motion was unanimously approved. Dick and Brian are authorized to act on this motion as soon as possible.

### **C. Review of Dues and Budget**

The Board discussed the financial need arising from awareness that the cost of replacing the pond liner would likely be \$200,000 (or more) rather than the anticipated \$60,000. This information was brought to the Community at the Annual Meeting in 2022. (The \$60,000 would cover the liner only and not the labor to drain the pond, save the fish, or any regrading that would be necessary to prepare the bottom for the replacement liner.)

At that time, the increase resulted in a dues increase of \$10.00 a month per homeowner beginning in June 2022. Even though the Board had anticipated an increase in Tree Removal, the cost in 2022 was \$10,000 more than anticipated, while inflation increased other lines items that had remained stable for many years. Expenses exceeding the budget for the year 2022 necessitated using roughly \$5.00 a month of the \$10.00 increase. It was noted that roughly \$7,000 was set aside for the Restricted Reserve Pond Liner Fund in 2022.

The discussion concerned the fact that even with an increase in return on our savings for this fund, the HOA will still fall short of our goal of having enough funds to replace the pond liner after 2025. The Board examined every possibility, such as eliminating improvement to the landscaping at front entrances, but elimination of that expense would only net \$1,000. The budget is "bare bones" and with inflation raising the cost of doing business, there seemed to be no alternative but for dues to be increased. The Board agreed that a minimum increase of \$10.00 per month was needed, taking the monthly dues to \$77 per month. Sandy suggested rounding the amount to \$80 a month, as that is still low for associations comparable to our HOA. Susan moved to raise the current dues by \$13 a month with the restriction to set aside \$5.00 from the previous rate increase and all \$13 of the current increase to the Restricted Reserve Pond Fund. This \$18 would put the HOA on the path to raise \$25,000 a year (for a full year) for the fund. Rob seconded the motion. Dick stated that May 1 would be as soon as the increase could be implemented. The vote to increase the current dues to \$80 a month with \$18 dollars of the dues to be set aside for the pond liner was approved unanimously.

Andy brought up that he would like the Board to consider raising the Capital Expense fee for those purchasing new homes from \$100 as it has been since the HOA was started. The Board agreed to investigate this item and discuss it at the next meeting.

### **D. Handbook for Board**

Following a suggestion by Sandy via email that all Board members would benefit from a handbook, Dave asked the Board's opinion of revising the information that Dick sent out about Board and Homeowner Responsibilities and posting it on the web. The Board thought it was an excellent suggestion.

Dick reported that the Community Association Training would be offered in April and Dick would like to sponsor someone for our HOA to attend. It will be held at Margiano's Restaurant at no cost to the HOA. Dave attended this training several years ago and stated that it was excellent. The Board expressed interest in participating.

**E. Email threads**

There was concern about official access to emails. Dave reported that the emails are included in the agenda which is posted to the Web and Sandy stated that a summary of the business discussed in each thread is included in the minutes with the date of the first email stated so that the thread can be easily referenced.

**V. New Business****A. Soliciting Question**

Sandy brought up that a neighbor sought information on “No Soliciting” signs and police response in Davidson County. Dave stated that a couple of years ago, the issue was researched and to ensure police response, a homeowner would need to become a registered “No Soliciting” participant through Davidson County. The homeowner would need to apply for this status, pay a fee and post the authorized Davidson County sign.

**B. Tree Inspection**

Sandy brought up a neighbor had requested inspection of a tree in common land and Dick stated he would inspect it the next day and contact the homeowner. Rob and Dick reported on the tree damage done by the previous Friday’s straight- line winds. Trees in the common land went down in South Highlands and Devon Valley. Two homes on Devon Valley were damaged and work was immediately begun to remove the trees and protect the homes. Blessedly, no one was injured

**VI. Completed Business /Electronic Communication (See Agenda for all emails)**

- 1) 2/4/23 Sandy suggested a Handbook and Dick sent out material about the responsibilities of the Board and the homeowner.
- 2) 2/9/23 Message to previous Board to approve corrected minutes and the approval responses.
- 3) 2/20/23 Appointment of Lea Jankowski to replace Jon Zagami as the representative from Glenway. Rob moved to approve Lea, Andy seconded the motion, Carolyn and Sandy voted for approval. Her appointment passed.
- 4) 2/2/23 Dave Howard sent out the spread sheets for the financials and the 7 year plan has been updated. All documents have been posted to the web.
- 5) 2/20/23 Dave and Andy corresponded about invoices and line items.
- 6) 2/22/23 Dave reported that the HOA is in dispute with NES over the charge for the pond meter. The meter was down 3 weeks and NES assumed the meter was broken and replaced it and charged an estimated cost based on previous usage. Dave will stay on top of this issue until a refund is given.
- 7) 2/20/23 HOA’s insurance carrier has changed from “AUTO Owners” to “Nationwide”.
- 8) 2/27/23 Dave explained that the electricity charges for the entrances are for the LED lights shining on the stone entrance signs. The three lights by the pond were converted to LED last year and run about \$69 a month. The other charges which comprise the rest of the roughly \$300 a month bill are to run the pond pump (which draws a lot of electricity) and the large flood light.
- 9) 2/15/23 Susan reported on the CD results and the Board responded with approval to move forward with the process in conjunction with Dick and Synergy. Dick consulted with Brian and Brian responded to the Board of his concern for insuring the funds as moving them from Synergy’s umbrella might make the HOA funds vulnerable as well as incur extra accounting actions on the part of Synergy. Several Board members asked for an estimate of costs from Synergy to handle an outside account. Brian estimated a minimum of \$75 a month. Rob communicated with the Board that we need to put this action on hold until we can meet as a

Board and examine all the factors. The Board complied and decided to move the next meeting to March 9<sup>th</sup> rather than the 27<sup>th</sup>.

- 10) 2/28/23 At the Annual Meeting, several owners requested a Directory. Dick reported that he had sent out electronically and via USPS forms for people to fill out, but only 10 people had responded.
- 11) 1/31/22 Sandy sent out the letter to homeowners about the Annual Meeting for review. Corrections were made and it was approved to be distributed.
- 12) 2/1/23 Rob wrote giving permission for Sprout Tree Service to use a bobcat to assist with the tree removal. He will take responsibility for any damage to the side yard.
- 13) 2/3/23 Emails were sent deciding the date of the new Board meeting and the location. The date agreed upon was Feb. 13<sup>th</sup> and the location was at the Bellevue Library.
- 14) 2/4//23 Sandy sent out information forms for the Board members so that all will have contact information.
- 15) 2/8/23 Emails to ensure all Board members are receiving the emails.
- 16) 2/15/23 Emails concerning the status of the Board and Jon being on the title for their home. Jon chose to resign.
- 17) 2/2/23 Request for notice about glass from trash pick up in streets. Dave sent out the notice.
- 18) 2/1/23 Notice of limbs piled by pond. Dick directed Elder to pick them up.

#### **VII. Adjournment of Meeting**

With business concluded, Rob moved to adjourn, Susan seconded, and the Board adjourned.