

ANA BOARD MEETING

JULY 19, 2023

Present: Bob Baumgartner (President), Tom Timbie (Treasurer), Ted Miller (VP for Infrastructure), Jon Gardner (VP), Lotta Löfgren (Secretary), Rick Beyer (Member), Ryan Miller (RPI representative)

JULY 19 IS TED'S BIRTHDAY!!

Bob called the meeting to order at 4:29 p.m.

There was a quorum present.

No other residents were present.

The June minutes were approved.

Motion: Ted **Second:** Tom **Approval:** Unanimous

Financials:

Operating: \$91,602

Reserve: \$431,384

Restricted reserve: \$82,597

Total: \$605,583

Tom mentioned that right now making e-payments of dues is confusing; it needs to be clarified. There is no information on the ANA website about this. Residents now must sign in to the RPI website, which is counterintuitive. We need to make the system sleeker and to broadcast it. Tom also noted that it appears no emails went out for the Q3 assessments for those who have opted out of paper. Ryan said he would investigate.

Tom offered a policy proposing that the cut-off between operating and reserve accounts be \$1000: everything under \$1000 is automatically part of the operating account, unless the charges over \$1000 are a piece of a bigger project already in the works. Bob moved to approve this policy. (See addendum for the policy.)

Motion: Bob Second: Ted Approval: Unanimous

In the ongoing project to create a **collections policy**, Tom offered a document reviewing various ways to collect delinquent dues based on a discussion with Doug at RPI. We may opt for an acceleration clause for residents whose dues are in arrears. Tom has asked Doug for a 3-year history of dues payments. Tom will investigate further and report back at the next Board meeting. Bob has asked Tom to draft a condensed policy document that is easier to read. Tom: we need two separate documents: one on policy, and one on procedure. Ryan will provide all the records that he has relevant to this issue. To finalize the process, Bob and Tom will probably have to consult lawyers.

No one received a quote or proposal for the **pool cover** as requested, but the total falls within the appropriated amount, \$14,000. Bob reminded Ryan always to pass bills by Ted or Tom before the checks are cut.

The leveling of the **tennis court** is ongoing. The leakage behind the retaining wall needs attention; new swales may solve the problem.

Ryan has been monitoring the **landscaping**. The landscaping around the pool looks good. Ryan commended Kim for her management of the pool. Ted mentioned that we may need a new landscaping contract. Piedmont Grounds has a new owner, and the current contract is vague.

Long range plan: Lotta has reminded all the members of the committee that she and Ida Lee need the responses by August 1; she is asking everyone to group and rank all the wishes we arrived at during the last meeting. We are hoping to meet again in September. Bob wants us to move forward with the little libraries now.

Pool: Ted requested that we approve \$2798.08 for the purchase of the furniture that Denise has requested. The budget has earmarked 3,000 for this.

Motion: Ted. **Second:** Jon **Approval:** Unanimous

The pool will remain open until the end of September, with a dog swim day on October 1.

Upper Lego drainage is still a problem in a large storm and will probably always be, to some extent. Ted suggests enlarging the swale that Rick's folks have already cut.

Speed humps on upper Lego: Jon is still in discussion with the fire marshal about speed humps or rumble strips, but it's looking increasingly unlikely that we will ever find a design that the County will approve. Jon will continue discussions with the fire marshal. That probably makes an electronic speed control sign the best solution moving forward. Tom will continue to investigate designs and features. He will put a proposal together in the coming month.

One added element in the mix is that the County may redesignate its school bus stops in Ashcroft. If so, that may make some traffic calming efforts more urgent. Ted has been in contact with the ACPS Transportation Coordinator and conveyed the Association's concerns about placement and the need to ensure adequate signage and notifications are made to promote bus stop safety. The County has not yet finalized the plan but expects it to be done by the end of July or first week in August. Once the specific bus stop locations are provided, the Board will review efforts to address the new locations. Jon will write to the ANA before the beginning of the school year to remind all motorists to **drive safely** to protect the children waiting for the school buses.

Jon will contact Mr. Fairbrothers, who lives on lower Lego, to address again the possibility of a walkway inside his and the neighbors' fences so that residents of lower Lego can walk to the clubhouse safely. One issue to be addressed is the ability to indemnify the property owners of any liability associated with using the potential path.

Clubhouse blinds: The east facing clubhouse windows make the room too hot; lowering the air conditioning temperature drives up electricity costs. To address this issue, the Board will have blinds installed on the lower four windows. Ted will email the Board members pricing options based on 2" faux blinds in white.

Trails: Jon will address cleaning up the existing path around the Tremont pond with his committee.

Rick presented his bills for maintenance of Ashcroft.

The meeting was adjourned at 7:06 p.m.

Motion: Ted Second: Jon Approval: Unanimous

ADDENDUM: POLICY ON CHARGING OF EXPENSES BETWEEN OPERATING AND RESERVES

WHEREAS, the Bylaws of Ashcroft Neighborhood Association, Inc. (“Bylaws”) authorizes the Board of Directors (“Board”) of Ashcroft Neighborhood Association, Inc. (“Association”) to carry out all of the Association’s powers and duties necessary for the administration of the affairs of the Association and not reserved to the membership;

WHEREAS, the Board has determined that there is a need to establish a policy addressing the proper charging of expenses between operating and reserves and establishing a threshold for charges to the reserve account;

NOW THEREFORE, IT IS RESOLVED THAT the Board of Directors hereby adopts as part of the Association’s Rules and Regulations the following policy and hereby rescinds any previous Board-adopted rules, regulations, policies, or procedures (if any) pertaining to the above topic:

Scope: This policy applies to all expenses incurred by the Association I. Goal of Policy

To insure all expenses incurred by the Association are properly separated between the operating and reserve accounts.

II. Background and Overview

There are two major areas of spending for any HOA: (1) daily or recurring expenses and (2) large-scale repairs and replacements as well as unexpected expenses. Accordingly, HOAs also have two categories of accounts for these expenses — operating funds and reserve funds. Both are funded by the association fees that homeowners pay each month.

III. Operating Fund and Expenses

The operating fund is used for expenses incurred in the day-to-day operations of the community. These are expected expenses that happen daily, weekly, or monthly.

Here’s a breakdown of typical expenses covered by the operating fund (not all inclusive):

- Services (housekeeping, landscaping, maintenance, security, trash disposal, etc.)
- Utilities (electricity, water, gas, sewage, internet)
- HOA Management (HOA manager salary, office expenses and supplies, postage)
- Insurance and taxes
- Accounting, legal and other professional fees
- Subscription services (Zoom, etc.)
- Routine repairs, cleaning and minor painting

IV. Reserve Fund and Expenses

The reserve fund is used for large-scale repairs and replacements, as well as unexpected expenses or emergencies. It's similar to a savings account; the money will only be used when there is a need for it.

Here are examples of scheduled expenses covered by the reserve fund:

- Repaving roads
- Replacing or adding sidewalks
- Painting of community assets (typically not touch up painting)
- Roof replacement on common buildings
- Pool repair/Pump replacement
- Major landscaping projects
- Construction or renovation of amenities (playground, gym, basketball court, tennis court, club

house)

The reserve fund can also be used for unexpected repairs or replacements. For example, roof replacement is usually scheduled every 10 to 15 years. However, if a bad storm damages the roof of the clubhouse, the board can tap into the reserves to pay for this urgent expense.

V . Materiality

For ease of administration, the board has established a minimum threshold for charges to the reserve account of \$1000. Any items below this amount should be charged to operating funds regardless of its character.

VI Judgment and Exceptions

This policy does not obviate the need for judgment on the part of the board for coding expenses. For example, a project that is identified and planned for in the HOA reserve study should typically be charged to reserves even if the charge is below \$1000. Further, a charge less than \$1000 that is a piece of a larger project may be considered reserves depending on the character of the charge.

EFFECTIVE DATE: This Policy shall be effective upon the date it is adopted.