SKYEHILL TOWNHOME ASSOCIATION
MEETING OF THE BOARD OF DIRECTORS
July 17, 2013

Present:
- Richard Buske, Patti Frazee, Pam Brimeyer and Kris Willardson -- Skyehill Board Members
- Bruce Scheuing from ACT Management Inc.

The meeting began at 7:05 PM.

APPROVAL OF AGENDA:

Kris Willardson moved to approve the agenda for tonight’s meeting. Richard Buske suggested moving the Landscape Committee to the first agenda item and seconded. Passed.

APPROVAL OF MINUTES:

Patti Frazee moved for acceptance of the minutes. Richard Buske seconded. Passed.

PRESIDENT’S REPORT:

- Decided to have a Skyehill picnic September 18 near the 1323 building. A short Board meeting will be held prior to or during the meeting. Bruce offered to supply the food (Famous Dave’s). Pam will invite the Skyehill neighbors.

LANDSCAPE COMMITTEE REPORT:

- Darlene Olson updated the Board on the need to have a long-term plan to take care of Skyehill’s trees.
- Bruce had recommended arborist David Swanson. The Landscape Committee has met with him and requested approval to hire David Swanson to draw up a comprehensive tree care plan for $450.
- Per Darlene, approval would mean that the Board intends to implement the plan going forward. This would include actions like pruning, protecting the apple trees against apple scab, treating the ash trees and possible remove the least healthy ash trees, and an ash tree replacement plan. The annual budget will need to include tree care and the amount will be determined when the plan is complete.
- Skyehill has removed and replaced three trees in the last three years.
- Darlene has also spoken to experts about the ongoing ash tree treatment. The Landscape Committee and David Swanson agree that the treatments should be continued because ash borer disease is getting closer to Skyehill’s property.
- Darlene also reviewed a recommendation for removing broken/hanging branches on the Skyehill trees. In addition, there are 3 dead/diseased trees that need to be removed. The total cost for all the work is approximately $4500.
• There will also be some replacement requests for some shrubs and to replace the evergreen that fell during the last storm.

TREASURER’S REPORT:

• There are a few homeowners that are paying the incorrect monthly homeowner’s fee ($312 vs. $315). Bruce will contact them.
• Richard recommended changing the association fee allocation to $185 (currently $175) to the operating fund and $130 (currently $140) to the reserve fund effective August 1, 2013. This change improves the cash flow to meet the monthly operation costs and still allows a significant monthly contribution to the reserve fund. Richard will update the capital reserve schedule to reflect the change. Richard Buske moved to approve. Patti Frazee seconded. Passed.
• To avoid increasing monthly association fees, the Board discussed adding an annual “13th month payment” due by July 1. The purpose of this change is to hold the $315 monthly association fee and maintain a market competitive rate, while funding annual increases in Skyehill association’s monthly operating costs (mainly tree care, snow removal and insurance) and continuing to build the reserve fund. The amount would be added to the operating fund and the operating & reserve fund allocation would revert to $175 & $140. At the end of the year, any operating fund surplus would be transferred to the reserve fund. Kris Willardson moved to approve. Richard Buske seconded with the addition that the 13th month payment be evaluated annually. With that change, the motion passed. This change with the back-up information will be communicated during the annual meeting in November.

BRUCE SCHEUING, ACT MANAGEMENT, MANAGEMENT REPORT:

• The Board moved the retaining wall projects budgeted for 2013 to 2014 to offset the additional spending required for the 1314 membrane, the drainage project near 1318 and 1320 and tree damage and care. The total spending amount is approximately $32,000.
• The Board agreed to use ProLawn through April 2014 for the same amount. Richard Buske moved to approve. Patti Frazee seconded. Passed.
• Legal action on the previously foreclosed unit continues and the next hearing is scheduled for February 2014. Bruce will send a letter regarding required maintenance updates.
• Bruce will check the sprinkler operation.
• 1323 water leaking investigation is continuing.
• Work is progressing on the drainage project for 1318 and 1320. Bruce’s understanding is that all parties are satisfied.
• Sprinkler system replacement bid is $95,000. The Board will discuss whether to replace and the schedule for replacement at a future meeting.
• Bruce forwarded the Comcast agreement. Bruce does not recommend signing as it is a license agreement and will work with them to get an agreement with easement language as it was previously. Bruce will forward the agreement including easement language when available.
• American Family is the new insurance company. The change is complete.
• Bruce will publish a newsletter with the picnic information, general updates, landscaping activities, deck staining and painting, etc.
NEW BUSINESS:

- No new business.

2013 Balance of Year Meeting Schedule:

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
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<tbody>
<tr>
<td>September 18, 2013</td>
<td>At/near the picnic</td>
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<tr>
<td>November 13, 2013</td>
<td>Annual Association Meeting – Pam Brimeyer (1306)</td>
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The meeting adjourned at approximately 9:10.