

# Villas at the Country Club

## Minutes of the 2025 Annual Meeting

6:00 pm, Tuesday, February 11, 2025

Meeting to be held via Zoom & at the Clubhouse

### Welcome

Scott Houston, Management Committee Chairman

#### 1. Establishment of a Quorum:

Committee Members Present: Scott Houston, Chairman; Gordon Smith, Vice Chairman; Benjamin Young, Secretary/Treasurer, Ken White, Committee Member.

Property Manager Representatives: Rich Wells and Corey Poole.

Other HOA members present or participating via Zoom: Bob and Laraine McChesney, Charles Stewart, Craig and Penny Fowers, Benjamin Woods, Ken and Sherry White, David and Gladys Starling (Proxy provided by Benjamin Young), Monique Roese, Tamra Dursteler, Sara Wursten, Dicksy Rhoads, Jim Osborne, Jearlene Leishman, Gene & Gwen Wickes, Kathy Moody, and Caralee Young.

2. Ben Young, HOA Secretary/Treasurer presented the minutes of the 2024 annual meeting for approval. He explained a recent revision dated 1 Feb 2025 to clarify actual board seats that were filled in the 2024 election and which seats were filled by appointed due to early vacancies. Upon motion, which was duly seconded, the Minutes of the April 9, 2024, Annual Meeting were approved unanimously.

### 3. Board Member Election

Ben, HOA Secretary

- a. Two 3-year terms were up for election this year.
- b. Each of the 3 nominees was given about 4 minutes to introduce themselves.  
3 min each
  - i. Charles Stewart
  - ii. Ken White
  - iii. Gene Wickes
- c. After giving time for anyone not having already submitted a ballot prior to the meeting, the ballots were tallied by the representative of TPM, the property manager. Mr. White and Mr. Stewart were elected to fill the two vacant seats. Mr. Wickes had previously indicated that he was willing to serve on a committee if he was not elected. Mr. Houston accepted his kind offer.

### 4. Committee Reports

- a. Governance & Legal Matters: Gordon Smith reported on the state of legal and governance matters as follows:

-The UALD complaint for familial discrimination has been settled. The HUD complaint for disability discrimination is still pending with HUD.

-The Starling lawsuit has two issues: installation of an EV charger and a Tool Shed in the parking area. Both parties are being represented, and the insurance is paying for the representation. The current status of this is that it is in deposition.

-The HOA was not a party to the Top Gun lawsuit. The suit was dismissed last year, and the contractor has not been in contact, so we are currently in a holding pattern, but there are no further issues unless we hear back from the contractor.

- CC&Rs and Bylaws – In the course of the issues the HOA is facing the management committee has become intimately familiar with the CC&Rs and Bylaws and they are written terribly. The management committee will engage a professional to assist in the revision of the CC&Rs and will engage the community in the ensuing year to make the necessary corrections.

b. Property Maintenance Matters - Ken White reported

- Garage Door – Changed to a new garage door company out of Salt Lake City. It seems to be working well since they have adjusted it.

- Elevator – North Building elevator, we have been working with the contractor on this. He said that there was a piston leaking. Largely rebuilt at this point. Still, a little way to go.

- Leaks in the Garage – We thought we had them all fixed, but with warm weather, we have noticed a few small trickles coming in the places we thought were fixed. Will have to watch carefully for the next three months and remediate.

- Sidewalks – Have been repaired.

- Fire doors – Currently fire doors don't close all the way. We have a compliance order from the fire department, so they are being worked on. We have 90 days to be compliant. (They will need to be filed down so that they can close).

c. Financial Report by Ben Young, Treasurer

a. Reviewed 2024 Income/Expense reports accompanying the meeting agenda: Ben presented the income and expenses for 2024. The key highlights were that from 2023 to 2024 total operating expenses went from \$120,867.71 to \$132,406.40 which is an increase of 9.5%. The account with the largest increase was \$7,820.96 or a 39% increase in maintenance. The \$6,614 legal fees were all related to the Top Gun litigation. Other litigations were covered by insurance. Utilities remained relatively consistent from 2023 to 2024. It was reported by an HOA member that meaningful increases in water costs are coming soon.

b. 2025 Budget

Ben presented the 2025 budget which was proposed by Rich Wells, our TPM representative. It was reviewed and approved by the management committee at the January

Management Committee meeting. Operating expenses are budgeted for \$149,993.01 and Utilities expenses are budgeted for \$77,800.00, which are \$320 and \$165 per month per unit respectively. Based on the current reserve analysis the monthly contribution to Reserves for Replacements was set at \$265 per month per unit. Total monthly fees for 2025 of \$750 per month per unit beginning March 1, 2025. The accumulated deficit in the Reserve account on 12/31/24 is \$986,925.06.

c. In an effort to resolve the deficit in the Reserve account, an updated Reserve Study has been authorized and will be commissioned within the next couple of weeks to help inform

## **7. Community Discussion – Scott Houston moderated an open discussion of Community Concerns**

Several community comments and concerns were raised. The primary concern centered around the large increase in the HOA fees and the overhanging concern about also ensuring the Reserve account deficit. The management committee explained that the increase in the monthly fees, which was phased in over two years, was necessary to bring the HOA into compliance with Utah Law which requires a reserve study to be conducted and funding to be collected to meet the cost to repair, replace, or restore each component identified on the reserve study. To help add transparency the HOA has divided dues into 4 buckets for the 2025 dues, Operating Expenses \$320, Utilities Expenses \$165, Reserve Current \$265, and Reserve Backlog \$-0- (Note the deficit is \$986,925 or \$25,305.77 per unit, which will remain at \$986,925 unless special assessments are done in 2025). There was concern about the validity of the reserve study amounts. The management committee responded that they would commission a third-party professional to perform a new study as it has been 5 years since the last study and there have been significant changes in the market. There was concern that the items on the reserve study were the cost of the owner at the time those items were replaced. The management committee explained that under Utah Law (Utah Code 57-8-7.5) the costs to replace items are incurred as the items are being used not at the time that they are replaced.

Goodwill was expressed by all present to work together to find a solution. We are fortunate to have professionals among our HOA members, such as Gene Wickes who are experts in risk management and finding solutions to financial situations such as ours. The Management Committee expressed a commitment to continue to be transparent and to include as many HOA members as want to be involved in finding alternatives to present to the community for approval toward the end of the second quarter, as the anniversary of the last special assessment comes around.

## **8. Adjourn**