

# The FYI

A Private Residential Community

Newsletter for the Edgewood Townhouse Association

## MESSAGE FROM THE BOARD

*Preserve. Restore. Maintain.**Christine Donahue, President, Edgewood Townhouse Association*

**November is the month** Americans celebrate Thanksgiving by gathering with friends and family to feast on the bounty of the autumn harvest. We are fortunate to live here in Eugene where we have easy access all year to locally-produced healthy foods to nourish our bodies and minds.

I want to remind everyone that the *FYI* is an official ETA publication and includes the minutes of every Board meeting. The Board also communicates with homeowners by email from the ETA *mail.com* account, and sometimes we deliver letters and/or information notices to every home address. We are currently setting up separate email addresses for every Board member on *mail.com*. All Board communications are clearly identified as coming from the Board. We take full responsibility and are accountable for all the information we distribute. If you want to communicate with the Board, please write to the Board directly. Commenting on a chain email is not communicating directly with the Board.

On November 13, Edgewood homeowners voted “no” on a proposal to make a one-time dues increase above 4%. This correction to the dues base was proposed in order to address the repair and restoration needs for our nearly 50-year-old wooden village, as one long-time homeowner described Edgewood at a recent open forum.

I have served on the Board since October, 2015. The recurring themes of budget discussions have centered on the need to meet current and future financial needs to address the deterioration of our buildings and infrastructure, deferred maintenance issues, and ongoing unanticipated emergency repairs. As you know, many important and safety-related repairs and restorations have been accomplished in recent years; many more have been identified. Maybe you are one of the homeowners who has had one of these issues addressed and repaired.

Much has been accomplished in recent years, not only in maintenance and repairs, but also in establishing best business practices in the operation of our not-for-profit corporation. Thanks to the work of the immediate past president and the ETA Director of Operations and Facilities, we now have professional and qualified vendors and service providers who know that we are a responsible client and that we pay our bills. This was not always true of ETA in past years, and some providers have refused to do business with ETA, since some past Boards were slow to pay the bills. These are some of the realities Boards have dealt with in the last several years.

Today’s Board of Directors has courageously taken on these issues. We are committed to “Preserve, Restore, Maintain” our investments in our homes, property and infrastructure. We are facing the realities required to be responsible stewards of our beautiful nearly 12 acres, and we are working hard to meet these challenges to bring ETA into the second decade of the 21st century.

Your volunteer Board of Directors appreciates the messages from homeowners expressing support and understanding of Board responsibilities. We will continue to work on creating a stable and sustainable future for ETA.

On behalf of the Board, I wish you and yours a safe and healthy holiday season.

### SPECIAL NOTICE

Beginning on January 1, 2019, Monthly Home Owner Dues will increase to \$345 per month.

### UPCOMING EVENTS

#### Next Special Board Business Meeting:

Wednesday, December 5, 2018 at 6.30 pm in the Clubhouse

#### Holiday Potluck:

Sunday, December 16, 2018 at 5 pm in the Clubhouse

#### Next Regular Board Business Meeting:

Wednesday, December 12, 2018 at 6.30 pm in the Clubhouse

#### Next HOA Quarterly Open Forum Business Meeting:

Tuesday, January 23, 2019 at 7 pm in the Clubhouse

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**EDGEWOOD TOWNEHOUSE ASSOCIATION  
BOARD OF DIRECTORS OPEN-FORUM BUSINESS  
MEETING**

*Preserve – Restore – Maintain*  
Tuesday, October 16, 2018

**Call to Order:** The meeting was called to order at 6:30 p.m. Seven Board members were present. Also present were Frank Gaddini, ETA Director of Operations and Facilities and Connie Hirsch, Budget Advisory Committee member. Ten homeowners were in attendance.

Homeowner Liz Deneke again agreed to direct the meeting. The main topic of the meeting was the proposal for a dues increase to meet the Homeowner Association obligations that are not currently being covered with the dues structure.

Homeowner comments and questions covered topics of need to build reserves, need for more dues to meet HOA needs, possible need for revising the CC&Rs to increase dues, and preference for a special assessment rather than a one-time large dues increase. Additional suggestions included Board distribution of electronic information in some way. One homeowner has started a Facebook group page for ETA. Another has offered to distribute documents handed out at meetings through email. There are already a number of avenues for homeowners to get financial information that is being discussed and distributed, including regular meetings, budget and financial handouts, the monthly *FYI*, and a chance to ask questions and make comments through email and at regular meetings.

There was discussion about whether repairs should be defined as capital improvements or major restoration. A legal opinion has been obtained from the ETA attorney that capital improvement funds do not need to be kept separate.

Board members commented that they believe the one-time increase is best at this time in order to meet the needs of the Association for adequate funding of operations and reserves. There was further discussion of the two models which have been presented, a large one-time dues increase versus regular dues increase with a special assessment.

The meeting was adjourned at 9:10 p.m.

Sharon Kimble, Temporary Acting Secretary

**EDGEWOOD TOWNEHOUSE ASSOCIATION  
BOARD OF DIRECTORS SPECIAL BUSINESS  
MEETING**

*Preserve – Restore – Maintain*  
Friday, October 19, 2018

**Call to Order:** The meeting was called to order at 3:00 p.m. Seven Board members were present. Also present were Frank Gaddini, ETA Director of Operations and Facilities and Connie Hirsch, Budget Advisory Committee member. Ten homeowners were in attendance.

Each Board member in turn made comments about the topic of this special meeting, which was to affirm the direction of the Board for the funding increase after the Tuesday, October 16 Open-Forum Meeting.

Mary Ann Arnone would like to look at pros and cons of both models again. She preferred the assessment model.

Dan Goodlett said that he still preferred the dues model.

Don Pasquali commented the assessment model is not stable over years, since the amount fluctuates from year to year. The assessment model for 2019 with a \$2,000 assessment and 4% dues increase would make the homeowner's monthly dues payment more than the currently proposed dues increase model.

Mike Maulding, like Mary Ann, preferred the assessment model, but wanted to make sure we are complying with the CC&Rs.

Darell Bidstrup liked the dues model, but preferred the assessment model. The assessment model may be more popular, but it also has drawbacks.

Sharon Kimble preferred the dues model, and commented that the Board must look at the six-year plan, but remember we are voting only on 2019. There has been some confusion about all the information. The Board needs to focus more on simplifying the information.

Christine thanked Budget Advisory Committee member Connie Hirsch for her work and support in providing the financial information for the Board. Two main issues are stability and sustainability; she preferred the dues model because it is stable and predictable, which is important for homeowners with a modest or fixed income.

Frank and Christine read the Board's email to the attorney Donald Churnside asking for advice about the how major repairs and capital improvement are defined and whether using dues increases to pay for this type of restoration is a correct use according to the ETA CC&Rs. The messages confirmed the legality of the Board's actions on both funding increase models.

Connie reminded the Board that the bottom line is the HOA needs more money. A more gradual change would be more acceptable rather than a large one-time change, so the

assessment model would be better subjectively. However, homeowners would need to be aware that we will need to pay different dues amounts each year, likely mostly over \$500 per month. We need to do more education about what the impact will be of both models.

The President called for a vote. The Board voted to continue with the original proposal, four to three in favor.

The meeting was adjourned at 4:15 PM.

Sharon Kimble, Temporary Acting Secretary

## BOARD OF DIRECTORS ANNUAL OPEN FORUM BUSINESS MEETING

*Preserve – Restore – Maintain*

Tuesday, October 23, 2018

**Call to Order: The meeting was called to order at 7:05 PM. Seven Board members were present.** Also present were Frank Gaddini, ETA Director of Operations and Facilities and Connie Hirsch, Budget Advisory Committee member. 26 homeowners were in attendance.

The Board meeting opened with two items of business for votes by the Board, to officially nominate Merryn Gregory and Gloria Gehrman to the vacant Board position. After the vote the business portion of the meeting was adjourned.

Ballots for the election of Board members were issued as residents signed in. The three incumbents and the two nominees made statements of their interest and qualifications for the position. Volunteers from the audience, Beverly Day and Victoria Daniels Miller and a Board member, Darell Bidstrup, counted the ballots and reported the result to the President. All three current Board members were reelected, and Merryn Gregory was the successful candidate for the vacant position.

Connie Hirsch explained her process for the budget and preparations of reports. Reports are available at the meeting for the Balance Sheet, Profit and Loss, and the model for the proposed 47% dues increase. Monthly banking reports are being prepared by the bookkeeper.

There was discussion by those present about the CC&Rs, about controlling costs, how expenses can be cut, if some work could be deferred, and how to possibly decrease the amount of dues increase needed. Also there were comments about improving communications, along with discussion about how to get financial documents distributed to all homeowners.

A Board member reminded everyone that Frank Gaddini had offered to lead a tour of the property 1) to review obvious areas of needed facility repairs, 2) to review areas of groundwater intrusion and mitigation, and 3) to identify areas that have had major repairs performed over the past eight years to give better background and perspective, and supporting evidence about the nature of the repairs and maintenance needed to keep the property in good repair. Dates for a Property Maintenance Tour(s) will be scheduled and posted for homeowners to attend.

The meeting was adjourned at 9:15 PM.

Sharon Kimble, Temporary Acting Secretary

## Looking Back Over October 2018 Facilities and Operations Report Frank L. Gaddini, [etadirector@email.com](mailto:etadirector@email.com)

This report is a review of work performed in October 2018. October was in a word “gorgeous.” Crisper, cool days with plenty of sunshine marked our transition into autumn. Many of our trees were gently defoliating and we postponed activating our leaf management program until the end of the month.

October was moderately busy as we engaged in our seasonal transition towards winter. During the month, we were extremely productive recording and completing sixty-two (62) jobs, and year-to-date, we have completed over 920 discrete jobs.

Much of our work was engaged in routine seasonal maintenance activities including 1) *winterizing all of our irrigation systems which were officially terminated on Friday, October 26, 2018 by EWEB*; 2) the cooling of the pool water sufficiently to place our thermo blanket over the pool water surface; and 3) mowing lawns and managing defoliated leaf.

However, we also engaged in our continuous pursuit of installing new outdoor lighting fixtures. During the month we deconstructed the remaining 4 pole light fixtures and installed new LED light fixtures and aluminum light poles near 35 and 159 Westbrook Way. We also installed new LED sidewalk light fixtures near 20 and 30 Brae Burn, as well as along the creek behind 148 and 152 Brae Burn.

Our other important seasonal work was performed by our roof cleaning contractor, who performed roof and gutter cleaning at seventeen sites under the heavy canopy of Ponderosa Pine and Douglas Fir trees. These conifer trees shed much of their needles during late August through early November. And last, our temporary contract workers restored an entire shrub bed at the northwest corner of 11 Westbrook Way

### SPECIAL NOTICE

Beginning on January 1, 2019, Monthly Home Owner Dues will increase to \$345 per month.

**EDGEWOOD TOWNEHOUSE ASSOCIATION  
BOARD OF DIRECTORS OPEN FORUM BUSINESS  
MEETING**

*Preserve – Restore – Maintain*  
Tuesday, October 30, 2018

Attendees: Nine ETA Board members, Frank Gaddini, Connie Hirsch, and 18 homeowners

The meeting was opened at 6:30 PM. Board President Christine Donahue began by conducting an item of Board business, granting permission for realtors to place signage at 106BB and 140BB. Specifically, motions were made to approve placement of a for-sale sign in the softscape area next to the garage at 140BB and directional signage for 106BB. The Board unanimously approved both motions.

Board members Mary Ann Arnone and Sharon Kimble and homeowner Bev Behrman reported on a document they developed to explain why the Board chose to submit the Dues Model for homeowner approval rather than the Special Assessment Model. Bev emphasized the need for clear communication. Copies of the document were distributed to attendees and will be emailed to the homeowners.

The floor was then opened to homeowners for questions and comments. Discussion was as follows:

- One homeowner (27WW) focused on provision of financial data, questioned the cost estimates for the six-year plan, and commented on the hiring practices for contract labor.
- Another homeowner (1WW) asked about the final version of the budget.
- The homeowner residing at 155WW spoke about the reserve study of 2010 and asserted that the CC&Rs require that dues are for operating expenses and minor repairs and reserves are for capital expenses (an opinion also shared by the homeowner at 27WW). The homeowner further expressed an opinion that the six-year plan is equivalent to a six-year assessment. Frank Gaddini pointed out that our association was not required by law to have a reserve study in 2008, nor is it now. Frank noted that our properties were dilapidated in 2010 and needed a number of safety-related repairs. Monies spent from reserves have since gone to remedy those issues. The homeowner responded that we need to discipline ourselves as an association.
- One homeowner (163WW) said homeowners weren't being permitted to fully express their opinions in the meetings and that the decision making process isn't "democratic."
- Board member Darell Bidstrup noted that we have to budget high because we don't always know the full extent of problems until after work begins. Board Member Mary Ann Arnone noted that a simple 4% dues increase would result in income that falls far short of 2018 expenditures. The homeowner at 155WW replied that it's not a question of what we're going to pay but that there should be an assessment plus dues to cover expenditures.

- The homeowner at 118BB sees no issue with what has to be done here but asks how did we get here regarding the reserves and what are going to be the guidelines going forward?
  - The homeowner at 35WW acknowledged that homeowners know we need money to do the necessary work but wants time to reevaluate expenses and involve people in ways to cut costs.
  - Budget Advisory Committee member Connie Hirsch urged homeowners to attend meetings and clarified that she did not do an audit. She went on to say that our bookkeeping practices are consistent with good HOA practice and are in accordance with what ETA's attorney says must be done. Her concern is that the six-year plan is equivalent to what we were already spending; that is, the numbers are based on actual expenses.
  - A homeowner (120WW) stated that allowing attendees to give input at Board meetings is how more people will attend. Newly-elected Board member Merryn Gregory emphasized communication and agreed that better ways are needed to keep people involved in the meetings. The homeowner at 27WW suggested homeowners be able to speak at the start of business meetings and the agendas should be emailed prior to the meetings to enhance homeowner participation.
  - Frank Gaddini pointed out the democratic nature of the scheduled homeowner vote. We have a motion, the Dues Increase Model, and we will see if it succeeds or fails.
  - Board Member Mary Ann Arnone noted that the Board has been listening to all the homeowners have to say. The Board is also working on accountability processes going forward.
  - A homeowner (71WW) asked if an alternative plan is available that could be considered now. Board member Christine Donahue replied that the Board currently does not know how it will proceed should the measure fail.
- The meeting was adjourned at 8:26 PM.

JoAnn Wilson, Secretary  
etasecretary@email.com

**EDGEWOOD TOWNEHOUSE ASSOCIATION  
BOARD OF DIRECTORS OPEN-FORUM BUSINESS  
MEETING**

*Preserve – Restore – Maintain*  
Tuesday, November 6, 2018

Attendees: Seven ETA Board members, Frank Gaddini, Connie Hirsch, and 22 homeowners

The meeting was opened at 6:35 PM. Board President Christine Donahue began by conducting an item of Board business, announcing that Dan Goodlett will serve as Board

Treasurer as well as Vice President through the balance of 2018. Former Treasurer, Don Pasquali, will continue in an advisory role to the Executive Committee. Christine also announced that a leaf removal contractor has been hired and will begin next week. Finally, Christine announced that a Special Board Business Meeting (closed forum) will be held Wednesday, December 5, 2018, at 6:30 PM in the Clubhouse.

The floor was then opened to homeowners for questions and comments. Discussion was as follows:

- One homeowner (90BB) asked if the trend line in the budget models is “the new normal.” Christine Donahue replied that the Board is looking at the current increased dues motion as a dues correction. Connie Hirsch of the Budget Advisory Committee said that we won’t know till later if the proposed increase is catch-up or the new normal.
- The homeowner at 155WW expressed “100% disagreement” with the idea that ETA is spending too lavishly on repairs and restoration – that it is “buying Cadillacs when we should buy Fords.” The homeowner does believe, however, that the Board needs to use a different strategy, to basically raise the same amount of money but with both dues and special assessments. Dues, according to the homeowner’s reading of the CC&Rs, should be spent on operations, maintenance, and reserves and special assessments should fund capital expenses. Board President Christine Donahue pointed out that ETA’s attorney does not share this interpretation of the CC&Rs.
- The homeowner at 157WW expressed support for the homeowner at 155WW, stating a preference for “assessment after assessment” instead of a 47% dues increase until the budget issues are resolved.
- The homeowner at 90WW said ETA should be paying for a bookkeeper and other financial information. Connie Hirsch replied that we now have an excellent bookkeeper who is following accrual rules for accounting, “probably for the first time in the lifetime of this HOA....It’s all coming together now.” It was also noted for the homeowner that the Board is reviewing a position description for an accounting professional to advise the Board on a monthly basis.
- A homeowner (1WW) asked about not yet seeing a final budget for the 6-year plan. Connie Hirsch replied that we need to know what’s coming in before reformatting all those amounts by account numbers.
- The homeowner at 71WW inquired about unanticipated costs. What do they actually come to? Will the 6-year plan cover those things that have been unanticipated? Frank Gaddini replied that he addresses needed safety and security repairs as they arise, even if they were “unanticipated.” He does not typically request bids; instead, repairs are processed on “time and material” basis. This saves money since contractors charge more to cover unknowns. In addition, it’s impossible to predict the

future. In short, “the repairs listed on the 6-year have been identified and prioritized – they really need to be done.”

- A homeowner (169WW) said that ETA did a reserve study in 2008 to know what needs to be done and that if a particular major repair/restoration doesn’t need to be done immediately, it should be put on next year’s list.
- Homeowners at 132BB observed that 1) nobody has a crystal ball but it’s safe to assume unanticipated expenses will go up and we’re going to have to raise the money; but, 2) it’s still unclear where the money went or where it will go.
- A homeowner (120WW) asked if the trees in the parking strip along Willamette are causing problems, citing both safety and visibility concerns. Frank Gaddini replied that he will check with the City of Eugene right away.
- Board member Michael Maulding reiterated that the way we’ve operated is that when a homeowner has a problem, we want to fix it.
- The homeowner at 83WW asked what would happen if the motion failed. Another (120WW) said that if the motion fails, the Board should ask people that night what they want. Christine replied that if it fails, we’re going back to square one and that any homeowner who wishes to tell the Board something should communicate to the Board in writing.
- Two new homeowners at 8WW and 43WW expressed their frustration that they were unaware of budget issues when they purchased their townhouse.
- The homeowner at 90BB said that in their previous HOA, what the HOA was responsible for was changed in order to reduce expenses.

The meeting was adjourned at 8:10 PM.

JoAnn Wilson, Secretary

**EDGEWOOD TOWNEHOUSE ASSOCIATION  
BOARD OF DIRECTORS MONTHLY BUSINESS MEETING  
AND**

**VOTE ON MOTION TO INCREASE BASE AMOUNT OF  
MONTHLY ASSESSMENT**

*Preserve – Restore – Maintain*  
Tuesday, November 13, 2018

**6:00-7:00 PM: Voting Period for Motion to Increase Base  
Amount of Monthly Assessment by 47% to \$488/month.**

Thank you to Camilla Pratt, Past ETA President, for agreeing to check in all the members, issue the ballots, and place the proxy ballots in the ballot box.

**Call to Order: The meeting was called to order at 6:30 PM.**

**Board members present were:** Christine Donahue, Mary Ann Arnone, Dan Goodlett, Sharon Kimble, Michael Maulding, Don Pasquali, and JoAnn Wilson. Darell Bidstrup and Merryyn Gregory were excused. Also present were Frank Gaddini, ETA Director of Operations and Facilities, and Connie Hirsch. Eighty-six members, in person or by proxy, were represented.

**Approval of Minutes:** A quorum of the Board conditionally approved the minutes of October 9, 2018, pending submission of missing text.

**Standing Reports:**

1. Facility Report: Submitted
2. Treasurer's Report: Submitted by ETA Treasurer Dan Goodlett. Connie Hirsch, Budget Advisory Committee member, summarized details of the Profit & Loss statement for January through October 2018 and Balance Sheet as of October 31, 2018.

**Old Business:**

3. Final Call for All Votes: Board President Christine Donahue discussed the Announcement items (below) until the hour reached 7:00 PM. The voting period was then closed. The following homeowners agreed to serve as ballot counters: Victoria Daniels-Miller, Anne Walsh, and Susan Simonton. Board member Sharon Kimble served as observer.

**Recess for Ballot Count and Refreshments**

4. Election Results: Board Secretary JoAnn Wilson announced the results. There were a total of 86 members voting in person or by proxy, well exceeding the required quorum of 54 or 60% of all votes of membership (total of 90). There were 13 votes in favor of the motion and 73 in opposition. The motion failed.

**Announcements:**

5. Call for Volunteers to decorate the Clubhouse for the Holidays, traditionally scheduled shortly after Thanksgiving Day. Bev Day and Debbie Pasquali agreed to be contacts. Interested homeowners should contact one of these individuals.
6. Special Board Business Meeting (Closed Forum): Wednesday, December 5, 2018, in the Clubhouse at 6:30 PM.
7. The next regularly scheduled Board of Directors Business Meeting: Wednesday, December 12, 2018, in the Clubhouse at 6:30 PM
8. Call for Volunteers to Organize ETA Holiday Potluck. The Clubhouse is preliminarily reserved for Sunday, December 16, 2018, at 5:30 PM. Homeowners were asked to consider volunteering and let the Board know if they would like to help organize this annual event.

The meeting was adjourned at 7:15 PM.

JoAnn Wilson, Secretary  
etasecretary@email.com

**EDGEWOOD TOWNEHOUSE ASSOCIATION  
SPECIAL CLOSED-FORUM BOARD OF DIRECTORS  
BUSINESS MEETING**

*Preserve – Restore – Maintain*

**Tuesday, November 20, 2018**

**The meeting was called to order at 6:30 PM. Board members present were:** Vice President Dan Goodlett, presiding, Mary Ann Arnone, Darell Bidstrup, Merryn Gregory, Sharon Kimble, Don Pasquali, and JoAnn Wilson. Board members excused were President Christine Donahue and Michael Maulding. Also present was Frank Gaddini, ETA Director of Operations and Facilities. Twelve homeowners were in attendance.

Dan Goodlett announced that this was a single-purpose meeting—to approve an increase to the homeowner dues (HODs) for FY2019 consistent with the CC&Rs (Article IV, Section 3 (a)) which stipulate that members must approve, by two-thirds vote, any increase to the annual assessment which exceeds 04.0%.

After a brief recess due to a persistent interruption from a homeowner in the audience, the meeting resumed. Frank Gaddini distributed a working draft of the FY2019 budget which includes a 03.999% increase in dues, from \$332/month in FY2018 to \$345/month, effective January 1, 2019. Frank explained that it is traditional to give a 30-day “courtesy notice” to the homeowners of a dues increase but such notice is not required by the CC&Rs.

The draft 2019 budget does satisfy the Operations side of the budget but does not include a number of important items, many of which Board members identified. They include any problems identified in inspections done for homeowners selling their townhouses; debt being carried over to the next year; and only a subset of the major restoration projects which should be achieved in 2019 (including those already deferred in 2018). Discussion of these significant budget challenges will resume in a closed-forum meeting scheduled for Wednesday, December 5, 2018, in the Clubhouse at 6:30 PM.

The Board members in attendance unanimously approved the 03.999% HOD increase for FY2019. Homeowners will be notified by US mail.

The meeting was adjourned at 7:15 PM.

JoAnn Wilson, Secretary  
etasecretary@email.com