

Tomahawk Creek Condominium Association, Inc.
Tomahawk Creek Condominium Board Meeting Minutes for May 23, 2013

APPROVED

Present Board Members: Gayle Voyles, Jennifer Breece, and Michelle Buchanan. Neither Jason Purinton nor Karie Younger was present.

Present Tiehen Management: Jim Tiehen, Tim Rellihan, and Michelle Swartz.

Meeting was called to order at 6:30 p.m.

Introduction of Tiehen Management Group by Jim Tiehen: Michelle Swartz is the new On-site Manager and the first to report any concern; Tim Rellihan is the Property Manager, and Jim Tiehen looks at the financial strengths, provides financial analysis and makes suggestions. Jim explained that if there is any concern not being handled by Michelle, then call Tim. Jim is the final call if there is any problem with Tim's handling of a concern.

Meeting minutes from April 24, 2013 were unanimously approved as written with quorum of three present board members.

Financials

Treasurer Karie Younger not present.

Jim Tiehen reported the transfer of all accounts and kept company investments. The Reserve Account Money Market is \$326,317.00 and Total Cash end of April 2013 is at \$337,191.00.

2013 Budget Input Chart of Accounts with Signature Account Numbers unanimously approved by board members.

Financial Report with Month-to-Month Totals, Financial Statement, Budgeted versus Actual, and Budgeted Year to Date. For instance Snow Removal is over budget, with last bill 2013, over budget approximate amount \$7,000.00 with \$25,000 budget, Actual \$25,472.00 + \$6,900.00= 32,472.00. Other line item to be over-budget is Insurance in 2013, \$97,000.00 is \$14,000 over-budget. Jim's explanation that the insurance premiums basis is on Insurance Claims, so need to limit claims. Carport claim is pending. Variance in part due to budget estimate in October so insurance actual expense is much larger. Roofing budget, spent \$18,000-19,000, and budget is approximately \$39,000. It has been raining, so catching most of the leaks hopefully.

Karen Mann disapproves in snow removal payment for the last snow bill, due to the lack of performance. Jennifer Breece didn't agree with paying for snow removal either due to lack of performance. Jim mentioned that is was many companies that did poorly on the last snow.

Utility Expenses are over budget with water and wastewater on new utility billing. Wastewater used to be on individual tax statements, so owners were paying for this expense. 2012 took line item off and put on the water bills, so now H.O.A. is paying. The increase in H.O.A. dues in July of 5% is maybe going to cover the new line item on the H.O.A. for wastewater. Mention by??? That needs to do a better job on estimating budget. Jim said some H.O.A.'s are billing it back to homeowners, but our H.O.A. is not able to do that.

After bills paid and collections, \$48,000 Net Income. Just overtures of budget, net income will be zeroed out in May. Telephone bills and late charges; Board did not approve certain bills, will email Tim Rellihan the information.

Delinquency Report through 5/23/2013 has 2 parts: Summary and Detail Report. SA: Special Assessment. Two liens and one needs to be filed, and two to three are really behind. The last page of Detail Report is totals with approximately \$7,100 in Special Assessments, \$2800 in Late Charges, and Dues of \$16,078. Late notices sent, and 2nd round of billings so little bit of work to do. Special Assessment on the property, time period elapse now, so late notice sent, then no payment received, then send lien notice, then file lien. Residents knew about the SA 13 to 14 months in advance said Michelle Buchanan, so late notice in May. Do no know what Signature Property Management did. Out in June statements is \$25.00 late charge.

Unanimous Board Member Approval of Billing Process to Notify delinquent owners. The Tiehen Management to send 2nd Notice, and if no contact, then the 3rd notice is a lien notice with number of days lien will be filed.

Jennifer Breece asking about the Misc. Payroll Category from Signature Financials, \$234.00 spent on uniforms? Jennifer Breece will send an email to ask about the charges.

Overall Board Members are okay with the Financials from Tiehen to include in Board Meeting Minutes. Not financials from Signature for April 2013. Jim Tiehen will get with Signature the April documents.

Manager's Report:

Jim Tiehen reported that himself, Tim Rellihan, Michelle Swartz, and Bill Gates did a property inspection this week all around the buildings. Limited funds to do a lot of necessary work, discuss ways to tackle the problem.

Painting Budget \$110,000 with 8 Buildings left to paint to complete all the buildings. More and more wood rot and estimate is \$200,000 for 8 buildings including repair of wood rot. In Jan.-Feb. 2013, paid Potter \$26,000 for 2013 jobs. Walked all 8 buildings and looked at which ones would be a priority. Determined 4 buildings this year, and 4 buildings next year. Either need to take from Reserves or obtain a loan. Money is cheap right now, with loan rates; so many HOA's are borrowing. Jim Tiehen does not want to drain reserves.

Issue of carports and further bracing, plugged number of \$30,000, but doesn't know. Asking whether cost go back to the owners of the carports? Limited Common Elements the H.O.A. is responsible, but if it pertains to a certain building then partial cost may be shared with owners. Other issues, Brick is buckling and pulling away from buildings, concrete, sidewalks, and steps are deteriorating and are trip hazards, and asphalt needs repair. \$204,000 is the Total amount for 2013 Pending Capital Projects and not included in the budget, so where does it come from. Sources of Funds: Painting \$74,000, Other Repairs & M \$32,000, and 35,000 SA, equal \$141,000. Noted that using SA is really the same as taking from Reserves. Do minimal work every year that must be done. Reserve Study huge number reflects the assets that H.O.A. is responsible for. Roofing Issues: Asphalt Shingles? Do a special assessment and do it all at once. It is feasible. Have to fix the leaks; damages are the homeowners as long as we're responsible in getting the leaks controlled. Shortfall of \$60,000. Plan to replenish the Reserves. Must fix the sidewalk before claims occur and we cannot get insurance.

Building 15 is pushed to 2014 for painting; however, need to fix the wood rot issues. Bill Gates can do the minor repairs, and replace boards and paint. Building 02 chimneys faux siding is coming off, looks like wind damage from the last storm. Michelle Buchanan asked if Paul Potter was reasonable. Jim Tiehen responded that it is really good on the painting but makes it up in the repair of wood rot with siding.

Tiehen will be walking the 4 buildings that are a priority this year with Paul Potter prior to work beginning, and discuss what he is replacing. If cannot negotiate with him, we will get another bid for the wood rot and use him just for the painting.

Jim stated that he needed to move quickly on the potholes, brick issues, and concrete. Asking Board approval to move forward and get bids for improvements, and the get bids approved by the H.O.A Board. Unanimous Approval by Board Members.

City of Leawood classified the Tomahawk Creek Condominiums as a commercial property, but that is incorrect. Due to roofing issue it is necessary to change classification.

Karen Mann would like to change the color of paint on the condominiums; she needs to go through the Architectural Committee. Wouldn't be able to afford it and Gayle Voyles stated that this would be another conversation.

Painting is every 6 years, and guaranteed it will not peel for 6 years, but not against wood rot.

Three bids, based on scope of work with possibility of using alternative siding material, then could change color. Expensive, but it's possible. Hardy Board last longer and doubles the life span of traditional siding, looks just like wood, which is being used to replace siding here for several years.

Jim Tiehen brought attention to Michelle Swartz saving money for the H.O.A. by doing the landscaping flowers instead of Epic Landscapes. Her and Bill Gates installed them and are going to provide their maintenance this season to save money.

The contract with Blue Valley is not going to be continued since it is unnecessary and wasted dollars. Ponds will now be treated on an as needed basis.

Silt going in to the pond from the Police Station being built, so Jim Tiehen spoke with the City about dredging. City is going to allow the staging of equipment on their property, which reduces the cost. Also obtained bid from Blaser to dredge the ponds on the southwest side for \$50,000, much less than any other bids. Cannot do it this year, we have other priorities, but we will get there. Additional note that all the fountains will not be going due to the silt damaging them.

Tax Returns unfortunately, were not filed. Signature did not pay the quarterly statement for 2012, so Tiehen Group will have to file those taxes.

Demand Letter by Tiehen Group to Signature. Do not want to incur any legal issues or spend money, have to move forward, Karen Mann asked why it wasn't a Breach of Contract. Jim cannot answer that being locked out of finances when notice of end of contract of Signature. Should not have paid for their services. Would be a lot of money spent on legal issues, there is a new management company, and too bad the transition isn't going as well as hoped. Why can't we look into the legal issue? Jim stated what are the damages; we have to figure that out first.

Krantz 18B Window Issue: Not in compliance with guidelines. Cynthia was previous on-site manager with Tiehen, and could not find any official letter in the files. Signature was supposed to send a letter. Jim's recommendation is to send a welcome letter to the new owner and make them aware that the windows are not in compliance and let them know the HOA would like them to replace the windows, You're supposed to reveal any issue when selling a home.

Let Michelle Swartz know if anyone sees something occurring at the buildings, so we can look at the issue. And solve it before it's a problem. When people don't ask, and there are no records, then try and correct the problem.

Board and Tiehen Management to implement "Package Pick-up". Looking for part-time help, Tuesday & Thursday 5:00-8:00 p.m., and Sat. 9:00 a.m.-12:00 noon. This is a non-budgeted item, but the service would benefit residents. Pay for the part-time Tiehen employee would be \$8-\$10 per hour without benefits. Asked Michelle Swartz to put advertisement notice out. Pick-up can be during

office hours when Ms. Swartz is here and after-hours going to try and offer the service.

Landscape Committee

Karen Mann met with Michelle Swartz to discuss landscape and an application process. Ms. Swartz agreed to help come up with a certain variety of shrubs and plants that owners could pay to have installed by a landscape company that would do well. Issue of Epic Landscape whether they would maintain new plants that they did not install. Clarification of maintenance with Michelle Swartz, that the company installing plants normally guarantee the plants, has nothing to do with the contract that Epic is doing as far as maintenance of the landscape. Epic is contracted to provide maintenance of the landscape without specifics on the types of plants. Would like to create a plant palate and develop a request form for the Landscape Committee to approve.

Social Committee

Daphne Reitz was not present at meeting.

Covenants Committee

Linda South was not present at meeting.

Nominating Committee

Darline Terrell will be the chairperson. Gayle Voyles stated that governing documents require the HOA to have this committee, and invites participants.

Architectural Committee

Rochelle Mitz reported that she is reviewing the forms and the application process with Michelle Swartz. Outstanding applications not coming back in completed. Will be in the office with Michelle making calls to check on the status of the outstanding applications. Submit application to office, and then the ARC Committee approves and notifies owner, then need to let us know when it's complete.

02J: Mr. Tom Intfen notified of compliance to guidelines with carpeting and patio extension. Selling unit and has till the 31st of May to correct. Need to check to see if it has been removed. Karen Mann said that he wasn't closing because the loan fell through. Also, the light fixture is not the same and Nancy did not follow through.

Michelle Buchanan said it's an ugly light outside patio.

Rochelle would like another opinion on the type of lamp for purchasing from Home Depot.

Old Business Issues

Tim Rellihan, Tiehen Property Manager reports that Terminex Bid of \$3,042.20 for Renewal during the period of July 1, 2013 through July 1, 2014 is in the

budget. This is for Termites Only, but will ensure the original treatment is under warranty and contract will pay for any damages, but must renew.
Unanimous Approval of Board Members to approve payment of renewal contract with Terminex.

Provided Michelle's Swartz Office Log Sheet of Calls, Report of Issues, and Follow-up to Board Members present at meeting.

Summary of Walk-Through Inspection provided with separation between painting, concrete and asphalt issues, and other pending issues.

Also Summary of Roofing Issues where a color code of yellow indicates items paid this year and green is complete but not billed. The Summary will enable tracking of issues and those that are reoccurring. The 3rd page of summary indicates pending items where green color codes are those that can wait, red codes are items that need to be viewed and fixed, and blue color codes are those items that must be fixed asap.

Year to Date approximately \$16,000+ has been paid. Tim R. stated that we are trying to inspect the issue before and after the leaks are fixed.

Just notified of leak issue in 21-L which needs to be fixed which is part of the total repairs that cannot wait, but do not have an estimate so will be additional to the amount of \$6,732+. 29B gap between gutter and roof, 23G, and 02E are included total.

The amount of \$4,905 is for 11D, 11K, and 29B over the front door are item coded green and can wait.

The amount of \$8,107 is in red and needs to be inspected and fixed for 19F, 23D, and 23E.

Need approval from B.O.D. of \$6,732 and amount for 21L to be fixed immediately. Will send estimate on 21L repairs via email to board for approval.
Unanimous Board Approval of \$6,732 and 21 L for immediate repairs.

Update 15A: Unit to repair leak, the outside exterior under brick is in great order, section of brick was done correctly. Caulked concrete over door, window, about 20 holes in brick, whatever could be seen. Outside exterior is good and the brick wall is done correctly.

Update 31J: Brick issue with hole in brick, let us know if there is a problem.

New Business

Lighting: Jeff Moore, 17C, discussed the benefits and cost savings by using LED lights for interior and exterior light fixtures. He compared LED to Incandescent bulbs. LED bulbs carry a 5 year warranty, 25,000 hour life, but are more expensive up-front. Return on Investment is 79% in 19 months with the labor

savings in not having to change out bulbs. LED is 14 Watt versus 65Watt Incandescent, and the LED is brighter light providing 85 Watts of light output. Gayle Voyles stated that the Board would need to discuss this option with the Management Company especially with replacement of exterior bulbs. Jim Tiehen stated that other properties are using LED lighting, but is fairly new and dropping in price, but with the cost savings should look into it. Halbrook is changing out their lights and looking to replace them with LED bulbs.

Aquatics Classes at Pool: Susan White was not attending the meeting; however Michelle Swartz explained that a few residents were interested in having water aerobics on Tuesday and Thursday nights from 6:00-7:00 p.m. It could be nice way to bring the community together. It would be for Tomahawk Creek Residents and that there would be no interference with other residents at the pool. Gayle Voyles asked Jim Tiehen if there would be any liability of the Board inferred for approval of a water aerobics class being offered at the pool. It is posted at the pool that there is no lifeguard on duty and swim at your own risk.

Unanimous Approval By the HOA Board Members present to allow the water aerobics at the pool at least on a trial basis.

Open Discussion

Office hours of the On-Site Manager were brought up asking about office hours being from 9 am – 6 pm. Jennifer Breece stated that before the hours were 9a.m. – 6 p.m. and they had been changed to 8:00 a.m. to 5:00 p.m. Jim Tiehen asked Michelle Swartz about the current hours, she replied that 8-5 was good and that she could work earlier hours, but no later. Jim stated that hours would remain 8 am to 5 pm. Mentioning that there is an after-hours Manager's mail drop off box in the mailroom, and that anyone could email Michelle with any concerns at any time. In addition, there is an emergency line for after hours. Residents can also call Bridget at Tiehen Maintenance to get a service technician.

Louis Clark, Bldg. 22, said that the outside overhead lights were not working.

Karen Mann brought to attention the on-line crime mapping available with www.Leawood.org a Safety and Security System where you can sign up to get notified of any issue. Need to communicate with residents about new system available.

Resident wants the board to check into materials for longevity, to consider new material before spending \$200,000 on painting and wood rot.

Mentioned to remind owners of the 5% increase in HOA dues this July.

Question about the use of carports by an owner. Gayle Voyles stated that the board has not received the engineer's report on the structure of the carport. The insurance company is waiting for it as well. It should be available in two weeks. Once the report is received about the structural support, if necessary repairs will be done before winter. It was the weight of the heavy snowfall that caused the problem.

Meeting Adjourn: 8:40 p.m.