

## Pembroke Woods HOA Annual Meeting

September 28, 2017

### Meeting came to order at 6:20pm

**Attendees:** Tim Hane, Rich Kapriva, Charlotte Mazeleski, Rose Luczak, Rebecca Ness, Ed Brogden, Kendal Moore, Mike Hoffman, Elizabeth Bettencourt, Jennifer Joy.

**Motion** by Rich Kapriva invoking Section 5-206 to reconvene in 15 days after legal notification requirements are met. Seconded by Tim Hane. **Unanimous** agreement .

### Meeting Adjourned at 6:30pm

## Pembroke Woods HOA Annual Meeting

Annual Meeting (Reconvened) on November 7, 2017

**Attendees:** See sign in sheet. **Board Members:** Jennifer Joy, Ed Brogden, Mike Hoffman, Kendal Moore

### Meeting Came to Order at 6:15pm

Kendal made a brief introduction and turned it over to Mike Hoffman who began with a discussion of our status on collections. Collections are going well in that the lawyer has been successful at collecting from delinquent home owners. Of the five outstanding she has collected from three. The HOA now has process in place that seems to work fairly well. Further, banks are taking over delinquent or abandoned properties and now are starting to keep up with payments and repairs.

The proposed budget has some good news. The board met with Ecosites (the original swale planners) regarding the swales upkeep and estimated repairs. When the development was built not much was really known about how long the swales would last or about the cost of upkeep. So Ecosites put together a 30 year plan for the replacement costs for the swale system. Our dues based on this estimate (estimated at \$300,000 at that time). New home owners would pay \$150 HOA fees and put in \$85 per home in the swale fund and with 3% interest we would be able to meet that amount in 30 year. However, interest rates didn't hold to 3% and over time we were unable to meet that target amount, so two years ago we had to raise HOA fees. Then about a year ago we began investigating whether we really needed to put away that much money because we hadn't needed to do too much repair to the swales (only \$2800 over 13 years).

But now 14 years later there is a lot more known about swales. Ecosites examined our swales and re-evaluated what they believe would be our costs for the next 70 years and came up with some figures that allows us to reduce our swale fund fees. Most of the materials in the swale are pipe (which has 100 year lifespan so they don't expect to have to replace that for a long while) ( *Note: there are two types of*

*pipes. In phase one black corrugated, in phase 2 & 3 they used hard pvc with holes. Not a concern in phase one are shallow swales so he was not concerned*) stone (a natural product which can be reused if we have to dig it up) So most of our cost would be for the filter cloth, and sand /dirt mixture that would be needed to be replaced entirely. Ecosites believes we have enough money currently saved (\$87,300 in that fund) to meet any swale concerns for the next 70 years. So they suggest that we take \$50,000 - \$60,000 and invest it in a long term fund and take the remainder and use that our liquid investment for any repairs and maintenance that may be needed. He also does not believe that the entire system will ever need to be replaced but that some properties may have issues and you repair that area and you may not need to do anything else in that area for 10-15 years. So you take each repair as it comes. Compaction of the soil is the only problem that can occur. The soil will get compacted over time and then you have to remix in the sand and reseed etc. The other thing that will likely require repairs are the check dams which currently are wood and need to be replaced due to rot. He gave us new plans for replacing these in the future with stone and natural materials that won't rot and will last longer. So our plan will be to replace these as they fail with new material. Another problem that can happen with the swales is that the pipes can get clogged with silt and in that case you just hire a company to come and flush the pipes.

So the good news is that, that is \$85 per home we no longer need to be putting away. This translates into a drop in our HOA Fees.

Mike then addressed a new concern involving the sidewalks on Brookfield. In inspecting the sidewalks we found that some had cracks or were raised or settling unevenly. We were told by the developer years ago that it was the responsibility of the homeowner. However, as we looked into who was responsible for the repair of the sidewalks we found language in the covenants that did not support that. We asked the attorney to review that and it was her opinion that it was the HOA's responsibility based on the language in the covenants. The south side of Brookfield Road from Tract Road all the way to the Brookfield development are the responsibility of the HOA. Then on the North Side (Mike's house and what used to be the Neibecker's house) those two are also the responsibility of the HOA. However, the plat was incorrectly done (we believe) and the sidewalk from the Neibecker house up to the Brookfield development are not the responsibility of the HOA. It did not make sense to the lawyer that this has been left off. This is from section 2 to Section 3. So with this new information, we have not had enough time to evaluate what should be done about this issue, but we have a contingency fund to take care of some repairs. The HOA needs to look into this issue further and decide if we need to be putting money into a sidewalk repair fund. This issue has a further impact on Snow Removal. We are responsible for snow removal on the South side and those 2 houses on the North side but not the four houses (Benvengi up to Turnquist). So we are finding out how much it will be to clear the snow on those sidewalks we are responsible. Mike recommended that we also pay for the other four while they are at clearing the other and pay for it out of the contingency fund. Then this year get a study done on how to maintain the sidewalks and what would be required to be put away for that, get a good handle on the snow removal costs and then have a special meeting to discuss where we go with it. Do we need to introduce some of that \$85 for that. We currently have enough funds to cover this year. Discussion continued with how difficult it would be to get those 4 houses included in the plat (very costly and very

lengthy process) or if we could as an HOA just do it. A special meeting would have to be advertised and convened to get input from the other homeowners (and the four properties involved) regarding including those four house's sidewalks as an HOA responsibility. Legally we are not allowed to take responsibility without permission. From a budget standpoint we have enough surplus funds for snow removal. We currently don't have a lot of repairs to do. Homeowner (1000 Brookfield) noticed degrading of sidewalks in front of this home (particularly by sign and the eastern side). This gives us some time to walk the neighborhood with a contractor who specializes in sidewalk repair and get their recommendations on what is needed. Need to figure out the best way to repair the few sidewalks needing repair currently.

Mike then suggestion that with the extra money (\$27,000) that we will have that won't be needed in the swale fund we should consider upgrading our walking paths, particularly the one in the common area in phase one and get it correctly graded and straighted out. He did not want to include it in this year's budget because it is something has not yet been evaluated and planned for. We put away about \$1000 per year for resealing the walking paths and he sees the other two paths to be in fair condition, but believe that we should fix the common area pathway. It costs about \$2000 every year to reseal the paths. We will look at these issues and put together a plan and see what we need to do.

Discussion turned back to the sidewalks. The HOA needs to draft a letter to address the sidewalk issue. Permission will be required if we are to do snow removal /repairs. Everyone who is affected by this will need to be informed that the HOA will be taking on the responsibility of their sidewalks as per the plat language. And for those who are not covered we will also inform them that they are not covered, however, if it's not cost prohibitive we will remove their snow as well (this year) with written permission. It is possible that some homeowners will object to taking responsibility of these (4) sidewalks (due to cost), but that is why we need to have a meeting about it.

Homeowner questioned whether the cutting of the swale grass along these sidewalks is still the homeowners responsibility. He was finding it more difficult to mow because of erosion. It is still his responsibility. We will have a spring walk through and take a look at the particular swale he was talking about. Swale issues such as his was due to improper design.

With the Budget we will be dropping Capital fund \$85/household. As a not-for-profit we can't charge dues for unless there is a purpose for them. That is an \$85 drop in dues (\$234 for the year). We will have a study on some of the issues discussed and then reevaluate for next year's budget.

**Motion by Kendall Moore to Accept budget with Change, Seconded by Jennifer Joy. Unanimous approval**

Old Business:

Prior year business: Carleton wanted to know about the increase in Clagget's fees. Ground maintenance what was the criteria, why wasn't he accepted. They were posted online.

Last year, Jeramiah wanted to know about grass cutting, getting a note out about it being on the street. We did post it on line that they should clean it up. Ed Brogden will make language so that we can add it to our architectural guidelines. Ed said that Frederick county might already have a law regarding that. Ed will find out about it. It may be enforceable by the county. It is considered littering. Ed will construct a more strongly worded statement.

Pending bus to know about repairs on hydrants, gaps in roadways and water retention at Brookfield lane during heavy rain. Kendal went to town and complained. Hydrants were painted by the town. Cracks in road and main's cap resealed. They have other projects and it is not in the budget to resurfacing the road. Also asked for Brookfield exit onto Irishtown Road to be repaired and they did some repair so that not as much water sits there. Discussion continued on the issue of Irishtown road exit not being both ways and why that was.

**Motion to Adjourn by Mike, Seconded by Kendal. Unanimous Agreement**

Meeting Adjourned: 7:10pm

Pembroke Woods Homeowners Association, Inc.

Balance Sheet  
As of 12/31/17

ASSETS

LIANCE - OPERATING 9369	\$ 28,163.73	
	<hr/>	
TOTAL OPERATING CASH		\$ 28,163.73 ✓
RESERVE CASH & INVESTMENTS:		
NT - CAP RES MM 9494	\$ 2,534.59	
D- SONA 6041 9/14/18	12,232.97	
D - SONA 0321 8/15/18	100,000.00	
	<hr/>	
TOTAL RES CASH & INVESETMENTS		\$ 114,767.56 ✓
CURRENT ASSETS:		
ASSESSMENT RECEIVABLE	\$ 17,052.44	
UE TO RES FROM OPER	1,253.50	
	<hr/>	
TOTAL CURRENT ASSETS		\$ 18,305.94 ✓
TOTAL ASSETS		\$ 161,237.23 =====

LIABILITIES & EQUITY

URRENT LIABILITIES:		
PAYMENTS HOMEOWNERS	\$ 6,251.31	
UNTS PAYABLE	250.00	
FROM OPER TO RES	1,253.50	
	<hr/>	
. CURRENT LIABILITIES		\$ 7,754.81
Y:		
IED EARNINGS	\$ 16,293.23	
VE FUND BALANCE	116,021.06	
NT YEAR NET INCOME/(LOSS)	21,168.13	
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EQUITY		\$ 153,482.42
ABILITIES & EQUITY		\$ 161,237.23 =====

Pembroke Woods Homeowners Association, Inc.

Balance Sheet

Posted 08/31/2018

**Assets**

Operating Cash

AAB - Operating Cash 9369 26,178.71

Total Operating Cash 26,178.71 ✓

Reserve Cash & Investment

M&T - Capital Reserve 9494 2,535.43

Sona - Capital Reserve MM 2775 52,152.31

CD - Sona Bank 6041 9/14/18 12,232.97

Sona - Capital Res CD 6780 8/23/19 50,000.00

Total Reserve Cash & Investment 116,920.71 ✓

Current Assets

Accounts Receivable 12,214.85 ✓

Total Current Assets 12,214.85

*Total Assets* 155,314.27

**Liabilities & Equity**

Current Liabilities

Prepayments Homeowners 770.85

Accounts Payable 444.75

Total Current Liabilities 1,215.60

Equity

Retained Earnings 37,461.36

Reserve Fund Balance 118,174.21

Net Income/(Loss) (1,536.90)

Total Equity 154,098.67

*Total Liabilities & Equity* 155,314.27