



**Village at Elk Hills HOA1**  
**Minutes**  
**July 6, 2022 5:30pm-6:30pm**

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**Board attending: B. Baker, C. Christensen, J. Gandenberger, T. Goldich, S. Rainey**

**Public attending: Carrie Parr**

A. Call to Order – 5:30pm

B. May 2022 Budget review – Questions: The positive amount of \$1050 in the building repair line is a result of a refund from Republic Services for repair to one of the gutter corners on 5110.

Motion to accept: SR Second: CC

C. June 2022 Minutes – Questions: none

Motion to accept: JG Second: SR

D. President's Reports:

1. The Board needs to rescind permission for residents to trim any of the shrubs, bushes, or other landscape plants on our property. Unfortunately some shrubs have been so improperly trimmed as to jeopardize their survival. Other healthy and viable shrubs have been removed entirely. Any request for removal or trimming must go through the Board. Gatewest is not responsible for our landscaping. – **accepted without comment.**

2. The herbicide expert will make an appointment to review our wildlife corridor in the fall in time for spot spraying. – **accepted without comment.**

3. Two proposals have been received from roofing firms. Proposals were attached to the agenda for this meeting. The Board reviewed each proposal and decided to go forward with Rhino Roofing's proposal. There is a concern for cost increases and Rhino confirmed that the prices will likely increase over time. S. Rainey, B. Baker met with a commercial lender to discuss various loan possibilities for the HOA and provided information on various scenarios. It is possible that a lender will require that all of the roofs be replaced in a short time frame, e.g., summer of 2023 or later. S. Rainey will email Rhino to ask if this shorter time frame might be doable. S. Rainey also



provided information on the HOA dues of comparable associations nearby (see below).

The first vote was whether the HOA should contract with Rhino Roofing to replace the entire roof on 5100, the highest priority identified in both roofing proposals, and the garage area of 5108 due to long-standing leaking issues. The motion by C. Christensen was to use reserve funds for both of these roofs with the caveat that the deck on 5108 #6 be repaired since the cracks in the concrete may be contributing to the ongoing leaking and roof damage. Motion: C. Christensen, 2<sup>nd</sup> S. Rainey. The vote was unanimous for expending reserve funds for these projects. T. Goldich will contact Rhino Roofing.

The second vote was whether to increase monthly HOA1 dues from \$250 to \$300, effective on September 1, 2022. Comments from Board members included that this increase is necessary to build the reserve funds for upcoming infrastructure repairs, that necessary repairs such as roofs and siding protect the value of residents' property, and that the \$300 level is in line with other associations in the area. This amount also conforms to the acceptable limit of a 20% increase which does not require a membership vote.

#### MISSOULA COUNTY CONDO HOA MONTHLY FEES

Orange St. Condos	\$267
Dearborn Condos	400
Mullan Rd. Condos	220
Polley Square	297
55 <sup>th</sup> St. Condos	330
Rock Ridge	240
Paxson St.	250
Clark Fork	285

There are a couple of other condo with HOA fees under \$\$230 – however, their market value is much less than what VEH Condos can command.

Motion: S. Rainey, 2<sup>nd</sup> C. Christensen. Motion carried unanimously. T. Goldich will contact Gatewest to ask how frequently the HOA1 dues may be raised within a calendar year.

Re possible financial solutions for roof expenditures:

*Regarding the potential for funding part of the roof replacement with a commercial loan, we discussed two possible scenarios. In each scenario, the HOA would self-fund out of reserves \$75,000 of the overall cost, which would leave approximately \$250,000 to finance. In the first scenario, the potential for a five-year commercial loan was discussed. At a hypothetical interest rate of 6.00%, the estimated monthly debt service obligation would be*



*\$4,833, which translates to an obligation of about \$105/unit per month. To recoup the \$75,000 of reserve funds over the course of the five-year loan repayment period would equate to about \$27/month per unit. In total, this hypothetical option would necessitate a \$132/month increase to dues.*

*In the second scenario, the idea of stretching the payback period to seven years was discussed. Factoring in a slightly higher rate due to increased loan length, the estimated monthly debt service obligation would be \$3,682, which translates to about \$80/month per unit. Looking to recoup the \$75,000 fronted from reserves for the project over the seven-year course of the loan would equate to about \$20/month per unit. In total, this hypothetical option would necessitate a \$100/month increase to dues.*

*After satisfying the debt obligation in five or seven years, as outlined above, and recouping the funds utilized from the reserves, the potential for some of the increased dues sunsetting would be addressed.*

*These figures and proposed increases were calculated based upon the current monthly regular assessment (HOA dues) of \$250/month.*

*-- Bryce Baker (July 11, 2022)*

E. Public Forum: Carrie Parr, daughter of owner of 5108 #1, expressed concern with the ongoing leaking problems into her mother's garage. Ms. Parr was made aware of the water intrusion resolution on our website at <https://villageatelkhills.com/wp-content/uploads/2020/10/2020-Resolution-2-Water-Intrusion-October-08-2020.pdf> and that upcoming repairs would hopefully protect the new roof materials.

F. Adjournment – 6:30pm.

Respectfully submitted,

Terri J. Goldich  
President  
July 12, 2022