

HOMESTEAD OWNERS ASSOCIATION INC.

MINUTES OF THE ANNUAL MEETING OF THE GENERAL MEMBERSHIP OF THE HOMESTEAD OWNERS ASSOCIATION, INC.

HELD: FEBRUARY 15, 2021

The 38th annual meeting of the General Membership of the Homestead Owners Association was held at 7:00pm, February 15, electronically via Zoom. Erin Allen, President of the Board, presided over the meeting. 130 Homeowners were present in person or by proxy.

ATTENDANCE:

Present Were Directors:

Erin Allen
Matt Drummet
Alyson Leingang
Bill McNamara
Jim Pyke
Katherine Smith

Also In Person or By Proxy:

Chad Allen
Paul Backes
Neil Barham
Hans Berglund
David Bishop
Timothy Blair
Rex Brown
Craig Bruntz
Paul Buse
Darcy Buster
Joseph Byron
William Carty
Daniel Chalfant
Lucy Cheatham
George Christman
Richard Cleveland
Michael Connolley
Sarah Cowell
Marilyn Dana
Alisa Demartino
Dalton Demorest
Patricia Dixon
Carlos Dominguez
Christopher Doyle
Ellen Eaton
T & T Edwards
John Elmgren
Robert Fait

David Faulkenberg
Steve Fedeczko
Lucille Fellman
Steve Fellman
Graham Frank
Richard Friesen
David Gillespie
Todd Goulding
Jim Green
Jeffrey Hanson
James Harding
Jordan Harrill
Carla Hart
John Harty
Monika Hornbostel
Laura Houser
Rosalie Hill Isom
Christopher Jarnot
Brian Jones
Daniel Kaatlein
Elisse Kelley
Zack Kent
Nancy Kerby
Joanna Kerwin
Thomas King
Terry Kleisinger
Matthew Kruszewski
Peter Law
Jennifer Law
Jeffrey Leonardo
Hartley LeRoy
Therese Lester
Aldine LLC
Eric Lohmeier
Sara Manwiller
Ann Mardis
Marilyn McIlvaine
Sara McNeill Thurston
Charles McWilliams
Marjorie Merchant
Mark Mikes
Kristin Miller
Todd Milner
Kim Nelson
Inge Nicholl
Todd Oppenheimer
Lawrence Oswick
Roger Pack
Glenn Palmer
Nancy Peller
George Person
James Pyke
Judy Pyle

Richard Pylman
John Redd
Wendy Rehnborg
Donna Robinson
Jeffrey Rockwell
Kent Rychel
Jennifer Schoenfeld
Gabrielle Shalley
Stephen Shanley
Paul Shay
Janet Simoneaux
James Skidmore
Bradley Smith
Carol Jean Smith
Kenneth Sortland
Richard Stamp
Marla Steele
Jacqueline Stockwell
E.L. Strauch
Ned Timbel
Pam Timmins
Meredith Tinkham
Michael Treu
Jon Ulvstad
Tracy VanCuran
Todd Vermeer
Tyler Jason (TJ) Voboril
Ann Wallace
Bob Warner
Craig White
Gary Wilberger
Louise Willimann
Steven Wills
Catherine Zinn

PREVIOUS MINUTES

Copies of the Minutes of the 2020 Annual Meeting of the General Membership of the Homestead Owners Association, Inc. were made available to the general membership on the website prior to the 2021 meeting. The minutes of the annual meeting held on February 17, 2020 were approved.

OFFICERS REPORT

Board President Erin Allen discussed the general state of the Association and Club. Mentioning that Covid forced the closure of the club from March 13th through May 1st, noting this brought outside memberships down about 30%, but the numbers are starting to come back up. The Clubs training, tennis and children's program revenues also fell. Staff worked hard to keep expenses down and keep our programs running within the state and local restrictions. Erin also gave a big thanks to the children's staff for running the only entire summer kids program in the valley. Staff and community members were disappointed to have to cancel all community events in 2020 and look forward to their return as soon as possible. Reserves are funded per our new 2020 reserve study and were used for our 2021 budget. Major reserve expenditures in 2020 included one new Peloton bike, two new rowers, a new AMT, new ski erg, major repairs on landscaping irrigation system, expansion of the court club parking lot entrance and sealing of the lot, removal of dead trees, major repairs to the pool HVAC system, started to replace entire first floor HVAC system adding a new air purifier ability, replaced computers and court club networking

system according to schedule, cleaned and repaired heating system on inside tennis courts, rebuilt paddle tennis walkway, new radar speed sign. Expenditures scheduled for 2021 include: new rubber plated dumbbells in the weight room, spring touch ups on tennis court resurface project, landscaping improvements around club and monument signs, trail improvements, new wood chip and sand surface in parks, roof repairs, additional irrigation repairs and finishing work on the first floor HVAC system.

TREASURERS REPORT

Director Pyke announced that the Board voted to keep dues at \$105 per month for the eighth year in a row. We currently have about \$1.73 million in cash in the reserve fund. The 2021 budget meets the reserve study required funding amount and pays for the principal and interest on our remodel bank loan. The 2020 reserve study was used for the 2021 budget. The 2016 loan modification resulted in a savings of \$434,245 in interest payments, which is a savings of over 2/3 from the original loan. After the loan modification and 2019 payments the loan balance as of January 2020 was \$425,000. We have since paid down an additional \$100,000 in 2020 with the 2019 cash basis income excess (leaving a balance of \$215,000 today). We have paid off \$1,285,000 in less than six years. The Board choose not to pay down the loan this year with the excess cash basis from 2020. All interest and operation excess income was put into reserves this year. Director Pyke also reported that over the past 15 years Homestead has chosen to have the financials more strictly reviewed as opposed to just compiled. Karen Nulle is our day-to-day accounting firm and has been doing it for over 30 years and McMahan and Associates do our end of year review and tax preparation. Director Pyke noted that Homestead did receive a Small Business Administration PPP loan to cover payroll costs associated with the pandemic. The HOA expects full forgiveness. The association is not eligible for the second round of the PPP program in 2021 as our revenues have not dropped by 25% or more during the first quarter. Homestead has a 0 based budget for 2021.

ELECTION OF NEW DIRECTORS

Two board members' terms have expired. President Allen thanked Directors Leingang and McNamara for their service. Candidates for the director positions were Joanna Kerwin and Jason Sica. No candidates were nominated from the floor. Joanna Kerwin and Jason Sica were elected to the Board by acclaim.

MATTERS PENDING

Homestead's attorney, TJ Voboril, presented annual owner education on the topic of Design Review Committees. He gave information on the Homestead Design Review process including frequently asked questions about what items require an application and which don't.

NEW BUSINESS

A big topic of discussion was Homestead's pickleball court. Many owners had comments both for and against pickleball, with the main focus being the noise associated with it, suggestions on how to grow the sport in the community, and concerns of pickleball play being moved to the tennis courts. The Board agreed to continue discussion at the March board meeting.

OWNER QUESTIONS

Owners had many questions including questions about financials, HOA insurance, fenced dog run or dog park, covid policies, request to turn back on water fountains and put water coolers back on courts, capital improvements schedule, electronic voting, if the HOA ever received any money from the Allen lawsuit, the potential to add a fenced dog park somewhere in the community, and many questions about the proposed Hive development. The Board addressed these questions and comments individually.

ADJOURNMENT

There being no additional business, the meeting was adjourned at approximately 8:30 p.m.