

**MINUTES OF THE BOARD OF DIRECTORS' MEETING OF THE OAK HILLS HOME OWNERS ASSOCIATION
HELD ON DECEMBER 4, 2013 AT THE OAK HILLS CHRISTIAN REFORMED CHURCH, MEETING ROOM,
2815 NW FOREST AVENUE, BEAVERTON, OREGON AT 7:00 PM.**

PRESENT: Dan Smith, President
Amy Barton, Vice-President
Linda Marshall, Secretary
Robert Erickson, Treasurer
Sheila Brewer, Director
Brad Buchholz, Director
Jim Erzen, Director

ABSENT: Sara Bourne, Director
Elizabeth Chapin, Director

BY INVITATION: Jed Spera, Community Manager CMCA, CAMP, AMS
COMMUNITY MANAGEMENT, INC. AAMC

Owners as listed on the sign-in sheet.

I. CALL TO ORDER

The meeting was called to order at 7:03 PM.

II. HOMEOWNERS COMMENTS/ISSUES

A homeowner asked about the increased cost for printing the Oak Hills newsletter which was 12 pages this month, rather than the typical 10 pages. Dan Smith explained that the usual cost for printing is \$150 and he will look into the cost of the 12-page newsletter.

III. APPROVAL OF MINUTES

The minutes from the meeting of November 6, 2013 were reviewed.

AGREED

Linda Marshall moved to approve the minutes the minutes of November 6, 2013 as submitted. The motion was seconded by Brad Buchholz and approved without objection, with Amy Barton abstaining.

IV. Treasurers Report

Robert Erickson provided the Treasurer's report for November 2013. Robert Erickson explained how line items have been grouped to assist in categorizing and facilitating ease of use. The improvement line item was approximately \$8,000 under budget in the 2012-2013 fiscal year. Robert Erickson recommended that the Board look at how this money could be used during this or future fiscal years.

Robert Erickson also went over the three main long-term asset line items and how those compare to the same period in 2012. While many items were lower than the previous year, it was noted that several replacement and repairs were made during the last fiscal year that were expensed from these line items.

Robert Erickson recommended that the Board begin considering an increase in fees for future years. Several operating line items continue to rise, while income is not increasing at the same level and this needs to be considered by the Board.

1. 2013-2014 RESERVE BUDGET – JIM ERZEN

Jim Erzen went over the scheduled reserve budget items for 2014 per the reserve study. Jim Erzen noted several items that may not need to be repaired or replaced at this time, and those items that will need to be completed during this fiscal year. Discussion followed about items that are in need of replacement in the near future that may be scheduled for future years.

AGREED

A motion was made Jim Erzen by to approve the reserve spending plan as recommended by Jim Erzen for fiscal year 2013-2014 (to include barkdust, RV Lot gravel and sealcoating). Motion seconded by Robert Erickson and approved without objection.

V. STANDARDS COMMITTEE

Linda Marshall has reported that a selection committee for the Standards Committee members appointment recommendation has been established. Linda Marshall emphasized that the number and shape of the committee will largely depend on the interviews and the applicants. Linda Marshall and Brad Buchholz noted that it would be difficult to have a recommendation by the next meeting because of the holiday season.

VI. RECREATION

1. Fees for Rentals

Sheila Brewer reported that the gym has been rented by several individuals and organizations and is operating with a full schedule. Sheila Brewer reported on and described the various types of rental uses for the gym. Sheila Brewer noted her concern for homeowners who rent the gym on behalf of a third party, but may not supervise the event as the contract requires. Sheila Brewer noted her concern for the liability issues with regard to this arrangement. Sheila Brewer will be bringing a proposal for the Board to review that will clarify the rental process and costs associated with rentals.

2. Recreation Manager Job Description

Sheila Brewer noted that she is finalizing a new job description for the recreation manager position. The purpose of this is to ensure that the calendar for the recreation center is properly overseen and will ensure that the facility is maintained and operated appropriately.

AGREED

Sheila Miller moved that the recreation director be allowed to place a position solicitation in several information sources in the Beaverton area for recruitment of the recreation manager. The motion was seconded by Amy Barton.

Additional discussion continued regarding the other positions at the recreation center and how this position will work in conjunction with other positions at the recreation center.

A vote was taken on the motion made by Sheila Brewer and the motion was approved without objection.

VII. POLICY AND PROCEDURE ESTABLISHMENT

Dan Smith briefly described the process that has evolved for the Standards Committee and the work that the policy and procedures committee had completed. Additionally, Dan Smith noted that there may be some confusion as to what the role the Policy and Procedures Committee will play within the

framework of the overall development of standards, including what areas they address in the development of standards.

Discussion followed regarding what the roles of the Board, Policy and Procedures Committee and the Standards Committee is, or will be. Specifically, the discussion focused on the way that the Policy and Procedures Committee will create policy for all of the areas of the administration of the Association (Recreation, ARB, Standards, etc.) and how they engage with the representatives of those administrative areas to develop recommendations for policies that are sent to the Board for approval.

Dan Smith noted that there may be confusion about whether the Policy and Procedure Committee should establish the policy and then write the procedures for administration of those policies, or whether the Board should establish the policy, allow the Policy and Procedures Committee to develop the procedures, and then circle back around to the Board for approval. Myra Lee clarified that the Policy and Procedure Committee was not a policy setting body, but only the establishment of the procedures. Myra Lee emphasized the Board would need to establish policies to be addressed prior to the Policy and Procedures Committee developing guidelines and procedures to enact and enforce the Board's policies. Lengthy discussion followed on this item.

Dan Smith clarified that it may be best for the Board to have examples of procedures from the Policy and Procedures Committee so that the Board can identify a direction that they would like the Policy and Procedures Committee to take, and then begin creating procedure from that direction. There was a consensus that this method for moving forward would be best to begin clarifying how policy shall be set and establish procedure and policy more efficiently.

Discussion continued regarding the name of the Standards Committee and how it may be a source of confusion as "standards" is a much more broad term that applies to all portions of the administration and not just covenant administration.

VIII. STANDARDS COMMITTEE

1. Schedule of Fines

The Board reviewed two schedules of fines examples provided by the Policy and Procedures Committee. Brad Buchholz noted that one schedule was simplified and easy to follow, while the other was more detailed and addressed very specific issues. Jim Erzen noted that both schedules left too much to individual interpretation, and that a standard must be developed prior to a schedule of fines being established. Discussion followed reiterating this point and that guidance must be provided to the Policy and Procedures Committee before procedures or standards could be developed, including a schedule of fines.

Discussion continued on giving guidance on a schedule of fines, or the level of fines, for the Policy and Procedures Committee to begin working on the procedure and provide an interim solution by increasing the amount of fines under the current system for daily violations and occurrence based violations. Dan Smith briefly summarized the direction of the Board to the Policy and Procedures Committee to utilize the current fine system and increase the penalties.

IX. ASSESSMENT INCREASE

Dan Smith reported that it would be time to start developing a plan for recommending an increase in fees in time for the Annual Meeting in May. It was noted that the Board may consider a recurring

increase so that the Board can avoid asking for increases every several years. Discussion followed how best to approach this and what would be the best increase. Robert Erickson will meet with CMI to discuss the best approach and if that is the best way to approach a fee increase.

X. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:15 PM.