

# Jonathan Association Board Meeting – August 16, 2022

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## Attendance:

Kevin Fafinski, Amy Gruber, Makiza Johnson, Jeremy Landkammer-Ely, Kay Rothe, John Siegfried (came in at 6:40)

## FirstService Residential:

Kami Skomsoyvog – Community Manager  
Maggie Mahmoud – Regional Director  
Kim Lee – Office Assistant

**Absent:** Heather Chakirov, Paul McNeill, Stephen Wolff

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**Open Forum:** N/A

## Call to Order:

6:33 pm

**Homeowner Open Forum:** No homeowners present

## Designate Quorum:

6 directors present, 3 absent, quorum designated

## Approval of August 16, 2022, Agenda:

- Amy requested the 2023 budget be added to the agenda.
- Kevin motions to approve the amended Agenda.
  - Amy seconded
  - Unanimously Carried

## Secretary's Report

- **Approval of July 19, 2022, Meeting Minutes:**
- Makiza motions to approve minutes as amended by Heather via e-mail.
  - Kevin seconded
  - Unanimously Carried

## Treasurer's Report (Amy):

- Review July Financials (Pages 8-14) – Amy reviewed YTD (year to date) financials. Kami would like to set up some time to discuss with Amy to discuss the financials, general ledger, and Avid training. **ACTION ITEM:** Amy will contact Kami to set up meeting. No updates from Amy on July financials. Maggie said she'd like to have financials reviewed monthly to keep on top of things. Amy agreed. **ACTION ITEM:** Get Amy financials a week before the meeting to review and be able to discuss at Board meeting. Maggie said we are about \$14,000 ahead of budget which is good. She is working on 2023 budget and will get a draft of the budget to everyone by August 31<sup>st</sup> for review before the next Board meeting.
- 2023 Budget – Jeremy asked, *when do we move monies from reserve to the operating budget for trees and shrubs? How do we gauge what to put into reserve?*

Trees are ongoing and ever-present cost so should have a budget of their own. Kami agreed that the trails and trees are a very large part of the operating budget so should have their own category. If new equipment is needed, have that come out of reserve. John was concerned about the financials of this expense. He said more money should be put into operations for these things but with some controls and parameters. Regarding emerald ash borer, Kay said there was some money, she thought \$500,000, for emerald ash borer. Jeremy said it was \$550,000 for emerald ash borers and to replace those trees for the next 3 to 4 years and then the budget for that stops. We need to make sure we reserve enough for the emerald ash borer problem as well as what else might be needed in the future for tree issues. Try to plan for eventualities. Maggie said we can look at vendors and get more information on costs. Amy was not sure why there would be a need to move funds from reserve to operating. Kami said there is some confusion around tree care and the time and costs involved. Right now, there is \$25,000 in the operating budget for all tree care. That's not enough considering the size of the property and the number of trees. Amy asked when we will get the reserve study. Maggie said it's gone out to everyone for feedback. Jeremy said that everyone must look at, give feedback, and that everyone needs to agree, be behind, the final reserve study. Can be against line items inside of study but still support the larger study. May 18<sup>th</sup> is date on the cover of the reserve study. There is a timeline of 6 months from that date (May 18<sup>th</sup>) to when it needs to be approved and budget done. John said Board should have a work session of directors to discuss details, be more in-depth and give feedback. Jeremy agreed to meeting if the meeting will be productive. Kami said that the board has the power to prioritize the projects as well. Makiza said everyone who wants to meet needs to have their ideas organized and arranged prior to any meeting since it is such a big document and so much to consider. **Come prepared** with page-by-page notes. Jeremy said a committee was formed to go over the document, go through and bring it back to the larger board to approved. Jeremy invited John to have a meeting with whoever wants to attend to go over the reserve study and bring back to

**ACTION ITEM:** John will do a separate meeting regarding the content of the reserve study, discuss modifications, and bring back to the Board prior to the deadline. John would like Kami to be part of the meeting and whoever else would like to attend.

- Accounts with balances of \$10 or less - John would like to zero out any account with a balance of \$10 or less, or small credit balance. Maggie said that she likes the idea as it saves postage and hassle. Jeremy asked Amy what she thinks. Amy would like more information before making this a "rule". *Would this be a policy change? Do we want to set that precedent? Will people short their account because they can?* Maggie said all this information is in the financials (finances under delinquencies, AP aging report). Jeremy challenged zeroing any credit balances because they are monies already paid by the residents so it's like taking their money. Maggie said letters regarding account balances are automatically computer-generated letters and it's the customers responsibility to maintain their accounts. **ACTION ITEM:** Amy will talk with Kami about this when she meets with her (waiving late fees).

### **Management's Report – First Service Residential (Kami)**

- Nite to Unite – MN Fire Engine club came with 3 fire trucks. Next year would like the event to start later, at 6 pm. Kami gave some statistics. Thank you to Jeremy and Amy for volunteering. We need more volunteers next year. Residents appreciated the increased reimbursement amount of \$300.
- John asked how the grounds maintenance is going around the property this year? Kami said she felt we have done a lot of projects and accomplished a lot this year. There is still a lot to do. John said he asked for a specific area to be improved but it

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hasn't gotten done. He didn't specify where he was talking about. Kami asked what area. He said Neighborhood 6, the tunnel and another area by a bench that is just weeds now. Kami said that the city owns the tunnels, and a work order can be done. Maggie said we only have 2 staff now and storms set things back this year. A work order will be done for the area John wants tended. Grounds maintenance will be part of the budget discussion, Amy said.

- Spring/Summer maintenance plan (Amy). Kami had reached out to a maintenance company to discuss equipment needs. The appointment is being rescheduled.
- Kay asked about the homeowner complaints from last month's meeting (Steve). She asked if anyone got back to him as he had a lot of good points and seemed nice? Jeremy said he and Kami met with Steve and answered all his questions and concerns. His zoom call concerns were addressed as well.
- Jeremy wanted to point out that everyone has things that they see in their own neighborhoods. The residents aren't always aware of what is going on behind the scenes, projects and what's involved with keeping them maintained. Kami explained the process of us determining the areas of issue and who's responsibility it is to take care of issues. We are educating homeowners on these things. John said there are a lot of people who maintain their areas plus up to the trails, common areas, etc.
- Amy had a question on the Jonathan insurance issue. Are we considering extending contracts for 3 or 5 years before getting new bids? Was there a percentage of increase that would trigger shopping around for new insurance? Maggie will have that information when she gets the board shell to everyone.

#### **Board Action item:**

- Need board approval on Scott Lane Emerald Ash Borer and tree removal. Kami would like to recommend the Birch Tree proposal vs. going with Bakklund. The trees in this area are dangerous and could damage homes. Bakklund's bid was for removing 14 trees for a flat \$50,000; Birch Tree suggested removing 9 trees and treating 5 trees that have less than 30% die back so could be treated. The treated trees would have a 98% change of survival. Birch Tree is more financially feasible, and this area is hard to get to. Maggie said she also reviewed and agreed with Kami's suggestion. Birch's estimate was \$22,452.63 which is \$900 cheaper per tree. The trees are marked. Bakklund couldn't answer what they used to treat trees last year. They said they would need to get back to Kami on that. Treatment cost goes by circumference of the tree and is \$180/tree. Treat every 2 years. Treat and see outcomes success. Jeremy asked if we need to approve money or can we pay out of reserves. Maggie said money would come directly out of reserves. She's already started working on numbers in reserves account.
  - Motion by John to approve using Birch Tree estimate – at bid amount. Makiza amended to recommended additional money for this, not to exceed \$30,000.
    - Kay seconded.
    - All in favor - 5 yes, 1 no
    - Approved.

#### **Committee Updates:**

- ARC Committee: None
- Eitel House: - Kevin said plat application submitted. Not on docket until October. City needs 30 days to review. John asked if a sale proceed without plat completed/approved? Or does it have to wait until boundary lines? Jeremy thinks

we can go ahead under contract. There have been some investors groups interested in buying Eitel House.

- Building and Grounds: None
- Reserve Study: None

Maggie wanted to add that Kami has been doing a great job and she's very happy with the progress. Thank you, Kami!

**Items for Next Meeting:**

- September Meeting:

**Adjourn**

- Meeting Adjourned at 7:44 pm
  - Jeremy motions
  - No objection

**Happy birthday Jeremy!!!**