

## **October 15, 2014 Meeting Minutes**

### **Home Owners Signed In**

**Denae Bastian** called the meeting to order at 7:01 pm and announced that we had a quorum for the meeting.

**Board members present:** Denae Bastian, Michelle Haneberg, and Shelley Logan

**Welcome:** Denae Bastian welcomed all homeowners.

**Homeowners in Attendance:** Sanda Ewalt, Bob Roush, Lori Witucki, Susan Ridley, Chris Birchman, & Tricia Cooke

**Motion** was made by Denae Bastian to approve the meeting minutes from the October 21, 2013, May 28, 2014, and September 18, 2014 board meetings. Shelley Logan seconded the motion. The motion was approved unanimously.

**Motion** was made by Denae Bastian to have an executive session prior to the next board meeting. Michelle Haneberg seconded the motion and the motion was unanimously approved.

### **Financial Report presented by Shelley Logan**

Operating Budget Balance: \$31,594.71

Reserve Allocation Total: \$96,027.39

### **Expenses Paid in October 2014:**

Archey's Landscape Cleanup Projects—Limb removal (Sept): \$150.00

Archey's Landscape Monthly Maintenance (Sept.): \$3,285.00

McGoorty Eisenman CPA: \$1700.00

Silver Lake Water \$84.95

Supplies: (Postage, Printing, etc.): \$0

Reserve Allocation (Combined total for Oct – Dec 2014) \$6,655.26

PUD : \$0

Aynax (Sept.): \$9.95

At present, there are two homeowners on monthly payment plans. Two additional homeowners are making quarterly payments. Occasionally, we receive requests for a brief extension on a payment due to extenuating circumstances. The board considers each written request individually. Seven homeowners are seriously delinquent (liens involved). Three to four homes are either empty, bank-owned, or in foreclosure.

### **2013 Audit Report** presented by Shelley Logan.

Shelley announced the CPA has finished the 2013 audit and prepared a report for us. The report was passed around for homeowners to review. This report will also be posted on our website for all homeowners to view.

Best practices that need to continue:

- a. Two signatures on outgoing checks when feasible
- b. Invoices reviewed and signed by at least two people
- c. Deposits made in a timely fashion

The audit shows that compensation to Palette Property Management (PPM) from SCHOA was \$29,928.22 for 2013 (this is the figure reported to us for Tax Form 1099-MISC from PPM).

Page 4 of the audit shows PPM receiving \$23,528.00. However, an additional \$6,400.22 was paid to PPM, but is expensed under office supplies and other categories.

Audits cost approximately \$3700.00 and are required every year unless “sixty-seven percent of the votes cast by owners, in person or by proxy, at a meeting of the association at which a quorum is present, vote each year to waive the audit” (RCW 64.38.045). A quorum for our HOA is 106.

**Safety Tips for Fall** - Denae Bastian introduced Chris Birchman - retired police officer and homeowner in The Falls - to share with us ways to be more safe. He recommended the following:

Since days are getting shorter and the holidays are approaching, use common sense and be aware of your surroundings.

1. Don't leave valuables in your car.
2. Report cars that are suspicious; people make a living by walking through neighborhoods looking for opportunities to break in or steal valuables.
3. Maintain your alarm system and post signs visibly.
4. If you do not have an alarm, consider getting one.
5. If you are going to be gone for an extended time, alert your neighbors. Park cars in the driveway as if someone is home.
6. Have lights on timers.
7. Put on a tv and leave the remote sitting on a couch as if someone were home.
8. Have a safe for your valuables, and keep it hidden, because if an intruder finds it, they may seriously damage it trying to get your valuables. Keep your safe safe.
9. Guns need to be kept in a safe place. Do not leave them out. Make sure if someone breaks into your home, they cannot get to them.

Note: The board will share important safety information with neighbors regarding The Falls.

**Animal Safety Update: Critters are in the Greenbelt**

There have been recent sightings of a bobcat in a neighbor's yard. Within the last two months there have been sightings of a porcupine, a coyote, and a bear. A posting at Tucker Park also mentioned a cougar sighting. Please do not feed wild animals. Be aware of your surroundings when walking with pets and using the green belt.

**Footbridges Update:** Denae Bastian said there is no news to report at this time. We are still waiting on the county.

**Summary of Fence Options and Board Decision**

Michelle Haneberg reported that for those of you who missed last month's meeting, the Fence Advisory Team presented their findings and analysis regarding fence replacement (see HOA website). They shared three options with all homeowners.

1. **HOA paying 100% of Fence**
2. **Cost Sharing 50/50 HOA and Owners along the right of way (requires CC&R changes)**
3. **Homeowner Solely responsible for Fence (requires CC&R changes)**

Michelle reminded everyone that the board commissioned the Fence Advisory Team to assist in this matter. They worked for 6 months on this project. The board has studied their findings and the legal memorandum, and the advice from independent legal counsel. Based upon these findings and legal counsel, the board has made an honest, good faith effort to determine what the best option is at this time for our development. We recognize that there are competing views and differences of opinion both materially and legally, but after weighing all of the information that is available to us, and using the principles of interpretation provided to us by attorney Jim Jones, we have concluded that the only legal **and** viable option at this time is for the HOA to pay 100% for the common area fence replacement. Neither option #2 or option #3 are legal options at this time. They would require a CCR change which would cost our HOA more money, and more time, and it is highly unlikely that the change would pass.

**Motion** Shelley Logan made a motion to have the HOA pay 100% of the cost to replace common area fences. Michelle Haneberg seconded the motion and approval of the motion was unanimous.

**Motion** Michelle Haneberg made a motion to award Nice View Fence Company the contract to replace the common area fences at \$20.00 per linear foot plus tax. The motion was seconded by Shelley Logan and approval was unanimous.

**Motion** Denae Bastian made a motion that we pay, *out of the operating budget landscape extras line item*, Archey's Landscape Maintenance to haul away natural, organic plant & tree debris from the fence project. The Motion was seconded by Michelle Haneberg and approval was unanimous.

**Shelley Logan presented a brief overview of the staging of the fence project.**

1. The fence project will be done in stages beginning in November.
2. The first phase will begin at the corner of Sno-Cascade DR SE. and 138th on both sides of the street.
3. Phase two will be Puget Park Drive and 134th.
4. Phase three will be staining.
5. The Fence contractor requires a 50% down payment to begin the project.
6. Homeowners along the common area fence line will be notified ahead of time on what they will need to do to prepare for this project.

Homeowners will have a document to sign which will include consent for the fence contractors to go onto their lot, and an agreement that outlines expectations of homeowners bordering common area fences that will help increase the life of the fence.

**Announcement:** Denae Bastian reminded all present of the next board meeting which will be held in the Totem Falls Library on Wednesday, November 19, 2014 (3rd Wednesday) at 7 pm.

The meeting was adjourned by Denae Bastian at 8:10 pm.

These minutes will be approved at the next board meeting.