

SCHOA NOVEMBER BOARD MEETING MINUTES

Wednesday, Nov. 12, 2025

Totem Falls Elementary School Library

I. Meeting Called to Order at 7:00pm

II. Roll Call of Officers: Denae and Rachel present, Tom not able to be present

III. Approval of Minutes of previous Board Meeting held October 1, 2025. Denae made a motion to approve October 1, 2025, minutes, motion seconded by Rachel. Motion approved 2:0.

IV. Introduction of McLarin Management

V. Presentation of Reports

A. Financial Report

- i. We currently have accounts with Chase and now also with BECU. Management is working on getting Quickbooks data merged into their system. We will keep the Chase accounts open for a while longer. We recently purchased 4 CD's on a ladder at BECU. In the future, we hope to purchase CD's with Chase as well.

VI. Old Business

a. Outstanding projects

- i. Fence repair and staining: to continue most likely in the spring when we have dry weather conditions.
- ii. Mulch for medians: we have two bids and will get another. Work will most likely be done in early Spring.
- iii. Trees in the medians: need trimming now that the leaves are about gone.
- iv. Waterfall repair: going on this week and will continue until completed.

VII. New Business

a. Budget for 2026: Work meeting for budget took place during this meeting

- i. Ken shared their template used for budgets. Rachel shared the year-to-date costs and projections for 2026 which McLarin will put into their template.
- ii. New template categories are set in sections like maintenance, insurance, utilities, administrative and professional services, and a reserve area at the bottom for easy reading by members.
- iii. Some categories have a bit of a question mark like the waterfall as we did not pay for water for a working waterfall this year, costs for insurance premiums are predicted to increase by ~15%, and future projects are still being determined. Management will reach out to Silverlake Water as the HOA is paying \$4,000+ a year and yet were not running the waterfall.
- iv. We may be able to lower mailing costs. The HOA now has all but about 13 members on email consent, so by using email for notices for these members, while mailing to the 13 remaining, we can have less paper mailings. We do need to see if drafts of amended/restated Articles/CCRs/Bylaws etc. can be sent digitally or if they have to be mailed when they are ready.

- v. Legal fees in the budget are mostly for the revision of governing documents work.
- vi. We will work with the board and owners to get that \$29K in delinquencies down and try to avoid legal collections until 2027. We are considering increasing the late fees for 2026.
- vii. The cost of a Reserve Study is included in the 2026 budget. The last one was done in 2020 with 26% funding, which is low. Will need this new study to better budget for reserves. This will affect the amount of future annual assessments (dues).
- viii. Reserve contribution has been \$24K for 2025, so with current dues and this budget draft, there is only a net of about \$1200 to the reserves- Dues will need to go up, most likely each year over the next few years, to cover the operating budget expenses and to increase the reserve funds. Ken will tweak the budget and send a revised draft to the board for review.

b. Mailings

- i. **A November mailing/email packet will be sent shortly by McLarin** and will include letters from the board and management, December meeting notification, contact sheet and FAQ, 2026 budget, and meeting proxy statement. A decision will be made in the next day or two as to what kind of meeting – Member Budget Ratification meeting or Annual Meeting of the Members. McLarin to send board RCW about quorum and budgets. Will also get the email opt-in list from board for this mailing and future mailings.
- ii. **Late December mailing/email notice** will include notice of 2026 meetings and statements for 2026 dues.
- iii. **Governing Documents** - McLarin will check to see whether governing document revisions can be included in electronic mailings. If they can, this will be a big money saver for our budget.
- iv. **Remaining Meetings scheduled for 2025 and 2026 at Totem Falls Elementary Library at 7 pm**
 1. Wednesday, Dec. 17th Annual Meeting or Budget Ratification Meeting
 2. Board Meetings: Wednesday, Jan. 21, Wednesday, March 18, Wednesday, May 20 (the 3rd Wednesday each of these three months). March 18, may also end up including the Annual Meeting of the Members.

VIII. Member Comments

- c. What is the status of the audit? As of October 14, it is not yet done, but taxes have been completed. There have been several years without audits, so we are trying to do more than one year at a time, with the most recent year the highest priority. Management will check on ETA and research feasibility of going back so many years with audits.
- d. Dues status: there are \$29K in delinquencies (covering more than one year) that McLarin and board are working on with members to get them caught up. Payment plans are/can be included.

- e. How are the reserve items separated out? We have a new template to use so that we can separate general (GL) account items into organized categories and include separate reserve expenses.
- f. Does the state require a specific funding percentage for the HOA? Not right now, but in 2028, the HOA will be required to share the HOA reserve amount with every buyer of a home here.
- g. Are the CCRs being renewed right now? Our attorney is currently working on The Articles of Incorporation with the intent to have the draft completed in 2025. The Declaration (CCR) and the Bylaws will be completed in 2026. We are trying to be as compliant with WUCIOA as we can even though we have not opted in. The option to opt in, or not, goes away in 2028 and for some matters in 2026.

IX. Meeting Adjourned – Denae adjourned the meeting at 8:58pm

Members present in person: Linda Tygert-Lillard, James Duval, Kelvin and Sybrena Miles, Kyle Brumbaugh, Ralph Porter, Denae Bastian, and Rachel Edmon. Member present online: Anthony Rudolph