

## 1. Introductions (19:01)

HOA membership was represented by 18 households and 47 proxies for a total of 65 members. Per Article III Section 4 of the HOA's By-Laws, 20 members constitutes a quorum, thus quorum was established. Ted Leland is retiring as HOA President and so Tim Smith made a small speech thanking Ted for his many, many years of service to the HOA.

## 2. President's report (19:06)

- The HOA performed a Reserve Asset study - we want to avoid special assessments by properly funding the reserves.
- Solar panels are being installed in TR HOA homes. Solar panels are permitted by state law and the HOA has developed an ACC policy for solar panels.
- Appreciation expressed for current and former board members and residents who attend and volunteer.

## 3. Treasurer's Report (19:11)

Treasurer, Ann Tooke, presented the 2019 Budget vs. Actuals & 2020 Budget.

### 2019 YTD vs Budget

- Spending is on track for 2019
- Had a cooler/rainier July & Aug which resulted in lower than normal water costs
- 2 Mailbox kiosks went down and resulted in higher than expected repair costs
- Bark & lawn seeding costs were much higher than last year. To stay within budget, the HOA limited the areas which received bark/seeding.
- HOA Board has agreed that any budget surpluses will be allocated to Reserves until the reserve account is fully funded

### 2020 Budget

- The bark budget has been increased to reflect higher prices.
- Added new items to the budget: Reserve Study & Water Monitoring
- Increased for inflation: Monthly Landscape Maintenance (2%) and Utilities, Electricity & Water (3%)
- There will be a 50% increase in reserve contribution (\$14K -> \$21K) to align more closely with reserve study recommendations. In 2021 the budget will use the study's recommended contribution amount.
- 2020 annual dues will be \$695 per household (a \$50 increase per household).

### Other

- Tom Wu, a CPA performed an informal review of the HOA's financials & practices and found them to be acceptable with good controls & documentation in place.

## 4. Reserve Study Presentation and Q&A (19:17)

- The HOA did 2 reserve studies: one for fiscal year 2019, and another in Aug 2019 as part of planning the 2020 budget.
- Reserve studies examine community assets and determined the amount needed in reserves to maintain these assets while avoiding special assessments. The study looked at 30-year timeframe and how much must be saved each year to be fully funded which is the board's goal.
- Reserve studies must be done every year, and once every three years, the study must be an "on-site" study.
- The study uses a construction-based inflation rate [Mortenson Construction Cost Index], which was over 6% per year in the 2020 report which is considerably higher than the Consumer Price Index but also more relevant to the study.

## 5. Landscape Chair report (19:25)

Landscape Chair, Susan Wright, presented a summary of the 2019 landscape work:

- Landscape is going well. Irrigation system is working. To help avoid irrigation repair work, cars should not park up the curb and on to the lawn.
- This year the 32nd CT trailhead was replanted, including some daffodils.
- The HOA's landscape service has merged into an even larger company making it necessary to manage them more closely.
- Twice a year, a walkthrough is done to mark trees for removal and recently a woodpecker took out a large chunk of a tree causing a hazard which required immediate removal of the tree.
- Need new gravel on trails.
- Susan will be contacting home along 205 PL reminding them they need to properly maintain both sides of the hedges along 205th PL.

## 6. Vote on the following: (19:29)

a. Approval of 2018 Annual Meeting's minutes	Approved unanimously
b. 2020 Proposed Budget	Approved unanimously
c. Election of one officer to the Board of Directors <ul style="list-style-type: none"> <li>• Steve Sklepowich volunteered to join the board to take Ted Leland's empty position.</li> <li>• Tim Smith also nominated Celia Wu to take his board position</li> </ul>	Both Steve & Celia were approved unanimously.  Roles will be determined in the next board meeting.
d. Waiving of annual audit requirements	Approved unanimously

## 7. ACC & Solar Panel Policy Discussion (19:31)

We had a solar panel installation this year in Wisteria. Since solar panels are becoming more economically viable in the Pacific NW, the HOA anticipates more installation requests. ACC request forms to request solar panel are now available on the HOA's websites.

## 8. Old business (19:26)

**Solar Panels** - As mentioned previously, the board investigated the solar panel issue and determined that solar panels, by WA State law, must be allowed. The HOA updated its ACC policies to match the rules allowed in WA state law and published the new policy on the Website.

**Electronic invoicing & notices** - The board investigated updating our CC&Rs to allow electronic invoicing & annual meeting notices. The costs to update the CC&R, conduct a vote & register the new CC&R with King country would be significant. In the interim, the board has engaged the services of a reasonably priced, automated mailing service, which eliminates most labor costs & streamlines written communication to members significantly. This new, cost-efficient mailing service makes the need to update the CC&Rs unnecessary.

## 9. New business (19:48)

There was no new business.

## 10. Ted adjourns (19:48)

The annual meeting was adjourned at 8:10pm.