

Belfair Acreage Tracts Association (BATA)
Monthly Board Meeting - September 8, 2024

*DRAFT Meeting Minutes prepared 9-14-2024 by T. Lazo
 Draft posted to website 9-21 and received comments incorporated. Minutes accepted as final at October Board meeting.*

BATA Board Meeting held September 8, 2024

Location: North Mason Timberland Library meeting room

Attendance: There was 1 community members in attendance in addition to the 5 board members.

Start: Meeting called to order at 4:35 PM by Board President, Elayne Stodola. Sign In sheet and copies of the agenda were provided.

Roll Call of Board: Elayne Stodola (President) – in attendance
 Mark Case (Vice President) – in attendance
 Terilynn Lazo (Secretary) – in attendance
 Robert Maxwell (Treasurer) – in attendance
 Terri Maxwell (board member) – in attendance

Rules of Engagement: Same as past meetings.

(Note that in this document “? CM” indicates question or comment from community member. Full names of those not on the board will not be shown unless requested/approved by the commenting attendee.)

Minutes of last month’s meeting: Secretary reported that the draft of the minutes of the August meeting were posted to the BATA website 8/19 and made available for comments. Comments received were only that a typo was found which will be corrected in the final version prior to posting. Secretary made a motion to accept the August minutes. Motion seconded by Vice President and all Board members voted in favor. Final minutes of previous meeting to be posted to website along with draft of this meeting’s minutes.

Treasurer Report: Treasurer provided the following account updates:

Bank Accounts:

Checking Account balance reported at last meeting	\$ 54,009.27
Expenses since last meeting	(-) \$ 1,911.16
<u>Income since last meeting</u>	<u>(+) \$ 7,144.44</u>
End of Month Checking balance reported this meeting	\$ 59,242.55
Savings account balance	\$ 10,010.49

Invoice for the tree work has not come in yet. Vice President said the tree trimming contractor is still working on the invoice. They are waiting on the final cost of the manlift rental.

Treasurer said we need to look at moving funds to the Reserve fund. Secretary recommended we have a discussion about the reserve fund and how much is really required. President said the study goes until 2025 so recommended we discuss after the budget process.

Dues reporting as of this meeting:

- Of the 124 Parcels in the Association that we collect dues from
 - 34 are not paid in full which would total additional \$30K if received
 - 90 are paid in full (73%)
 - 4 are paying on payment contract (\$880.05)
 - 30 are not paid and owe \$29,473.36
- Of the 30 not fully paid or making payments;
 - 9 are in collections and owe \$16,404.22 including prior years
 - 13 not making payments and owe for less than a year \$4,602.79
 - 7 owe for this full year and eligible to go to collections \$6,083.81
 - 1 is pending property sale and owes \$2,382.54

Since hiring a different collection attorney in May dues of nine properties have been collected. Treasurer will send letters to those who owe less than a year. Treasurer will turn over to collections those who owe for the full year or more and have not yet gone to collections. Of the properties already in collections, attorney indicates three are eligible to go to foreclosure.

Discussion on foreclosure process. President asked if HOA would be financially liable for the property if it goes to foreclosure and have to take ownership and sell it. Treasurer said that was not what would happen according to the attorney. Discussion on low-income property owners. President said there are steps that happen before and opportunity for people to get assistance if low income. Treasurer said info on assistance is provided with notification by the attorney.

CM? For someone who is struggling, it sounds like it may go on longer than a year? Treasurer said the process can start 30 days after the payment is delinquent but we try to give opportunities to pay.

Treasurer made a motion to move the three properties to foreclosure. Director, Terri seconded the motion. President asked if any discussion. Directors discussed cost and options. Treasurer said the attorney explained that it could be an upfront cost of about \$5K per foreclosure but could be more if the party hires a lawyer. President asked if we would get that back following judgement and Treasurer said yes. Discussion about doing one and seeing how it goes and how much it costs. VP recommended if we do one it should be the one that is farthest behind in payment. Concern about how long it will take if don't start now with more coming eligible. Concern if we don't move ahead those who don't pay won't take us seriously and the burden would go on the property owners who pay. Discussion on what is in the budget for this category.

CM? Do you want to go through with this if it is a difficult process? Directors were all in favor of proceeding but issue is how many to start with.

Discussion on whether can use wage garnishment. Attorney said there is a mediation process before going to final judgement. One property owner is in California, so not sure how that would work.

CM? Members might ask you proceed with one to foreclosure, why did you treat the others differently? Discussion about how long owing. Fourteen years back dues is the one owing the longest and the other two are five and six years.

Vote was called on the motion and it failed with 2 in favor and 3 against.

A new motion was made by the Treasurer to proceed to foreclosure on the property that has owed the longest and investigate options such as garnishment for the other two. Motion was seconded by Director Terri M. President asked if any additional discussion. No discussion. Vote called and all in favor so motion passed.

Treasurer reported that an email came in from previous owner of two properties that were sold at the end of June. Previous owner who has moved out of the HOA said that the new owner paid the second half of the year and previous owner asked for refund. Robert referred the previous owner to the title company for reimbursement as the HOA did not receive any payment from the new owner.

COMMITTEE REPORTS:

BYLAWS COMMITTEE (Secretary-Committee Chair): The BYLAWS Committee met September 5th. Secretary had sent the committee advance copies of the original Articles of Incorporation, a marked-up version of the Articles of Incorporation with proposed changes, and a spreadsheet showing the proposed changes and cited reasons for the changes. The committee spent 2 hours going over the proposed changes and discussed modifications that should be made prior to submitting to the Board. Secretary's next effort will be to incorporate committee recommendations and send back to committee for approval to send to board. Secretary is working on preparing the bylaws documents to go through the same process. It is complicated as all three documents (Articles of Incorporation, Bylaws, and Declaration of Covenants and Restrictions) need to align. President had sat in on the committee meeting and commented that it was a good process and that we need to be able to show the community the reason for the changes. For example, if we remove clauses that were included back in 1979 when they used a template, such as the mortgage clause, it would streamline the documents to just what is required for the roads. Some discussion on animals and reference to county ordinances in relation to the covenants. Discussion about properties outside of the HOA that have a border or corner with BATA and may use our roads. Property that has a border to the west of BATA doesn't pay and has been seen to use Alderwood. Vice President said we will need to look at the legal access easement. President said that overall the Bylaws Committee meeting was very productive.

ROADS COMMITTEE (Vice President – Committee Chair):

Trees and Maintenance: Arbor Pro completed the tree trimming in August to raise the tree cover up to 30 feet over the road. So far, all good comments from the community and no complaints. Treasurer asked if there were any trees that were cut down for firewood? VP said no because the problem trees that were cut down were so rotted that they exploded when they hit the ground. He said we are still waiting on the invoice.

Recycled Asphalt portion of the Alderwood road: Bear Creek Asphalt came back on September 3rd and did some work on the road. They used a bobcat with a grader attachment. They dropped some crushed asphalt but scraped up some of the previous surface. Discussion about the washboard seeming to be worse. Treasurer said he was told by friend who is familiar with road work that if road work is done with a blade that doesn't have enough weight, the blade

bounces and can cause wash boarding if go too fast. Said if don't use a heavy enough grader, have to go very slow. President has a call in to the contractor and intends to have a discussion. Concern about amount of gravel mixed in the recycled asphalt and whether or not it is bonding. VP said only half of the material is crushed asphalt. Said the Road Committee did have a discussion. May need to have more grading on the lower road because the crown is not high enough and could have water build up. Discussion on the contractor's responsibility and how we could hold him accountable. Issue is that we also share in the issues because of the people who fly up and down the road and are even drifting, which spins out the material so it doesn't bond. It has been helpful to see how it is performing. Some say even with wash boarding, it is better than the potholes which we would have had a number of by now. President said we need to look at how much we continue to invest in Alderwood in light of county proposal. Said there is supposed to be a public meeting in October on the County Commissioner proposal.

Discussion that we need to move forward as if the county thing is not going to happen and all agreed. President asked that Road Committee provide road recommendations for the budget, for example, add 2 more inches if recycled asphalt to lower road, work on upper road, etc. Secretary said we should have options for the community to weigh in on.

TePee Lane Culvert – VP said PUD work crew came up and did the culvert work August 12th. They also put a load of gravel on top and TePee Lane looks fantastic. They did a nice job. President said there are pending work orders to redo the power and include fiber optic but it will be a ways out because the fiber optic is not this far up highway 106 yet. VP said TePee is very compacted and neighbors up there are very happy with it.

Winter Conditions – Received bid from Bear Creek by email and Secretary forwarded to Board members for review.

FINANCE AND BUDGET COMMITTEE (Treasurer – Committee Chair): Committee has not yet met but is scheduled to meet September 10th.

Regarding the CPA requirement: Terri reported that it was difficult to get CPAs to respond to request for bid. Treasurer said he was finally able to talk to one who said it would cost us between \$10K and \$15K! He said for account our size it is not worth it and recommended we don't do it. He said it's hundreds of hours of work and we should do it ourselves. Discussion on taxed and Treasurer thought the taxes would not be difficult to do but needs to get into the HOA's account with the IRS. President will try to help with that. Regarding CPA, we'll need to do a vote. Since it is a requirement unless the HOA agrees not to have it done by a third party, we'll have to bring to the community for a vote.

CM? If you do a vote, do you have to get a certain number of people? VP answered, yes, we need a quorum and if don't get a quorum, can meet again with lower percentage.

CM? Can you do the vote by mail or does it have to be in person? President, have tried doing votes by mail but people don't return them even with postage paid, which is expensive.

Discussion on how to schedule a meeting to get quorum. Set up multiple meeting times with half quorum requirement from each previous meeting until we have a quorum. President said we need to tell the community the option is to do an in-house audit. Discussion about posting on FB. Sec said can put on the website and also put up a sign when we have the meeting info.

CM? If you divide \$15K by 124 properties it comes to \$121 added onto the dues. CM said they will also post on FM to get people to vote as that seems like a lot.

NEIGHBORHOOD WATCH COMMITTEE: No updates to report.

NEIGHBOR TO NEIGHBOR: No updates to report.

OLD BUSINESS

President – No motions made by Board between this meeting and the last monthly meeting. President said we need to include in minutes that the board purchased QuickBooks. Secretary said that we did report in the July minutes that the board passed a motion to purchase QuickBooks. It should be noted that following the July meeting, the Treasurer did purchase the online version of QuickBooks software to keep our accounts updated and access was provided to the other board officers via their board email accounts.

NEW BUSINESS

Information Privacy issue brought to board at Aug meeting: President recommended we table the discussion until next meeting as we continue to research requirements. President did look into the claim that a resident's information was posted and found no evidence that it was obtained from board records. May consider saying that we will not give out any information without a release. Some information is required to be released so need to research the laws. VP said that what is releasable under HOA laws may be different than what is releasable under non-profit laws and we are subject to both. VP to review privacy laws and write up the information for the board.

Treasurer said that no one but him can access the BATA computer, including any family members. The hard copy files contain the same info that is in the County records. Secretary suggested that we update passwords just to be safe and all agreed.

OSATA (other subjects as time allows): Nothing additional

Meeting adjourned at 7:02 pm.