



## Board of Directors Meeting

April 18, 2018 at 7:00PM

Liberty Lake City Hall – 22710 E Country Vista Dr.

**Meeting Called to Order: 7:05PM**

### Agenda:

- I. Introductions
  - a. Board of Directors
    - i. Present: Scott Kingsford, John Mellick, Charlie Matthews, Wayne Durnin, Mark Saba, Darin Morgan, Don Toombs, Richard Haugen, Anthony Frei
  - b. WEB Properties Inc
    - i. Present: Bill Butler and Bridgett McCain
  - c. Homeowners / Guests

II. Quorum Established: Yes

III. Meeting Minutes: February 2018 - Approved via email and posted to the website

IV. Financial Update by WEB Properties Inc – As of March 31, 2018

- a. Meadowwood –
  - i. Income – \$153,935.27 Actual, \$140,620.00 Budgeted, Variance \$13,315.27
  - ii. Expenses – \$54,513.73 Actual, \$47,280.00 Budgeted, Variance -\$7,233.73
  - iii. Account Balances –
    - 1. Operating Account - \$131,031.95
    - 2. Reserve Account - \$15,177.79
    - 3. Savings Account - \$1,094.78
    - 4. Total - \$147,304.52

Notes: Negative balance at Meadowwood is due to fence contractor submitting invoice for paint in 2018. Amount was about \$3,000.00. Clearwater submitted December invoice in January.

- b. Garden Ridge
  - i. \$25,779.28 Actual, \$20,250.00 Budgeted, Variance \$5,529.28
  - ii. Expenses – \$5,812.84 Actual, \$12,500.00 Budgeted, Variance \$6,687.16
  - iii. Account Balances –
    - 1. Operating Account - \$32,889.05
    - 2. Reserve Account - \$9,591.11
    - 3. Savings Account - \$30,117.90
    - 4. Total - \$72,598.06

Notes: Variance due to timing issues. Snowplowing accounted for balance on expense. Street project: 46,000.00

- c. Grayhawk
  - i. Income – \$5,115.00 Actual, \$4,840.00 Budgeted, Variance \$275.00
  - ii. Expenses – \$5,695.14 Actual, \$6,395.00 Budgeted, Variance \$2,754.26

- iii. Account Balances –
  1. Operating Account - \$14,521.02
  2. Reserve Account - \$9,602.19
  3. Savings Account - \$4,610.06
  4. Total - \$28,733.27

Notes: Expense variance due to snowplowing.

d. Rocky Hill

- i. Income – \$18,713.65 Actual, \$17,520.00 Budgeted, Variance \$1,193.65
- ii. Expenses – \$4,348.49 Actual, \$8,530.00 Budgeted, Variance \$4,5181.51
- iii. Account Balances –
  1. Operating Account - \$14,365.62
  2. Reserve Account - \$1,971.03
  3. Savings Account - \$94.81
  4. Total - \$16,431.46
- iv. Pay Back of \$6,000 Loan to Meadowwood

Notes: Expenses: variance due to snowplowing

Rocky Hill loan from MeadowWood is projected to be paid back mid-year. Rocky Hill has the funds now. Richard made a motion to pay back money owed to Meadowood, John seconded the motion.

Board discussion: Projected pay back date at mid-year.

All Directors voted in favor. Motion passed

V. Old Business

a. Lawsuit Update for 1400 N Oakland Rd

Bill reviewed the various balances that make up the entire delinquency. Bill informed the HOA attorney that we are seeking a written agreement where the HOA accepts \$5,400.00. The resident will pay \$3,000.00 now and continue to pay \$100 per month until the balance is paid off in approximately 2.5 years. If they default the agreement will stipulate that the entire balance of nearly \$11,000.00 will be due and payable.

- 1400 north Oakland Road- CC&R violations \$800
- Balance forwarded from previous Management company (Yardi): \$3,041
- HOA dues: \$1,152
- Interest on Delinquency: \$3,974.54
- Late Fees: \$1,896.73
- Legal Fees: \$1,040.00 Payments received at this point

Total Due before Agreement: 10,879.00

Reason for not paying was due to sever health issues for both homeowners. Board authorized lawsuit for judgement. Owners speaking directly to attorney.

Discussed why waiver was done with board members and if there is an interest rate on delinquencies. Compounding at 18% a year. Paying attorney an additional 1500 dollars.

Dues are being paid along with the debt. Agreed to that option as the next step was going to court.

b. Delinquency Review

WEB gave a general overview of existing delinquencies.

- Total delinquency (Summary) \$81,862.49
- Amounts owed over \$1,000 a lean is established.
- \$125 to start a lean. (\$75 dollars for county \$50 for WEB properties)
- Lean fees are the responsibility of the property owner along with ledger

It will cost the Board \$1,000 to pursue each delinquent homeowner using WEB Properties method. None of the delinquent homeowners have not contacted WEB Properties about their lack of payments.

- Delinquent homeowners are notified each month with the interest and compounded fees
- Letters are sent stating if they don't pay the HOA will file a lean.
- Lean is filed
- Following lien file suit (money judgment) on property owner

Board will establish threshold for delinquencies and provide to WEB.

BOD also discussed whether to pursue additional delinquent homeowners. WEB said that if there is a bankruptcy or foreclosure the money would be lost. Discussion about what happens during FC process.

Motion for WEB Properties to start the process with the homeowners on Samantha and Fairway.

Second was made by Anthony. Further discussion made about the motion.

All Directors voted in favor. Motion passed.

## VI. New Business

### a. Review 2018 Reserve Study Projected Expenditures

Email will be sent to the HOA Directors discussing the reserve study (RS) line items. The Directors will vote on each.

### b. Monument Lighting Update

Electrical issues: BOD agreed to take care of. Meeting set with electrician next week to determine cost. Discussion with WEB and the City of Liberty Lake to talk about other lighting options.

### c. Mission Ave Tree Project Bid Update

Greenleaf has provided a bid using the new Scope of Work and area map. They will send a copy of the map so other contractors can use and bid accordingly. 18-21 total number of trees to be replaced. Some changes made to initial scope of work. Greenleaf quote is \$9,000. Jammin quote is \$11,000 and the Clearwater quote is \$18,000. We estimate that stump grinding will be \$200 each. If we cut to grade level there is a concern it could cause tripping hazard. Discussed hazards and costs associated with further grinding and moving the tree to a different location.

### d. Eagle Scout Bench Project Update

Wanted to install 4 park benches along mission. 2 on city property and 2 on HOA property. City said that they will use whatever type of wood the HOA selects. Alaskan pine was selected by each of the board members.

### e. Trail Improvement Initiative

Scott proposed to pave a trail from Mission to Maxwell by Ormond Road between the houses. The new pathway would use the material the city uses. May cost between 7000-12000 for work and paving. Discussed putting barriers in place to prevent vehicle traffic and safety factors. First bid was for \$12,000. The BOD feels it's too high and will seek additional bids.

### f. Website updates

Extra work was done to combine meeting notes within the 2017 files. Created a 5 year PDF for searching purposes. All reserve study information is on site. Meeting minutes are in place and set up for future notes.

### g. Introduction of HOA Manager (replacement for John Schumaker)

WEB introduced Bridgett McCain as the new HOA Manager.

### h. Bidding of HOA Management Contract update

Going over contract with each member

i. Reserve Funding Percentage Discussion

Discussed criteria for what creates the reserve study and why are we funding at 100%. Potential assessment required if not at 100%

VII. Open Forum

Homeowner discussed portal- received and email about the second payment due without giving information to the portal. Did not send a bill and didn't give WEB email address to use. Discussed how email may have been given. The Directors nor WEB know how that could have happened.

Homeowner objected to Rocky Hill increase when dues were paid by board back to Meadowwood now. Homeowner discussed how the Board informs Members if they don't attend meetings or read the minutes. Board advised to attend meetings or read the minutes.

VIII. Adjournment: 8:55 PM