



Fern Crest Home Owner's Association (HOA)

HOA meeting every First Tuesday of the Month at 6:30 pm

ATC office, Kent
October 1, 2013 | 6:30 pm – 8:30 pm
<http://www.ferncrest.org/>

In Attendance:

Paul Dunn	President
John Meyer	Treasurer
Prem Singh	Member at Large
James Tungsvik	Property Management

1.0 Official Monthly Meeting was called to order at 6:32 PM, by President Paul Dunn

2.0 Roll Call/Establish Quorum

- 2.01 Quorum established
- 2.02 Manu Parhar excused

3.0 Review Agenda

- 3.01 Agenda Items listed below
- 3.02 New Business
 - 3.02.1 Add actions related to violations for two properties

4.0 Old Business

- 4.01 Approve September 2013 meeting minutes
 - 4.01.1 Motion to approve the amended meeting minutes by: John
 - 4.01.2 Second by: Prem
 - 4.01.3 Pass/Fail: Pass

5.0 President's Report

- 5.01 Rain and stormy weather has arrived. Time for home owners to look at trees for storm damage or other conditions that may affect their survival. More "weather" to come, for sure.
- 5.02 Board elections next month. If you are interested in helping the community, you should consider running.

6.0 Treasurer's Report

- 6.01 We will be discussing the proposed budget under new business.
- 6.02 See attached report

7.0 Fine Hold/Release form

- 7.01 Nothing to report

8.0 Committee Reports

8.01 Block Watch

- 8.01.1 No report other than to comment that one of our Fern Crest residents is a police officer and I found out that he does drive through the neighborhood at night when on duty. He reports that the neighborhood is very quiet and free of problems.

8.02 Communications

- 8.02.1 Upcoming mailing for annual meeting

8.03 Parks

- 8.03.1 No report

8.04 PIC Report

- 8.04.1 Three PIC actions this month

8.04.1.1 Div3, L16: Approved hot tub installation

8.04.1.2 Div 2, L73: Approved gravel install in front side yard with caveat of no parking on the strip.

8.04.1.3 Div 2, L8: Approved trim paint with caveat that it be the same color as existing unless color chips are submitted for an approval of any other color.

9.0 Property Management report

- 9.01 No Report

10.0 Old Business

- 10.01 Sherrif's Sale house: Div 2 L51: Amy at HIP Law to check on status of pending sale

11.0 New Business

- 11.01 Discussion 2014 Budget

- 11.01.1 Commentary on Budget:

1. All budget line items renumbered to the current (new accounting system) accounts used by ATC. I also condensed some former line items into the current ATC line items.
2. Includes \$140/mo increase from Around the Clock. First increase in three years.
3. Northwest Landscaping remains the same for basic services. They did give us budgetary numbers for routing (over and above the basic services). In past years

these have been broken out separately. Under the new Around the Clock accounting system, they are rolled into the landscaping account number.

- a. Included dollar numbers for irrigation systems repairs, winterization and backflow checking, moss control and insect control. These are included in the budget.
 - b. Included numbers for tree replacement and barking, but these are now covered under our RESERVE account and are no longer in the annual budget.
3. I reviewed electric over the past four years. Our consumption has ranged from \$5206 (2006) to \$6235 (2010). The average is \$5766. Since two out of the four years were closer to \$6000, I use that number. No pending Puget Power escalations are shown in their Utility Commission filing.
 4. I reviewed water (park irrigation) costs over the past four years. The range is from \$5399 (2010) to \$6750 (2012). It appears this number may be declining from the higher numbers. This is probably due to the fact that NWLS is taking a proactive stance on making sure that we do not overwater the property. They made a note of this in their proposal and it appears that they are doing it! There have been a couple of times that I have either seen or talked to a technician working on the timers because of watering issues. I have budgeted \$6600 for the coming year. We can see where we end up at the end of 2014 and make appropriate adjustments with two years of NWLS services under our belt.
 5. Our legal fees these years are coming in really close to our \$16,000.00 figure from the 2013 budget. We have also recovered \$4100 in fees so far this year. This offsets the expenditures.
 6. Bad debts left at \$6000. We currently have a pending bankruptcy that may result in a write-off around this magnitude (has not been discharged because a creditor is challenging the terms).
 7. Security line item deleted as discussed at the last meeting.
 8. Bottom Line: First cut comes out at \$92,434.08. This is \$483.95 per owner - per year. That is a semi-annual of \$241.97 per owner-per year (continues on next page).

This contrasts with 2013 of \$92,420.

RECOMMENDATION: Do the same as last year. Hold the assessment at \$231.50 every six months. This gives us an income of \$88,433.00, about \$4000 less than budget. Remember that we have \$1200 per year coming in from rental properties. This means a gross of \$2800.00 from contingency funds, of which we have plenty.

11.01.2 Discussion on format. Prem suggested that additions be made to show the 2013 budget line items versus proposed 2014.

11.01.2.1 Group discussed the line item for mailings. James pointed out that annual meeting printing is included under our monthly fees. No need to budget for it. We agreed that the line item 5412 can be reduced to \$1500.

11.01.2.2 John proposed that the budget presented be approved by the board.

11.01.2.2.1 Prem seconded

11.01.2.2.2 Motion PASSED

11.01.3 Annual meeting is November 5, 2013.

11.01.3.1 It will be at Sunrise Elementary. Check-in starts at 6:30 PM and runs to 6:50 PM. Meeting starts at 7:00 PM.

11.01.4 Paul will prepare meeting documents and get them to James in order to meet reproduction and mailing deadlines

11.01.5 John to provide reformatted budget with background material for mailing.

11.02 There was an error in mailing of violations for lawn maintenance for the homeowner on Div 1, L56. Although there were three appropriate violation notices issued, there were several that were not on this owner's property.

11.02.1 John proposed that Div 1, L56 be refunded \$450.00 and that the remaining \$150 on the account be reversed.

11.02.1.1 Prem seconded

11.02.1.2 Motion Passed

11.03 Because of extenuating circumstances and continued conversation with the new home owner at Div 2, L71, John proposed that the \$150 fine assessed against this owner be reversed.

11.03.1 Prem seconded

11.03.2 Motion Passed

12.0 Meeting adjourned at 7:20 pm

13.0 Opened HO forum

13.01 No homeowners to speak

14.0 Meeting closed at 7:20 pm

15.0 Next meeting is the annual meeting on November 5, 2013.