



**Fern Crest Home Owner's Association (HOA)**

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

ATC office, Kent  
Mar 2014 | 6:30 pm – 8:30 pm  
<http://www.ferncrest.org/>

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*In Attendance:*

Paul Dunn	President
Manu Parhar	Secretary
John Meyer	Treasurer
Prem Singh	Vice President
Johnlyn Miller	Member at Large
James Tungsvik	Property Management

3 community members in attendance  
Amy Meharry from HIP Law Firm

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1. Official Monthly Meeting was called to order at 6:32 PM, by President
2. Call for Quorum
3. Quorum established
4. Review approve January HOA board meeting minutes
  - 4.1. Correction noted (add HOA board and delete Monthly)
  - 4.2. Motion made to approve the amended Jan HOA Board meeting minutes by Paul
    - 4.2.1. Second: Prem
    - 4.2.2. Motion passes
5. Review Agenda
  - 5.1. Refer to section 12
6. President's report
  - 6.1. President reminded that with spring around the corner, it is time to begin trimming, cutting and grooming our yards
7. Treasurer's report
  - 7.1. See attached
8. Fine Hold/Release form
  - 8.1. None
9. Committee Reports
  - 9.1. Block Watch
    - 9.1.1. Parking committee has been working to review and propose revisions to the existing Fern Crest Parking rules to eliminate some of parking pain points
    - 9.1.2. BOD discussed and reviewed the first draft (refer to section 12.3)
  - 9.2. Communications
    - 9.2.1. Post card to Home owners reminding yard maintenance as we are entering Spring season

- 9.3. Parks
  - 9.3.1. Dog doo bag effectiveness vs cost
  - 9.3.2. Treasurer suggested to conduct an online survey via Survey Monkey or Nextdoor
- 9.4. PIC
  - 9.4.1. One PIC received, Div2 L65 (Shed, small retaining wall)
  - 9.4.2. Approved 3/1/14
- 10. Property Manager Report
  - 10.1. Report status of D2 L51
    - 10.1.1. Property Maintenance
    - 10.1.2. HOA Cost accounting towards this issue
    - 10.1.3. Status of Short Sale that was pending on this house
  - 10.2. ATC PM requested this discussion be moved to closed Executive session
- 11. Old Business
  - 11.1. None
- 12. New Business
  - 12.1. Movement of \$3450 from contingency account to the reserve fund. This is to meet 2013 reserves funding account requirements without triggering an increase in HO assessments
    - 12.1.1. Discussion held on this topic
    - 12.1.2. Member at Large asked what amounts we needed to maintain
    - 12.1.3. Reserve study states \$13050 as the recommended amount for 2013 contributions
    - 12.1.4. We contribute \$9600/year as our annual reserve savings
    - 12.1.5. We use fine money and recovered legal fees to fund recommended reserve amount over and above our annual contributions. We need to move \$3540 from our general fund to the reserve fund to meet the recommended contribution for 2013
    - 12.1.6. Motion: Move to transfer \$3450 from Fern Crest contingency account to Fern Crest reserve fund
      - 12.1.6.1. By: John
      - 12.1.6.2. Second: Prem
      - 12.1.6.3. Pass
  - 12.2. D2 L51 discussion
    - 12.2.1. Deferred to Exec session
  - 12.3. Parking
    - 12.3.1. Discussion held on amending new parking rules
    - 12.3.2. BOD reviewed the Draft document
    - 12.3.3. Questions and scenarios were raised which requires further analysis
    - 12.3.4. BOD to review next Draft in the next meeting
    - 12.3.5. Any feedback/comments can be/should be provided via email
  - 12.4. Property Standards, warning letters, Fines, Concerns, Accusations and complaints
    - 12.4.1. In the interest of time, this topic is deferred to next month's meeting
  - 12.5. Meeting frequency and meeting days
    - 12.5.1. In the interest of time, this topic is deferred to next month's meeting
  - 12.6. Postcards
    - 12.6.1. In the interest of time, this topic is deferred to next month's meeting
- 13. Meeting adjourned at 7:35 pm
- 14. Open HO forum
  - 14.1.1. Motion: Move to defer \$150 fine for one year provided same violation does not occur within this time frame for HO residing in Div 3 L4
  - 14.1.2. BOD member to communicate and explain this to the HO (language interpretation help may be required)
    - 14.1.2.1. By: Paul
    - 14.1.2.2. Second: Manu
    - 14.1.2.3. Pass
- 15. Executive Session opened at 7:45 pm

- 15.1. Directive to ATC PM to recommend 2-3 real estate agents that specialize in short sales by next Board meeting
16. Meeting adjourned at 9:03 pm
17. Next meeting at ATC office on 4/1/14

### **Treasurer's Report**

#### **1. The year 2013 in review:**

Our budget for the year was \$92,420.20. Our expenditures were \$92,936.01.

Our income for the year was \$106,358.68. Our net "income" (money left after we paid our bills) was \$13,422.67

#### **"Income" over and above our budget was due to:**

- a) Recovery of \$9,978.18 in legal fees
- b) Annual rental fees for the five approved rental houses (\$1875)
- c) Recovery of lien fees (\$510.75)
- d) Fines for violations (\$1873)

#### **Expenses that overran:**

- a) Legal Fees: we spent \$23,498.41 vs. budget of \$16,000 - \$7500 over budget
- b) Water: we spent \$6295 vs budget of \$5800 (\$400 over budget)
- c) Landscaping: we spent \$23,736.29 vs. budget of \$18,073.20 (because we had to replace some trees and landscaping due to the ice storm - this replacement cost is now included in the Reserves as of the 2013 study to eliminate this cost overrun. We KNOW now that plants will need to be replaced. Also had expenditures for lawn treatments for crane flies, and new trees along 132nd Ave (\$4000).

**Expenses that under ran** (adjustments were made in the 2014 budget in recognition of some of these):

- a) Security (\$2600) - we removed this as to the 2013 budget.
- b) Special Services: we spent \$880 vs. budget of \$2645 (ATC is not placing these expenses in the appropriate line items that we have set forth in our budget. Working with ATC to get them on the same page so that we end up with expenses logged against our intended accounts)

#### **Write-off:**

We wrote off \$5825.99 vs. budget of \$6000 (bankruptcy in Div 3). This does not show up properly in our report because ATC opened a new charge line called "Write-off" instead of using our existing one for "Bad Debt". Issue raised with ATC. They will use

the proper existing account in the future. Too late to make changes to the 2013 documentation. We will make certain we are all on the same page in the future.

## 2. 2014 Budget Status

- a) Overrunning insurance by \$800. This is due to the \$1000 policy that we now hold on 13237 SE 225th PL. (the house we got at the Sheriff's Sale)
  - b) Legal fees overrunning by \$1000. Driven by the house mentioned in (1)
  - c) Welcome packets exceeding budget. Expect we may overrun, but will be covered by the \$300 transfer fee for each home.
  - d) Supplies exceeding budget - parking stickers (\$160) and (most expensive) dog poo bags for the park (\$366). Hopefully, we have enough for the year.
  - e) Other than the above, everything seems to be running according to plan.
3. Last year we did not make the move of "contingency fund" money to the reserves. Based on the reserve study, our 2013 contribution should be \$13,049. We contributed \$9600. We have been using some of the overage which we collect (what I called "Net Income") to cover the difference. So, I will have a motion later in the meeting to move \$3450 from Contingency Funds to Reserve Funds to fulfill the funding for 2013.