

Eagle Ridge Homeowners Association

22nd Annual Meeting Minutes

Thursday, October 18, 2018

St. John's Lutheran Church

Meeting Called to Order at: 6:05pm

Attendees: Gil Pierce, Tisha Goodman, Crystal Byers, Dori Ramsey, Lori Henriksen, Cindy Mathis, Ralph Heaton, Michael Cressey, Al French and homeowners per the sign in sheet.

1. Introductions/Roll Call –

Gil Pierce introduced himself as HOA Manager and introduced Rockwood Property Management as the new Management company. Gil introduced the following RPM team members:

- Tisha Goodman – Regional Manager
- Crystal Byers – Commercial Property Manager
- Dori Ramsey – HOA Field Assistant

The Board Members introduced themselves:

- Lori Henriksen – HOA President
- Cindy Mathis – HOA Secretary
- Mike Cressey – Resident Board Member
- Ralph Heaton – Resident Board Member
- Al French – Architectural Control

2. **Proof of Notice:** Lori Henriksen signed the proof of notice and Gil read the notice.

3. Reports from Committees

- **Architectural Committee** - Al French – Al has worked under contract with Newland Communities since the beginning of the property. He handles the architectural review of all new construction and post construction approvals for all fences, sheds, pools and any kind of structure that goes on the property or the house. He also reviews color changes, roofing changes or any of those types of modifications. He reviews these based on the design guidelines and the CCR's. He has agreed to stay on as chair of the architectural committee. Give him a call or send him an email if you have questions about changes you'd like to make. Architectural documents can be found at <https://www.eagleridge-hoa.com/> - In the Association documents section. There is also a link to this website from the intranet. <http://www.eagleridgelife.com/>
- **Landscape Committee:** Lynn Pachelli – Lynn is the chair of the landscape committee. Generally, what we do is keep an eye out for areas in the community that need attention, such as broken sprinklers, graffiti, down trees, etc. The mission is to ensure the community aesthetics are maintained to the quality that has been the standard. We've gotten together as a group to rake and bag pine needles in common areas that we felt were becoming a fire hazard and we worked with the Board to get them hauled off. We get a monthly violation report from the management company to ensure we are not opening duplicate violations. If anyone would like to join this committee we are still welcoming new members. There is a form on the <https://www.eagleridge-hoa.com/> website under the Contact Us tab that allows you to submit common area work orders and another area to report violations. Gil also handed out business cards and indicated residents can submit emails to: eagleridge@rockwoodpm.com Al French also pointed out that if you have a tree that is causing damage to your house or sidewalk, an architectural request must be submitted before that tree is removed. When a tree is removed, a tree must be replaced. It doesn't have to be the same species of tree or in the same location, but a tree must be planted when one is removed.
- **Events Committee:** Cindy Mathis - Reminder that our events are on the intranet website: <http://www.eagleridgelife.com/> The Turkey Trot is coming up on the 22nd of November, which is Thanksgiving Day. 9am at Whispering Pines Park. This is a 3 mile run/walk. This year we are going to add prizes. The first four people that cross (1st male, 1st female, 1st youth girl, 1st youth boy) will receive

a \$50 Visa gift card. You don't need to register and there is no fee. We would really like you to bring one item that will be donated to the Vanessa Behan Crisis Nursery. They have a list on the website of some of their needs. They also accept cash donations. Pictures with Santa are December the 6th at the information center.

- **Finance Committee:** Ralph Heaton – I reviewed the September monthly financial statements from Web Properties and expenses were \$88,457.17, which is \$31,992.17 over budget. YTD expenses were 475,389.27 which was \$6,695.73 below budget. Expenses consists of the following things: landscape, maintenance, utilities, payroll, administrative and insurance. Income collected for the month was \$20,613.39 which was \$4,913.39 over budget. YTD collected was \$462,471.58 which was 4,728.42 under budget. Delinquencies as of September 30th were \$111,127.99 in outstanding HOA dues, late fees, lien filing fees and CCR violations. If anyone would like to participate in the Finance Committee we could use some help.
 - **Communications Committee:** Lee Poquette – If you're not registered on our intranet site, it is <http://www.eagleridgelife.com/> - This is separate from the <https://www.eagleridge-hoa.com/>, which is a site that was created by Rockwood Property Management and will provide information such as your governing documents, architectural guidelines, budgets and other management information. The intranet website has a link to that webpage. The intranet also has information about Spokane Area events and various restaurants in the area. After the new Board is in place, we will be doing a one-time mailer that will provide information that is currently available on the intranet site, because not all residents have internet access. We are trying to migrate all the email addresses from various locations into one list. I'd like to encourage you to register your email address on the intranet site to ensure we have your current email address.
- 4. Development Report:** Lori Henriksen – In September you may have noticed in 12th Addition, our final neighborhood, we complete our landscaping, some zero scape. When the final six Paras lots sell in 11th Addition, that will complete all of our lot sales in Eagle Ridge. We have a few miscellaneous projects. A few months ago the general contractor pulled out all the silt fence, that's that black plastic fence on the back of a property that we can only remove once a home is occupied and landscaped. When the developer is gone the builders have taken responsibly to pull out that remaining silt fence. The same thing is true in some of the storm drains. There are filters and until construction and landscaping is complete, those must stay in place. All of the completed areas have had these items removed. We have a little bit of repair to do in the 12th Additions swale which will be done in the next month and that will complete all the developer projects. The Declarant Board Members will remain in power until the end of December. After the election takes place tonight we will begin coaching and supporting the newly elected Board Members to prepare them for taking over as Board Members after the first of the year.
- 5. Financial Reports (through 09/30/2018):** Gil Pierce, Rockwood PM
- Review of the 2018 budget to acutals through Sept 30th, 2018. We've reviewed Web Properties 2018 budget and the actuals year to date and we've started to solicit bids for various work. This information was used to establish the 2019 budget. Web Properties did a lot of work in house such as snow removal, leaf blowing, weed whipping and leaf blowing. We will be contracting the majority of that work out. That allows the Board to better understand the cost of the various work that is being completed. It will take us a year to fully understand what it will take to maintain Eagle Ridge to the standards that have been established, but we believe we have a solid budget and we will learn more as we move forward. In reviewing the financials, we believe your HOA is financially healthy and we don't see any need for dues to increase at this time.
- Review of the 2018 budget vs actuals – January 1st through September 30th:**
- The 2018 budgeted income was \$467,200, actuals were \$462,471.58, which was under budget by \$4,728.42. After the management transition was completed, we had a few large delinquent accounts pay off their past due amounts, so we expect the October income to be over budget.
 - 2018 Expenses:
 - The landscaping was over budget by \$24,009.08. My review of the general ledger indicates the majority of this was due to additional common area mowing and irrigation repairs.

- Payroll was over budget by \$29,532.25. Web Properties managed a lot of work in house, which is different than how we manage so when we review the 2019 budget you will see our labor is significantly lower. We will have a maintenance tech onsite to manage some tasks but most of the work provided will be contracted out.
- The community events was over budget by \$10,042.64. A movie screen was purchased that was not in the budget. This is a one time expenses. *Mike Cressey pointed out the following: You will see in the 2019 budget, we've increased the budget for community events. In 2018 Newland Communities, the developer, was contributing to the community events but in 2019 the HOA will be responsible for all these costs. The Board decided it was important to maintain the same level of community events, so in 2019 we budgeted for all the same events. At the end of 2019, the Board will review the costs, and determine if we want to continue to have all the same events.*
- The Administrative costs were over budget by \$8,260.81. The reserve study was updated this year and with the transition of the management company, Web Properties can charge for work related to the transition.
- **Total expenses were under budget by \$6,695.73.**

As we review the 2019 proposed budget, you will notice there are some significant difference between the 2018 budget and the 2019 proposed budget. Some of this has to do with the differences in GL codes that Web Properties used vs. the codes Rockwood PM uses. Some of it has to do with the fact that Web Properties used in house staff to complete tasks and we will be contracting most work out to subcontractors. One example of this is related to the \$180,000 that was budgeted in 2018 for the WEB Maintenance Engineer. We don't have anything budgeted for 2019 in this category. Almost all of the work that was completed by Web's Maintenance Engineer will be contracted out, with the exception of the \$16,380 that we budgeted to the Staffing code 6320000.

2019 Budget review:

Income:

- **Capital Reserve Income** – In 2018, the Board approved to move \$86,900 from the capital reserve fund to the operating account to cover the costs of 2018 capital projects. We don't have income budgeted in the 2019 operating statement for capital funds, because we will maintain a separate budget for the capital income and expenses for 2019. This budget will be created based on the updated reserve study that was recently completed.
- **Dues and Reserve Assessment Income** – We come up with these amounts by taking the projected number of homeowners as of January 1st and we add in a projected number of house closings for 2019. Lori is projecting there will be 75 home closings throughout 2019. These won't all close on January 1st so we are estimating we will receive a full years dues for 38 homes.
- **Late Charges and Late Interest** – We looked at the past few years and estimate the HOA will receive \$3,000 in late charges and \$1,000 in late interest paid by residents who are past due.
- **Total projected Income for 2019 is \$680,800.**

Expenses:

- **Community Events** – As explained earlier, the developer will not be contributing to the community events in 2019 and the HOA will cover the full expense of the events. The expenses reflect the increased cost to continue all of the community signature events.
- **Legal** – This is where we code intent to lien fees and lien fees. These fees are billed back to the respective resident, so this expense will be offset by the income if we receive it from the resident.
- **Insurance** – We based this on the current policy and we added 5% for a projected increase.
- **Staffing** – This is our staffing for the maintenance technician that will go through the community to remove trash and empty dog stations and other various maintenance tasks. We have this person budgeted to do this once a week and if we find we need this done more than

once a week, like in the summer when it's busier, we will make that modification. We currently have this scheduled for Saturdays.

- **Refuse Removal** – We have a 2 yard dumpster that our maintenance tech will use for all the trash and dog station waste that is collected. This dumpster is located at a rental property we manage close by. We are only charged when the dumpster is emptied. We budgeted for one pick up per month. This expense will vary depending on the need.
- **Sewer** – The 2018 sewer budget included repairs to the lift station. We are not anticipating any additional repairs, so we have only budgeted for your quarterly lift station maintenance and a Spring cleaning of the lift station and a vac truck once a year.
- **Snow Removal** – Snow removal will be handled by a contact. We are in the process of getting contracts to remove snow from mailboxes, fire hydrants and storm drains. This does not include any sidewalks. Mike Cressey indicated the Board may consider doing some sidewalk snow removal. If that is added, this budgeted expense will increase. The city streets are managed by The City, not the HOA.
- **Commons Mowing** – Currently Clearwater Summit is under contract for mowing, edge and blow off sidewalks. In the past they did not do any mowing or weed whipping of native areas. That was done by Web Properties employees. We are adding this to the scope of work for our landscape contractor so the budget will almost double. We have found that it's beneficial to have one licensed contractor responsible for all aspects of landscape care, from irrigation, to mowing to tree care. We can make one phone call when there is a problem and we don't have multiple contractors pointing fingers when an issue comes up. We are currently bidding out this work to multiple contractors for 2019.
 - **Question from a resident:** *Will you be coordinating the city road repairs? Someone took out a tree and a telephone box and the box was never repaired. It's located on Eagle Ridge Blvd near the substation.*
 - We will make a note of this and we can contact the phone company to let them know this repair is needed. Unfortunately, all we can do is contact The City about road repairs. We would recommend that residents also contact The City. We find that the more awareness that is brought to road repairs the better. The City has a website where you can submit maintenance requests.
- **Fertilizing** – This was done by Clearwater Summit in 2018 so we took the 2018 budget and added 5% for a possible increase. Several contractors have indicated we will see increases this year due to minimum wage increases and inflation.
- **Common Turf Spray** – We had to estimate this cost because we didn't have a clear picture of how this was being managed previously.
- **Flowers** – These are for flowers at a couple monument locations and parks.
- **Sprinkler turn on and blow out** – This was done in house in 2018 but we will contract this out.
- **Landscape Labor** – The 2019 budget for this item will cover a contractor to maintain irrigation clocks, irrigation repairs and weekly inspections.
- **Master Tree Program** – We just carried over the 2018 budget and added a small increase. We don't have a clear picture of the master tree program that was being managed by Web Properties. The way I manage master tree programs in my other communities is: all the common area deciduous trees receive a fertilization and insecticide in the late fall or early spring when the tree is still dormant. This gives the tree fertilization for the year and coverage to control aphids or any other insect that will eat the tree. This also covers expenses related to dead trees.
- **Planter bed maintenance** – This is for maintenance of common areas planter bed.
- **The total projected Expenses for 2019 is: \$677,193.48.**

6. Old Business

- **Splash Pad:** 90% complete with expected completion by October 22nd.
- **Tree Replacement:** All trees have been planted and the we will do a survey in the spring for trees that did not survive to be replaced under warranty.
- **Happy Trail Chipping:** C&C Yard Care has completed the chipping.
- **Trail Repairs and Seal Coating:** Repairs are completed and looks good.

7. New Business

- **Blueridge Tree Replacement Bid:** Board accepted bid from C&C Yard Care for installation of 5 trees to be done as soon as C&C Yard Care's schedule opens. If not this fall, they will be planted first thing in the Spring.
- **Fire Hydrant Painting:** Contacting The City to request the fire hydrants to be painted.
- **Board Election:**
 - **Introductions from nominees (meeting minutes reflect the information each nominee provided prior to the meeting):**
 1. **Brett Hamilton:** Stephanie and I moved to Spokane this past year. I am a commercial real estate broker working with SVN Cornerstone and also the Head Wrestling Coach at Lewis & Clark High School. My goal as a Board member would to keep our HOA fiscally sound while making sure we have an atmosphere of cooperation with our homeowners. Some of my key experience includes serving as an executive committee member for our previous HOA, Planning Commissioner, Governance Committee Member, Police Advisory Board Chair and Bond Chair all for The City of Wenatchee. SVN Cornerstone – Commercial Broker, 2018 - Morgan Elizabeth, LLC – CEO, 2014-2018 - Go USA, Inc – President, 1987 - 2014
 2. **Daniel Greer:** I have been married to my wife Brenda for over 17 years and we have three amazing daughters Caroline (14), Erin (12) and Kyleigh (10). We have lived in Eagle Ridge for over 4 years. Education: Bachelors of Business Administration from Cal State Fullerton. Work Experience: I have been a retail manager for several different companies for over 16 years. I have managed multi million dollar locations and supervised between 70 - 150 associates at a time. Currently I am the General Manager of the CarMax dealership in the Valley. I take pride in my focus on customer service and associate development. These two things have lead my store to receive numerous awards from CarMax as well as the community, including Inlander's Best #2 Used Car Dealership for 2016 and 2017.
 3. **Jacob Perry** (not in attendance): I grew up an Oregonian, went to junior college in northern California and received my Bachelors in Science from Oregon Institute of Technology. After living in Anchorage, Alaska for three years, I moved to Spokane in 2011 and completed my MBA through Eastern Washington University. My wife and I recently purchased our home in Eagle Ridge and are excited to start our family here. I would like to serve as the homeowner representative in order to ensure the concerns of the community I represent are adequately addressed. My time in service for Centre Courts HOA, on the south hill, exposed me to the multifaceted responsibilities that concern a Board. I believe I can use my objective reasoning and prioritization skills to help the Board work as efficiently as possible.
 4. **Jonathan Fox:** My name is Jon Fox and I am a meteorologist who works for the National Weather Service in Spokane. I have been a proud member of the Eagle

Ridge community since 1998, when there was nothing more than a few roads and only a hundred or so houses. My wife (Robin) and I have fond memories of raising our kids (18 and 16) in this neighborhood and enjoying the fine Spokane Public Schools. During the past 20 years the community has grown substantially and seen many changes (some good, some bad), but overall Eagle Ridge remains a great place to live with a fantastic location and picturesque setting. I would like to be considered for a position on the Board to determine the future direction this neighborhood takes and make sure it remains a desirable place to live into the foreseeable future. Thank you for your consideration for this position.

5. **Lauraine T. Dwyer:** Moved to Spokane and Eagle Ridge in September 2017 from San Diego; retired registered nurse/nurse practitioner/nurse executive. Bachelor and Masters degrees in nursing; post-masters certificate in organizational leadership. 36+ years of experience in healthcare and nursing, including senior management, direct patient care and education. Last position prior to retirement was Director, Ambulatory Care Services, VA San Diego Healthcare System. Served on several professional organization Boards; edited a national nursing journal; comfortable leading groups, excellent writer/grammarian, familiar with Roberts' Rules of Order, detailed-oriented, good listener. Goals for Eagle Ridge HOA: Help a new, resident-managed HOA develop into a cohesive organization that learns about and responds to residents' concerns in a timely manner; prioritize necessary actions required to maintain HOA as a viable organization. In collaboration with the property management company, be a resource for residents. Interested in at-large Board member or Secretary position.
6. **Mike Cressey:** My wife Mary and I moved to Eagle Ridge 9th addition in June of 2014. I am a semi-retired Attorney and Mary is an RN in Spokane. I have been serving as a resident member of the Eagle Ridge HOA Board since January 2015. Since 2009 I have been a volunteer Director with the Spokane Lilac Festival Association and served as President in 2015. After moving to Spokane in 2002 I served as a member and later Chair of the Our Lady of Fatima parish pastoral council. Mary and I have two grown children (one a Husky the other a Cougar) that both live and work in Seattle. In my legal career I have previously represented several HOA's in Washington and have also provided legal services to Property Management Companies. I am thereby quite familiar with the rules and regulations governing our Association. This work included drafting and amending by-laws, interpreting and amending CC&R's, negotiating and drafting vendor contracts for the HOA's and handling claims and litigation on behalf of the HOA as necessary. I believe the Eagle Ridge all resident Board would benefit greatly from some continuity of Board service and in having my experience and other qualifications available during this, the first term for the all resident controlled HOA.
7. **Ralph Heaton:** Special skills that will assist Association: worked in the Grocery industry for 48 years managing people and Stores, I have learned to listen to others. Managed stores for Safeway, Tidyman's, Disson's and Trading Company. Goals for Association: Try to ensure everything done is in the best interest of the Community. Served on Board of any other organization: I was a Board member and vice-chairman of Safeway Employees Federal Credit Union from the late 80's to 2000 when my wife and I moved to Moscow, Idaho to manage the Tidyman's store there. I currently am the Chairman of the Supervisory Committee at the same Credit Union. I also am currently a resident Board member of the Eagleridge HOA.
8. **Shaun Smith:** My wife and I have called Eagle Ridge home for over four years, and we love this community and are delighted to be raising our family here. Professionally, I have experience in commercial property management, and I

currently coordinate facilities repairs and maintenance for 200+ commercial properties. I have two years of experience in successfully leading formal committee meetings, with a focus on time-efficiency and consensus-building. I am passionate about Eagle Ridge, and I would be honored to have the opportunity to represent and engage the homeowners of Eagle Ridge so that we can continue to enjoy and build our beautiful community together.

9. **We asked for nominations from the floor:** There weren't any.

- We opened the floor for questions while the voting took place.
 - Member of the HOA: Requested to have a car show at Whispering Pines. There are usually about 150 to 200 people. *(It was hard for the note taker to hear the details)* Mike Cressey asked for feedback. A few members indicated they were in favor of this event.
 - Member of the HOA: Would like to ensure tree trimming is taking place on the street trees. A member of the Board pointed out that the residents are responsible for the trees in front of their respective homes. The City sets the standards for tree trimming requirements and this information is posted on their website.
 - Member of the HOA: I'm concerned about the paint on the doors hanging along Happy Trail. A member of the Board pointed out that they will be painted each year as part of the maintenance.
 - Member of the HOA: Can you ensure the benches are added to the list to ensure they are being maintained annually?
 - Member of the HOA: I'm concerned about the traffic and would like to know if there have been any traffic studies. Mike Cressey indicated that he and Ralph Heaton attended a meeting regarding the traffic study for the new proposed 92 homes at the top of the hill. There was a City Representative at the meeting. They were talking about Thorpe and Meadowood Lane. There was a proposal discussed to add "J" turns in at those locations. That's the latest from The City as of two nights ago. A "J" turn forces you to turn right.
 - Member of the HOA: I believe we should have a neighborhood council. Al French shared that he served as the chair for the community assembly for The City before I joined The City council and they do have a neighborhood council program and if we as a neighborhood wanted to become our own neighborhood council, we just need to submit a petition with The City and then The City designates us as a neighborhood council. That gives you a voice at the community assembly which consists of all 28 neighborhood councils come together every month and they deal with a variety issues that pertain to City Hall. He encouraged the HOA to give serious consideration to taking these steps. There is funding that is make available to neighborhood councils and Eagle Ridge would have access to that money if they became a neighborhood council. This money can be used for things like neighborhood clean ups or recycling programs. These programs are paid for by The City. Al French indicated he would get some information to Lee Poquette so it can be uploaded to the intranet site. It was also recommended that the new Board look into this and that this be added to the next Board meeting agenda.
- **Ballets were counted and the 2019 Board members will be:**
 - **Brett Hamilton**
 - **Daniel Greer**
 - **Jonathan Fox**
 - **Lauraine T. Dwyer**
 - **Mike Cressey**