

**Eagle Ridge HOA
Board Meeting Minutes
December 8th, 2016 ~ 3:00PM**

1. Roll Call & Establish Quorum - Was taken at 3:00 PM. Introductions included:

Lori Henriksen – HOA President
Cindy Mathis - HOA Secretary
Mike Cressey - Homeowner Representative
Al French Architectural Committee
Becky Patnoi – Resident Board Member
Bill Butler, Eric Lundin, and John Schumaker; WEB Properties Inc., HOA Management
Eight (8) Eagle Ridge Homes were represented (see attendance sheets).

2. Proof of Meeting – A post card was sent to all homeowners in the mail.

3. Financial Update –

a. Budget Comparisons –

2016 YTD Total Income as of 11/30/2016 was \$536,048.14, which is \$20,237.04 above budget estimates of \$513,909.00.

2016 YTD Total Income as of 11/30/2016 is \$468,023.00, which is \$56,538.00 above budget estimates of \$411,485.00.

b. Account Balances –

As of 11/30/2016 the Operating Account had a balance of \$519.50, and the Reserve Account has \$194,321.53, for a total of \$194,841.03.

c. Delinquencies –

At the end of November, there are \$98,399.15 in Outstanding HOA Dues and other fees. This is made up of 68 homeowners. Of these, 36 homeowners owe less than two quarters dues. Of the three suits we have pursued, one has paid in full, one has gone into foreclosure, and the other has not been served. The third will be served by publication after the New Year.

2. Development update – Lori Henriksen for Newland

Construction on 12th Addition (80 lots) next year is in the design phase. These designs will be submitted to the City, and approval is expected in the February/March time frame. Construction is expected to be complete by October 1st. Amenities will include a new, “Happy Trail System.” See Addendum A.

3. Old Business

a. Revised Architectural Language Review and Approval –

Based on feedback from the last Board meeting, Al French provided an updated revision to the design guidelines. This document will be primarily used for ARC issues going forward, but it can serve as guidance for trying to take action in ongoing situations that constitute a nuisance.

During the review of the updated language, one update was suggested; language should be added to include both habitable and inhabitable structures. Mike Cressey made a motion to adopt the new ARC guidelines with the language about habitable and inhabitable structures. Becky Patnoi seconded the motion. A vote was called by Lori Henriksen and the motion was carried unanimously. WEB Properties will send the updated ARC Guidelines with quarterly invoices going forward.

b. Summerwood Homeowner issue –

While overseeing repairs to the summerwood drain, WEB Properties discovered that the builder had sold a lot on Summerwood directly to the homeowner in 2012, and WEB Properties was not notified of the sale. The Spokane County website indicated that the homeowner moved into the home in the summer of 2013. WEB Properties pro-rated the 2013 dues, and invoiced the homeowner from 2013 to 2016. The homeowner reached out to the Board, and offered to pay 2016 dues.

The Board at that time declined the offer made by the homeowner, and instructed Eric Lundin to make an offer to settle the account for \$1,200.00. The homeowner asked to speak to a member of the Board, and the same offer was made again through Mike Cressey. Mike Cressey explained to the Board that the homeowner had declined the Board's offer.

Beginning in September of 2016, late charges and interest began accruing against the outstanding balance. Currently, the account total is \$2,107.06, of which \$2,025.00 is outstanding dues and reserve assessments, and \$82.06 is made up of Late Charges and Interest. Mike recommended taking the steps normally taken for a delinquent homeowner.

Bill Butler asked if there was anything that came out of the phone call between Mike and the Homeowner. Mike responded that no, there was no new information received in their phone call.

The Board stands by their original decision and directed WEB Properties to proceed as usual.

Splash-Pad recommended action – Black Dog Builders believes there is a break in the water pipes under the splash pad. They have broken down their bid into a three phase plan. The first two phases will cost \$3,700.00 and would take care of the anticipated water break.

The city will not approve grey water recycling, so phase III needs to be bid by Black Dog without the holding tank/recycling option. WEB Properties will contact Black Dog and have them re-bid phase III to include resurfacing only, and will send the bid to the Board for approval via email.

- c. **Summerwood Insurance Claim** – We received a letter claiming denial of liability for the excavation. We have continued to reach out to Liberty Mutual to recover funds for the HOA. They have seemingly blocked our ability to email the claims adjuster, and have not returned our phone calls. WEB Properties will send a letter to the general contractor requesting payment for the damage. This should motivate the two insurance companies to settle the claim.*
*NOTE: Since this meeting, the insurance company has accepted the claim.

4. New Business

- a. **2017 budget** – The operating account is at \$519.50 at the end of November. This is because we have not transferred funds from the Reserve Account to the Operating Account for Reserve projects that were completed this summer. The Summerwood drain remediation, motors and aerators for the ponds and falls, and splash pad work done this summer all qualify for reserve funds to be used. We also estimated 125 man hours for this work. The total to transfer for this work is \$13,498.43. We have already transferred \$27,422.62 this year for fence painting and bark throughout the community. Lori Henriksen and Cindy Mathis signed the Transfer Authorizations.

Total income in 2017 is expected to increase by \$43,494.00 over 2016 based on 72 new homes being constructed in 2017. Expenses are expected to stay static, and have been increased only by \$131.00. The 2017 budget summary will be sent to homeowners and include the required reserve account disclosures. This will also be posted on the website.

Mike Cressey motioned to adopt the budget as set forth, and Cindy Mathis seconded the motion. With unanimous approval, the budget has been adopted. The Board agreed to meet on Thursday, March 9th, 2017 to ratify the budget.

- b. **Basketball Hoop Enforcement** –

We have received multiple complaints about our attempts to enforce amendment 1 to the CC&R's. According to the Code Enforcement department of the City of Spokane, City Code 12.02.0737 prohibits homeowners from blocking the public Right-of-Way on streets or sidewalks and they have informed us they take a "very conservative and restrictive" interpretation of this code.

The chief concern of the Board during the discussion about basketball hoop enforcement was homeowner and vehicle safety. For this reason, and because of the stance of the City on the issue, the Board directed WEB Properties to continue to enforce Amendment One.

After reviewing their email to the Board, the Board agreed that the homeowners hoop at 6306 S Woodland Ct qualifies as a temporary structure, and will be allowed to stay up as it is at the end of a cul de sac.

- c. **HOA Transition Timeline To Be Posted** – WEB Properties will post the transition timeline on the HOA website.

5. Open Forum

A resident reported that their neighbor's lights are on 24/7. Bill responded that there is a City code to enforce light pollution so it doesn't bother neighbors. The homeowner can report the light to the City and if the City finds it to be in violation of the light pollution ordinance, WEB Properties can follow up with the homeowner causing light pollution to ensure they are following all city ordinances.

There is a problem with framing subcontractors using the roads to race, do burnouts and donuts. WEB Properties will erect a barricade on the street they are using, and Newland Communities will work with the builders to identify the violators and stop the behavior. Homeowners are encouraged to contact the police any time they observe this behavior.

The meeting was adjourned at 5:15 PM