

**HOLLY HILLS HOMEOWNERS ASSOCIATION
MEETING**

(Minutes recorded in Management Report format)

Camas Fire Station #42

November 14, 2003

I. CALL TO ORDER

*Present: Mike, Kirk, Marie, David and Denise. Guests: Rowdy and Michelle with TMG
Absent: None.*

II. APPROVAL OF MINUTES

October 6, 2003 - Board Meeting **Pages 1-3**

Kirk moved for approval of the Minutes. Marie seconded the motion. Minutes approved.

III. TREASURER'S REPORT

Denise went over both September and October, talked to Denise Dunkle at TMG on both. Very comfortable with them so far and will defer to Rowdy's report later in the Agenda.

IV. HOMEOWNER INPUT

Mike heard from the Quins. Rowdy said he talked to her as well. She had questions on landscaping in certain areas and how to access the website. Rowdy called the landscaper and asked him to weed the "bump-outs" on Dahlia per her request. She also told Mike she is concerned about liability on city paths in the neighborhood. Rowdy agreed to check into this. She also expressed interest in attending a Board meeting. Mike told her that we will be notifying neighbors of the meeting schedule in the next mailing.

Two homeowners called about one rental house with the RV parked outside. Another called about a boat parked on Dahlia. TMG sent letters.

I. MANAGEMENT REPORT

1. FINANCIAL REPORT(s)

September – Pages 4-7

ii. October - Pages 8-11

Previous Financial Inquiry

The approximate \$10,000.00 (\$10,089.00) pre-billed liability was questioned at the previous board meeting.

This is the amount of money that was billed for October, November and December. Therefore it is defined as "pre-billed" and is a liability and not yet an asset

Information

1. To describe the Financial Report it is necessary to clarify it is on an accrual basis of accounting.

a. Accrual Basis of Accounting is wherein revenue and expenses are recorded in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period. This is the accounting basis that generally is required to be used in order to conform to generally accepted accounting principles (GAAP) in

preparing financial statements for external users.

2. We billed out a total of \$17,475.00 (\$7,386.00 of that is fee income because it is for Aug, & Sept., \$10,089.00 that is on the Balance Sheet is pre-billed liability is because it is for Oct., Nov. & Dec.). Of the \$17,475.00, subtract the \$11,475.00 that the homeowners hadn't paid yet (Dues receivable on the Balance Sheet). That leaves \$6,000.00 minus the bills of \$1,265.00 = (equal) the \$4,735.00. The cash in the Bank is \$4,735.00

ADMINISTRATION

Board Member Election (Annual Meeting) Feb

1. Review of Election and discussion of upcoming Annual Meeting
 - a. Thursday, February 19th, 2004 7:30pm
Board agreed on this date. Will try to have a newsletter ready for that mailing.
 - b. Discussion of Meeting Schedule
 - c. Discussion of Director terms
Directors agreed that we should discuss the Director terms (need for rotation of election schedule) as well as a number of other changes to the CC&R's and Bylaws at the upcoming Annual Meeting, but should act on those proposals later in 2004, prior to the end of this Board's terms in Feb of 2005.
 - d. Discussion of notice requirements for quarterly Board meetings.
Board agreed that quarterly meetings for 2004 will be noticed with the annual billing and newsletter to go out in December 2003. This notice requirement does not apply to executive sessions, and other interim meetings. Board agreed to have quarterly meetings from 6:30-7:30pm on Feb 19, 7pm May 20, Aug 19, and Nov 18 in 2004.

Landscaping Contractor

1. A tour of the community was completed on October 15. Please see the report listed. **(Pages 12 & 13)**
2. Review recommendations and proposal from The Groundskeeper
 - a. A copy has been requested by Management several times but currently has not been provided by Landscaping Contractor
3. Options for 2850 NW 29th Avenue and the common area behind the unit.
 - a. Any homeowner may improve the common area at the approval of the board and at full cost to the installing homeowner. It is recommended that the Board request a waiver of all liability with regards to any improvements. The installing party should be required to maintain the improvement at no cost to the association.
4. Estimated cost to remove and cap the existing lights at the entryway to the community is approximately \$400. The cost could exceed this by 20%-30% if there is more extensive electrical work than estimated.

Rental Restrictions

1. Please see example Summary of Rental Restrictions included.
 - a. Example Summary, **(Page 14)**
 - i. Please note *Section 7* of the Summary allowing a hardship exemption. This addresses a concern stated by a Board Member at a previous meeting.
 - b. Example Amendment to By-Laws, **(Pages 15 – 17)**
 - c. Please note that these examples are derived from another TMG managed community. There is need to retain an attorney to draft the amended by-laws specific to your community. The approximate cost for an attorney to review your by-laws and prepare and file the amendment is estimated to be \$700 to \$1,000.00.
 - d. Copy of Summers Walk By-Law revision and Hardship Guideline **(Pages 18 – 22)**

Repeated Plans

1. Previous questions as to a lot adjacent to 2850 NW 29th Avenue
 - a. As per Article 3, Section 3.7 of the Association CC&R's. Builders that have plans that they wish to duplicate may do so no more than five (5) times within a given phase of HHHA with these requirements: Repeated plans must be at least 5 lots away from each other. Plans repeated over three times within any given phase must use an alternate front elevation approved by the Board.
 - i. Copies of the CC&R's can be distributed to the owners of the remaining un-built lots. Does the Association want to incur this cost?
Board instructed Rowdy to send letters to the owners of the unbuilt lots drawing their attention to the CC&R's and requirements for architectural approval, etc.

v. Reserve Study

1. Previous discussion as to the State requirement of a Reserve Study
 - a. Currently the State of Washington *does not* require a Reserve Study to be completed for Homeowner Associations. There is currently legislation being drafted to require this within King Co. only, but this is probably 2-3 yrs. away.
 - b. As previously stated by management, a reserve fund is required in Article 7, Section 7.12 of your by-laws. A professional analysis of the reserve components within your community is highly recommended.
 - c. Reserve Study Definition/Description **(Pages 23 – 25)**
 - i. Example Reserve Study enclosed

vi. Collection Resolution

1. Management has prepared a Collection Resolution for the Board. This will clarify points regarding timelines, amounts, liens, etc. **(Pages 26-28)**
2. We recommend that this be acted on and put into place as soon as possible so as to be able to proceed with the collection process within

the Community

3. Copies of Collection Letters (**Pages 29-33**)

Kirk made motion to approve based on a redraft of the first letter by TMG to make it softer/kinder/warmer. Seconded by Marie. Approved.

vii. Rules Enforcement and Fine Schedule

1. Holly Hills current CC&R's do reflect Rules & Regulations but have no definition of enforcement. It is necessary to have an enforcement procedure in place prior to actively pursuing violations.

(Pages 34 & 35)

2. In relation to the rules enforcement procedures Holly Hills needs a Fine Schedule in place to support enforcement. **(Page 36)**

Kirk made motion to approve with the friendly reminder as the first letter by TMG to make it softer/kinder/warmer. Seconded by Marie. Approved.

viii. Insurance

Directors instructed TMG to switch insurance to Liability and D&O for approximately \$2,578 from State Farm. Kirk made the motion. Marie seconded the motion. Approved.

ix. Budget

1. Review of Budget and modifications (**Pages 37 & 38**)

Rowdy will email the spreadsheet to the Board so that we can play with the numbers. The board plans to have the new budget prepared after the Annual Meetings for the implementation in the second quarter.

3. DELINQUENCY REPORT

i. Presentation and Review of Delinquent Accounts (**Page 39**)

4. OLD BUSINESS

i. Jessica Stanton 2929 NW Conrad

1. Reimbursements for mailings

a. No information received as requested from Ms Stanton regarding documentation of amount spent for previous community mailings.

Board requested that Rowdy follow up with Jessica to see to it that they get reimbursed.

5. NEW BUSINESS

i. Homeowner reimbursements

1. Marie Page has letter from Mr. & Mrs. Tweet of 2715 NW 34th Circle. They pruned some trees back from their property and are requesting reimbursement of their associated costs.

Kirk made motion to approve and Marie seconded the motion to repay Tweets for their expenses. Approved.

2. *Marie provided information from the last UCAN meeting. Provided information on a number of important issues and events that we can post on the website for the rest of the Association.*

ii. Architectural Change

1. John and Kristen Nohr- Fence proposal. See Request for change application. (See handout) 2502 NW 35th Circle

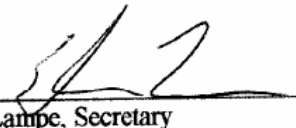
Kirk moved to approve as proposed. Marie seconded. Approved.

2. Susanne Levine Request for structure addition (small trellis) and landscape modifications. (See handout) *Need Address*
Kirk moved to approve as proposed. Marie seconded. Approved.

iii. Annual Meeting Date

1. Thursday, February 19th, 2004.

II. ADJOURNMENT – Next Meeting *Thursday, February 19th, 2004.*

Signed 
David Lampe, Secretary
Holly Hills HOA