

Minutes Nov. 6 , 2008 Holly Hills Homeowners Association
Approved Feb 5, 2009

Present: Board members Lara Harker, President, Alicia King, Vice President, Margaret Tweet Secretary. Sandra Luna the treasurer also attended.

Meeting opened 7:07

Homeowner Input

Homeowners came to follow up on view concerns from trees in a neighboring yard. Pictures of how the view has decreased over the last several years were reviewed. A meeting was set up to check the tree trimming in the neighboring yard.

Approval of Minutes

Lara amended the minutes of Sept and August 2008, and the board approved the minutes as amended.

Presidents Report

A sign report will be given.

Delinquency Report

The amount of dues receivable is listed on the 9/30/2008 report as \$ 11,233.

Risa Sullivan from TMG assured Lara that the excess operating Money Market fund does NOT include prepaid dues. This question was raised at the September meeting. Sandra Luna will verify this at a meeting with TMG. Sandra will also check on an amount \$370 that is now in landscape that belongs in stormwater.

Discussion was held about how to collect unpaid dues and fines.

Lara made a motion to ask TMG to attempt to collect on 3 non-foreclosure homes and Alicia seconded the motion which passed by a 2-1 vote.

The total from these 3 homes is \$ 6,427 outstanding.

Homeowner requested a review of a lien filed. TMG sent a registered letter of intent to lien, which was not acknowledged since the owner was not home.

Lara is going to follow up with TMG and ask TMG to cover the lien cost.

Lien Filing requires approval

Margaret made a motion that TMG not file any liens without board approval and Lara seconded. Lara is to follow up with TMG on the motion.

Revised Fine Schedule

Discussion was held and the fine schedule was revised as per attached. Lara will follow up with TMG on the update.

Landscape Committee Report

- Ruts in the park lawn that developed last year have grown over with grass
- The Sprinkler system uses less water that is better placed
- 3 small pears on Dahlia recommend removal to improve visibility on Dahlia.

Margaret made the motion to remove the trees and Alicia seconded.

Discussion was held on homeowner trees overhanging sidewalks. A note on this was included in the mailer. TMG does not include trees overhanging sidewalks in compliance reviews. Low branches overhanging sidewalks is against city code and the city could be notified.

The amount included in the budget for 2009 includes

Landscape Maintenance	16,500
Common Area Maint.	1,000
Stormwater	500

Sign for front entrance

Lara presented pictures of lettering for the new sign. Discussion was held on whether lower or upper wall would be better suited for sign. The board again reviewed the petitions from homeowners that requested to keep the pear tree at the front entrance.

A bid for the sign was presented.

2 Powder coated metal signs "Holly Hills Estates"	\$ 2640
Lighting	\$ 600
Installation	\$ 500

Lara made a motion to approve the sign, Alicia seconded, all voted in favor.

Document Review

Discussion was deferred until February.

Oak Ridge lease of 31st and Dahlia

Discussion was held and a decision to draft a letter for board approval to send to Oak Ridge was made. Margaret offered to make a first draft of a letter.

TMG Contract

A contract that is 5% higher than previous for a term of 2 years was included in the packet for approval. Automatic annual renewal at the previous rate was to have taken place in September, as per the August 12 meeting at TMG. The board voted not to sign the 2-year higher contract.

A TMG charge of \$ 85 was listed for the August meeting. We were informed that there would be no charge for TMG attendance at this meeting. Follow up by Lara.

Audit Letter and Ballot

Margaret made a motion to put the question of the audit to homeowners again, and Lara seconded. A draft of the audit ballot was discussed and approved as per attached.

The Audit proposal letter was not signed and was for a 2-year term.

The tax letter was signed for \$ 325/year for 2 years.

2009 Budget

TMG requested a budget to include with a mailing that had an Oct. 1 mailing deadline.

Margaret inquired whether there was a rule or a law that required including a budget with the mailing and TMG replied that there was not.

Lara e-mailed a 2009 budget to the board to approve on Sept. 30. Alicia approved the proposed 2009 budget via e-mail on Oct. 1. Lara and Alicia confirmed the 2009 budget at the November meeting.

Reserve Funds

The HOA Capital Replacement fund (\$14,719) and the Cash Operating Fund (\$ 3,918)

According to 9-30/2008 Balance Sheet are now in Money Market Funds earning .65% interest.

Discussion was held on whether a higher interest vehicle such as a CD should be considered. Rates are going down . A CD rate of 3.5% is available at Washington Mutual for terms of 8 months to a year. Discussion was held and no decision was reached.

The meeting was adjourned at approximately 10:30 PM

Audit Ballot

A vote to waive the audit will be held at the annual meeting, Thursday February 5, 2009. Below is the state law that requires an annual audit, unless waived by 67% of the owners at an association meeting where a quorum is established.

RCW 64.38.045

Financial and other records — Annual financial statement

"(3) At least annually, the association shall prepare, or cause to be prepared, a financial statement of the association. The financial statements of associations with annual assessments of fifty thousand dollars or more shall be audited at least annually by an independent certified public accountant, but the audit may be waived if sixty-seven percent of the votes cast by owners, in person or by proxy, at a meeting of the association at which a quorum is present, vote each year to waive the audit."

For the audit year 2007, Holly Hills HOA voted to waive the audit, and saved the \$ 3,500 audit expense.

For the 2008 audit year, revenues are forecast at about \$ 52,000. The association has received a bid to perform the audit for approximately **\$ 4,900** plus expenses. The Board again puts the question of whether to waive the audit to the homeowners, in order to save this expense.

If the vote is made to perform the audit, at least 2 bids will be obtained for audit services from an independent certified public accountant.

Please check the option your household supports, only one vote per household.

Do Not Perform 2008 Audit (Save approx \$ 4,900)

Perform the 2008 Audit

Name _____

Address _____

Signature _____

Please fill out this form and return to TMG by Thursday, Feb. 5, 2009

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