

MEADOWS-FERNDALE HOA 2023 ANNUAL GENERAL MEETING

AGENDA

DATE: Tuesday, 19th December 2023

TIME: 6:30 PM

VENUE: Ferndale Public Library Large Meeting Room (outside inner entry door).

1. Call to Order and Determination of Quorum

- a. Call to Order: 6:30 PM.
- b. Determination of quorum for meeting: 20% of 157 HOA members (32).
 - (1) Required for election of officers.
 - (2) Not required for ratification of the budget.

2. APPROVAL OF THE 2022 AGM MINUTES

- a. The 2022 AGM minutes may be accessed [HERE](#).
- b. Corrections or approval of the 2022 minutes?

3. Directors' End of Year Report to the HOA

- a. Attached.
- b. Comments or questions?

4. RATIFICATION OF THE BOARD-APPROVED 2023 BUDGET

- a. FIRST: The budget assumes an \$85/mo dues increase and here's why:
 - (1) No increase since the first dues in 2016 while the Consumer Price Index is up 25% during that period – which means that the current dues buys 25% less goods and services than at startup.
 - (2) Actual services have remained fairly constant, except the flora has matured and become a bigger expense to maintain.
 - (3) In order to provide the appropriate level of service we are forced into deficit spending where expenses exceed revenue.
 - (4) Deficit spending has diminished our operating cash account from which we pay bills – and will continue to do so, thereby threatening insolvency.
 - (5) A 25% dues increase (to \$75/mo) will let us break-even for 2024, but will not replenish the cash fund and will return us to deficit spending again after next year. We need more than 25% to do what we believe is the right thing for the HOA: pay for 2024 goods and services, return funds to the operating cash account, and forestall further dues increases to offset deficit spending.
 - (6) The Board concludes that satisfying these objectives requires setting dues at \$85/mo.
- b. SECOND: An overview of the 2024 Operating Budget.
 - (1) The Board-Approved 2024 HOA Operating Budget is built on a foundation of \$85/mo dues and may be accessed [HERE](#). Key items include:
 - (2) Common Area Landscaping and Maintenance (largest item in the budget). The budgeted amount represents only 15 hr/wk (on average) which is not very large given all the work that is included. We will try to introduce efficiencies, but we didn't want to set it at a level that is too low and doomed to failure. We are also looking at options from other vendors that might lessen the cost and risk without lowering the quality of service.
 - (3) Windermere Property Management (2nd largest item). WPM fees will not increase for 2024 and, in fact, have not increased since the beginning (2016). We thanked them for this. They do a lot of work for us, including managing the receivables, payables, bank accounts, audits, insurance,

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and more. Their fee amounts to about \$362/week. At fully-burdened charge rates, that amounts to only a few hours per week and is deemed a bargain by the Board.

- (4) Wetland Mitigation, Monitoring, and Reporting (3rd largest item). These activities are necessary to remain compliant with the requirements imposed by the Washington State Department of Ecology (ECY), the US Army Corps of Engineers (USACOE), and the City of Ferndale (COF). The mission of the wetland work is to maintain the types and density of plants to keep it functioning as a freshwater collection area. A supplemental benefit of their work is to minimize invasive species and serve as a buffer for wildfires. The Monitoring and Mitigation requirement expires after 10 years, after which there will be no more mandatory mitigation and reporting requirements. We will be in control. The exact date of expiration is unknown but is being researched. It is estimated to be 2028 plus or minus a year.
 - (5) Reserve Study. The Reserve Study is required by section 64.38.70 of the Revised Code of Washington (RCW). The 2023 study will be conducted, assessed, and reported near the end of this year, but will likely be billed and paid early in 2024.
 - (6) Snow Plowing. After assessing the bids of several other plowing services, the contract with PCL was renewed.
 - (7) Thornton/Rossi Irrigation System. This system will be maintained by Custom Cut Landscaping and Irrigation, to include fall winterizing and spring set up (including repair as needed).
 - (8) Other accounts in the proposed 2024 budget are basically the same as this year, adjusted for inflation where appropriate.
- c. THIRD: Budget Ratification
- (1) Budget ratification does not require a quorum and is successful unless more than 50% of eligible owners vote against it. For us this calculates to 79 NO votes to defeat ratification.
 - (2) Ratification voting results?

5. Election of Directors

- a. A quorum of 32 (20%) owners present either in person or by proxy is required for a Board election. The existence of a quorum was determined in agenda item 1.
- b. Election results?

6. UNFINISHED (OLD) Business

- a. From Board?
- b. From Attendees?

7. New Business

- a. From Board?
- b. From Attendees?

8. ADJOURNMENT

- a. Last chance: call for additional/closing questions, comments, or discussion.
- b. Adjournment. Board members retire to select officers.
- c. Note: the library closes at 8:00 PM.

Best wishes to all for a safe and happy holiday season!

MFHOA Board of Directors