

MEADOWS-FERNDALE HOA/BOARD MEETING

Minutes

DATE: Tuesday, 23 April 2024
TIME: 6:30 PM
VENUE: Ferndale Public Library (Large Meeting Room)

1. Call to Order

2. Attendees:

- a. Ann and Dan Lesan, Cindy and Charlie Frakes, David Hall, Chris Chappel, Barry Rigney, Dan and Kathy O'Steen, Rick and Helen Horsman, Chuck and Chris Millard, Mike Sherwin, Kathy Young.

3. Agenda for current meeting:

- a. Ann made a motion to add to the agenda taxes and audits as new business items.
 - (1) David seconded the motion.
 - (2) Board approved.
- b. Reserve Study Basics: How It Works & What It Means for Our HOA.
 - (1) Cindy presented a nice slide deck on the workings of a Reserve Study. It included what is included in the study currently and what the board feels may be missing and needing additional research. Six storm ponds in the wetlands is our main concern currently and additional information will be gathered on their future needs.
 - (2) There is money in the current budget to have another onsite Reserve study completed this year and will be scheduled after additional information is gathered on our current concerns.
- c. The Meadows Community Level 2 Study 2024 can be found on our webpage: [meadow-reserve-study-II-11-14-2023.pdf \(meadows-ferndale-hoa.org\)](#)
- d. The main points in the slide deck from Cindy's presentation can be found as an attachment to this board meeting minutes email.

4. Minutes for the February 27 BOD Meeting can be found on our webpage: [240227-BOD-Minutes-1.pdf \(meadows-ferndale-hoa.org\)](#)

- a. Asked for corrections to the minutes and no corrections were offered.
- b. Ann motioned to approve the minutes, Cindy seconded, motion voted and approved.

5. Reports: Board and Committee Members:

- a. President (Cindy)- Update on our historical records.
 - (1) Cindy discussed gathering all the historical documents that were found in Chuck's Zip drive and a box of paper records given to us by Rick Horsman and Jim Gizzi.

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Charlie Frakes has been instrumental in this process and is also trying to secure a couple of other documents from Eric Weden. After all documents are obtained, they will be converted to PDF and appropriate governing documents that homeowners should have access to will be posted to the website.

- b. Treasurer (Ann)-Late dues update. First quarter financial update. Wetlands/ATSI update.
 - (1) \$5279.88 in late dues as of 4/22 with some dues not paid since 2019.
 - (2) 16 properties are currently on the list of open receivables (not current)
 - (3) 1 property owes \$3243.42.
 - (a) On 4/17 our lawyer sent out a deadline to pay by 5/17 or additional action will be taken.
 - (b) If not paid (or payment plan agreed to) they will start the lien process against the property.
 - a. This could result in an additional \$1200 in fees to cover lien paperwork, notification to lender, etc. charged to the property owner.
 - b. If still not resolved this could eventually end up in the sheriff sale process with over \$10,000 in additional costs.
 - c. ALL costs will eventually be paid by the homeowner.
- c. Treasurer (Ann)- Reminder to all that a late fee structure will go into effect on May 1st.
 - (1) Initial late fee reminder letter for the first offense.
 - (2) Second offense, a late fee of \$30 will be assessed.
 - (3) Then if payment is not made within 60 days a late fee of \$60 will be assessed.
 - (4) If not received in 90 days our lawyer will be directed to begin the pre lien/lien process (as initiated above).
 - (5) If you have questions about the process refer to Debt Collection Policy Resolution 1-2018.
 - (6) Contact Windemere about a payment plan if you find yourself in a situation where payments cannot be made in a timely manner.
- d. Treasurer (Ann) Financial Status.
 - (1) Operating status for first quarter of 2024.
 - (2) Operating Income from dues collection is on par with budget.
 - (3) Expenses are generally lower this quarter due to the time of year and most of our expenses occur during the growing season.
 - (4) We did have an unexpected expense of removing a tree in the Thornton landscape after winds blew it over. But we have not exceeded the budget for this area by managing other planned work by Estavon.
 - (5) Further detail will be included in the minutes(below). This information is a summary of the detailed information that you can find in the Windemere Appfolio where you make your payment (look in financial folder)
- e. Treasurer (Ann) Wetlands
 - (1) ATSI has completed their spring monitoring and the cutting of unwanted growth around plantings we are trying to get established.

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- (2) ATSI fall report reported construction debris in the Wetlands 3 area that needs to be cleaned up. David and Ann located and inspected this debris. We have 3 bids to have this work done.
 - (a) Estavon was \$3500 plus dump fees.
 - (b) Walker Smith from Forager came in at \$1731 plus dump fees.
 - (c) ATSI came in at \$800 plus dump fees.
 - (d) The board agreed to go forward with ATSI on the cleanup. The expense will be posted against the existing budget under 5331 Wetlands Inspection, Mitigation and Compliance expense category.

- f. Vice President (David)-Update on Common Ground Maintenance/Estavon, The Yard Man.
 - (1) Estavon started mowing the Thornton area in March and will be doing so every other week.
 - (2) Planting strips were mowed this week and will also continue on every other week basis.
 - (3) If you want to maintain the planting strips in front of your property you are asked to put signage on the areas you don't want him to maintain. Examples of current signage were provided.
 - (4) Since Estavon currently does not have a Chemical Application license, he will not be doing any chemical spraying until this issue is resolved (or we find someone else to do it).

- g. ARC-Update.
 - (1) Rick Horsman gave a brief report indicating that all housing construction in The Meadows is now complete. Homeowners continue to need to provide ARC approval for any changes to their properties (sheds, fences, major landscape changes, etc.).

6. Old Business:

- a. No entry/no trespassing signage needed to prevent unauthorized access to Tract S, the location of our shed. [230626-F-Minutes-of-BoD-Mtg-.pdf \(meadows-ferndale-hoa.org\)](#)
 - (1) The easement from Chloe and the Tract S area (where shed is) does not have the signs. Homeowners adjacent to the Chloe access are complaining about kids hanging out late at night and making noise. These signs should discourage people from entering and if not, police can be called.
 - (2) David made a motion, Cindy seconded, motion voted and approved to buy the two signs and strapping brackets and supplies at \$253.43 from NW Custom signs.
 - (3) David also tabled the decision to also buy another sandwich board for announcements due to budgeting issues.

7. New Business (Actionable items – Board motion or resolution required):

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- a. Taxes and Audits brought up by Cindy above.
 - (1) Cindy pointed out that there is no evidence that any audits have been performed by a licensed CPA since the incorporation of The Meadows in 2018. Additionally non-profit tax returns are also missing from some of these years (2018 and 2019). The total unbudgeted expense to reconcile these issues is \$11,215.00.
 - (2) Funds will either need to come from the Cash Reserves or 5190 Contingencies category (originally intended to replace deficit spending from prior years).
 - (3) It's important that the back audits and tax returns be completed to ensure compliance with the Revised Code of Washington and Generally Accepted Accounting Principles (GAAP).
 - (4) Ann made a motion, David seconded, motion voted and approved to move ahead with the taxes and audits.

8. All Other Board Business (Comments, Announcements, etc.):

- a. Summer Community Celebration for the last unit built out. Is there interest and volunteers for planning an event? There was interest in doing this and we'll be pursuing getting a committee together to make this happen.
- b. Discuss and request feedback on the current communication methods. Attendees felt that more communication in the form of emails was good, but maybe every other week to start, but with less frequency as time goes on.
- c. Annual City-Wide Clean Up Day Saturday, May 4, 8AM-12PM, City Hall Parking Lot. Go to Ferndale Downtown Association FB Events for a list of accepted items for disposal. This is a great opportunity to clean our houses and yards of clutter.

9. Open Forum for Owners/Residents (Speakers please identify by name & address/lot#):

- a. Nothing added here.

10. Next Meeting:

- a. Date & Time: Thursday, June 27 @ 6:30 PM, large meeting room Ferndale Library
- b. Venue: Ferndale Public Library (Large Meeting Room)

11. Adjourn (or Transition to Executive Session, if needed)

- a. Ann motioned; David seconded to adjourn the meeting. Motion approved; meeting adjourned at 7:48 PM.

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First quarter 2024 financial budget to actual:

First Quarter 2024						
ACCT #	CATEGORY	2024 \$ Budget	1st Quarter Budget 2024	1st Quarter Actual 2024	Percent of Budget	Variance Comments
INCOME						
Assessment Income		\$ 160,140	\$ 40,035	\$ 40,155	100.3%	
4010	Operating Income	\$ 160,140	\$ 40,035	\$ 40,155	100.3%	
4260	Violations Income	\$ -	\$ -			
4460	Initial Contributions (\$250/unit at startup)		\$ -			
4530	Lien fees	\$ -	\$ -			
TOTAL:	Operating Income	\$ 160,140	\$ 40,035	\$ 40,155	100.3%	
EXPENSES						
General & Administrative		\$ 50,319	\$ 12,580	\$ 5,705	45.3%	
5010	Management Fees	\$ 18,840	\$ 4,710	\$ 4,710	100.0%	
5020	Accounting (CPA audit)	\$ 2,650	\$ -	\$ -		
5030	Legal & counsel fees	\$ 1,800	\$ 450	\$ -	0.0%	Expected legal fees soon for lien
5040	Insurance	\$ 3,600		\$ -		
5060	Office supplies & postage	\$ -	\$ -	\$ 592		No costs budgeted in 2024 Budget
5061	Admin Services, meetings, newsletter	\$ 600	\$ 150	\$ -	0.0%	
5070	Reserve Study	\$ 3,400	\$ -	\$ -		
5080	Tax & License	\$ -	\$ -	\$ -		
5090	Property Tax	\$ -	\$ -	\$ 19		
5100	Website Maintenance	\$ 240	\$ 240	\$ 383	159.8%	Tiger Technologies not budgeted(\$143).
5190	Contingencies	\$ 19,189	\$ 4,797	\$ -	0.0%	
Utilities		\$ 6,240	\$ 1,560	\$ 1,219	78.1%	
5210	Electricity (street lights)	\$ 4,200	\$ 1,050	\$ 1,175	111.9%	
5230	Water (Irrigation)	\$ 2,040	\$ 510	\$ 44	8.6%	Drought conditions possible
Maintenance		\$ 79,000	\$ 19,750	\$ 5,992	30.3%	
5330	General (uncategorized) Maint & Repair	\$ 2,400	\$ 600	\$ -	0.0%	
5331	Wetland Inspection-Mitigation-Compliance (A	\$ 17,800	\$ 4,450	\$ 5,082	114.2%	ATSI contract front loading expenses
5351	Fence Line Maintenance	\$ 8,400	\$ 2,100	\$ -	0.0%	
5360	Common Area Landscaping & Maintenance	\$ 50,400	\$ 12,600	\$ 910	7.2%	
5370	Irrigation & Planting Strips	\$ -	\$ -	\$ -		
5435	Private streets & common driveways	\$ -	\$ -	\$ -		
Contract Services		\$ 17,580	\$ 4,395	\$ 3,181	72.4%	
5710	Planting Strip Development	\$ 12,480	\$ 2,184	\$ -	0.0%	
5750	Snow Removal	\$ 5,100	\$ 2,924	\$ 3,181	108.8%	Overbudget - sale tax not included in budget
Monthly Transfer To Reserve Fund		\$ 6,984	\$ 1,746	\$ 1,746	100.0%	
9010	Reserves	\$ 6,984	\$ 1,746	\$ 1,746	100.0%	
TOTAL:	BUDGETED EXPENSES (E)	\$ 160,123	\$ 40,031	\$ 17,843	44.6%	
TOTAL:	BUDGETED INCOME (I)	\$ 160,140	\$ 40,035	\$ 40,155	100.3%	
NET:	INCOME MINUS EXPENSES	0	\$ -	\$ 22,312		
			\$ -			
			\$ -			
Reserve Expenses						
ACCT #	CATEGORY	2024 & Budget	1st Quarter Budget 2024	1st Quarter Actual 2024	Percent of Budget	Variance Comments
Reserve Expenses			\$ -	\$ -		
9131	Reserves - Fence Repair		\$ -	\$ -		
9550	Reserves - Tree Removal		\$ -	\$ -		
9612	Reserves - Bank Charges		\$ -	\$ 6		

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Pictures of examples of identifying owner-maintained parking strip signage:

