

# Candlewood Ridge – Carriage Wood Homeowners' Association Annual Meeting

January 24, 2017

7pm

Fairwood United Methodist Church

# Candlewood Ridge/Carriage Wood HOA Annual Meeting Agenda January 24, 2017

- 7:00 Call to order / Introduction of Board Members and Guests  
Approve last years meeting minutes
- 7:05 President's Overview
- 7:15 King County Sherriff Department – Officer Sam Shirley
- 7:25 Committee Highlights and Discussion
- Common Area Maintenance / Capital Improvements
  - Architectural Control Committee
  - Complaint and Compliance Report
  - Treasurer Report
  - 2017 Budget Review
- 8:00 Nomination of New Board Members – Three positions open
- 8:15 Election of Board Members
- 8:20 Homeowner Discussion  
Adjourn

# Board Member Introductions

George McGill

Catherine George

Alicia Follette\*

Don Nelson\*

Carol Nyseth

Dan Nelson

Holly Jensen\*

President / Common Area

Secretary / ACC Chair

Complaints Chair

Vice Pres. / Treasurer / Legal

Board Member at Large

Board Member at Large

Board Member at Large

\* Term expiring

# President's Overview

2016

## Association Communication

Maintain & add to website  
Add homeowners to our HOA email list  
Send our emails with important notifications

## Association Events

Easter egg hunt  
Joint garage sale weekend with Greens  
Summer Event

## Association Improvement Projects

Spring/summer compliance walk through  
Cul-de-sac island planter repairs  
Promote and encourage locking mailboxes  
Replaced approved house paint colors

2017

## Association Communication

Maintain & add to website  
Add homeowners to our HOA email list  
Send our emails with important notifications

## Association Events

All three events planned  
need volunteers

## Association Improvement Projects

Spring/summer compliance walk through  
Cul-de-sac island planter repairs  
Promote and encourage locking mailboxes  
CR Entrance Improvements Committee  
CW Park Improvements Committee

## Volunteers Needed

# President's Overview

## Volunteer Opportunities for 2017

### Association Roles:

- Board members
- Welcome packet delivery person
- Spring and fall aesthetic walkthrough
- Mailbox replacement project helpers
- Capital improvement projects
  - CW basketball court, CW entry signs, CR entry

### Events

- |  |             |
|--|-------------|
| • Easter Egg Hunt Helpers                    | No date set |
| • CR/CW Garage Sale Helpers                  | No date set |
| • Spring Clean Event Coordinator and Helpers | No date set |
| • Summer Picnic Helpers                      | No date set |
| • Park Clean Ups                             | Help needed |

Volunteers Needed

# King County Sheriff

- Question and Answers period with Sam Shirley.

# 2016 Common Area Maintenance

- Routinely trimmed or removed branches and trees where required
- Please note that keeping street drains clear is the Homeowners responsibility
- King County Sheriff Patrols are coordinated through CAM, contact us if you think an area needs patrolling.
- Routinely inspected all Playground Equipment-
  - replaced one Infant swing at CR Park due to stuck 10 yr old.
    - Fire Department had to cut boy free
    - Parents contacted HOA to reimburse cost of swing but payment to received to date.
- Continue to have people dump large bags of household garbage at our Park Garbage Cans, this is costing us extra in collection charges. Please, if you witness this write down the car license number and report it to us.
- Homeowner reported 2 traffic signs needing repair. We contacted King County was notified and they were replaced.

# 2016 Common Area Maintenance

- Three homeowners contact us about leaning trees on the property between the Apts. and 152nd Pl. SE. The HOA has never maintained this property but could not find in our records who actually is responsible for it.
- After considerable research and phone calls and e mails we finally found proof of ownership. It belongs to the owners of the Apts. We have contacted all the HO's on this street and notified the Apt. Owners that the HOA will not be liable for any damage done by trees and have given those HO's the contact info.
- The sprinkler system at the CR Entrance needed repair. It was determined that the control system and the underground wiring was beyond repair. We had a newer DC Style installed at a cost of \$2595.
- A street drain along SE 159th that drains into the creek continues to back up and flood the street every time it rained. The hillside had collapsed and plugged up the outlet. The HOA hired Camber dig it out and install a block retaining wall to avoid this again. This costs \$1750.

# 2016 Common Area Maintenance

- The CAM Landscape contract expired this year (Dec 31,2016). Camber plus 2 other companies were solicited for a new three year maintenance contract. One company did not bid and the other company did not want to bid for 3 years – they were much higher for the first year and quoted an increase of \$1200 the second year and another \$1200 increase the third year. Camber was the lowest @ \$2175 per month for all three years. This includes quarterly maintenance at all 18 cul de sac planters and the 4 King County Retention pond frontage.
- A car destroy one of the CR Entrance brick signs in late November. His insurance company paid the estimated repair cost of \$10,250. Due to the freezing weather work is delayed – they hope to get started as the weather improves.
- 2 Committees have been formed and welcome others to join.
  - CR Entrance Remodel/Improvement Comm. Chaired by Dan Nelson
  - CW Park Remodel/Improvement Comm. Chaired by Holly Jenson

# 2016 Common Area Maintenance

## CUL-DE-SAC ISLAND (CdS) / PLANTER COMMITTEE

- In January of 2016 we inspected all 18 of the cul-de-sac island/planters and made a list of required maintenance and to determine what order to do the repair.
- Two were selected for 2016 and two in 2017.
- The 2 completed in 2016 had very tall trees and the trees had caused extensive damage to the curbing and had cracked and raised the asphalt, making it dangerous to drive around. Similar to CdS done in the past we decided to cut back the back part of the planter between 4 to 6 ft. to make more clearance for the big trucks to drive around. The trees were cut down and stumps and roots removed. The tree removal caused the repair to be more expensive than the previous ones. Total cost for the two came to \$22,537.
- This brings the number of planters we have done to 6 now.

# Architectural Control Committee

## Contact Information

- Website: [www.crcwhoa.org](http://www.crcwhoa.org)
- Email: [architecture@crcwhoa.org](mailto:architecture@crcwhoa.org)
- Phone Message: 425.738.8611, ext. 30

# Architectural Control Committee

- Projects that need Architectural Control Committee (ACC) approval:
  - roof replacement
  - exterior painting
  - window replacement
  - fencing
  - decks
  - driveway repair/replacement
  - major landscaping
  - sheds
  - mailboxes
  - any additional exterior projects
- Emergency requests will be handled as quickly as possible.
- ACC Requests must be received in writing and have an ACC request form attached to it.
- Please allow at least 30 days before your project begins to get approval!
- All requests may be submitted via E-Mail except for paint as they require physical paint samples (actual paint chips).

# Architectural Control Committee

- Number of Request for 2016

January - March	23
April-June	70
July-September	47
<u>October-December</u>	<u>14</u>
Total Requests:	154

- In 2015, we had 114 requests processed

# Complaint and Compliance Report

- 2017 Aesthetic
  - As in 2016, all properties will be surveyed in Spring with follow review in the summer.
  - Follow up on violations will result in fines if issues not resolved.
- This effort is not intended to replace or eliminate the existing complaints process.
- All complaints must be in writing and signed.

# Complaint and Compliance Report

## Current Complaint Process:

1. Complaint received
2. Visual inspection done to confirm complaint
3. Send letter to homeowner (30 day deadline)
4. Check back in 2 weeks to see if compliance has been met.
  - : If so, send thank you letter
  - : If not, return again in 2 weeks to check if compliance met
5. If not in compliance at the end of deadline,  
send 2nd letter by Certified Mail (14 day deadline)
6. Repeat Process of Step 4
7. Fines start after 14 day deadline if not in compliance.

HOA website at [www.crcwhoa.org](http://www.crcwhoa.org) provides additional information on each Rules & Regulations, the monthly Board Meeting minutes, and all needed forms

# Treasurer Report

- A 2015 Financial Audit was conducted in 2016 by Cox & Gracia, Certified Public Accountants .
- Ended the year with 24 homeowners delinquent in paying dues for 2016. (2.8% of the homes in our Association)
- 39 homes sold in our HOA in 2016.
- HOA currently has Liens filed against 18 homeowners.
  - 8 lien satisfactions in 2016.
  - Filed 11 new liens in 2016.

# 2017 Capital Improvements

- The recommended annual reserve savings amount for 2017 is \$2000 Month or \$24,000 for the year.

- The 2017 proposed budget proposes the following:

Basketball court refurbishment	10,000
CW entryway sign refresh	9,000
CR entryway landscape/fence refresh	25,000
CdS Island repairs	<u>15,000</u>
Total	59,000

# 2017 Capital Reserve Study

## Executive Summary

Association: CRCW HOA  
Location: RENTON, WA  
# of Units: 850  
Report Period: January 1, 2017 through December 31, 2017

### Results as-of 1/1/2017:

Projected Starting Reserve Balance: .....	\$137,100
Fully Funded Reserve Balance: .....	\$220,500
Average Reserve Deficit Per Unit: .....	\$361
Percent Funded: .....	62.2%
100% Full Funding 2012 Monthly Reserve Contribution: .....	\$2,480
70% Threshold Monthly Reserve Contribution: .....	\$2,350
Baseline Contribution (min to maintain reserves above \$0) .....	\$1,970
Recommended 2012 Special Assessment for Reserves: .....	\$0
Most Recent Reserve Contribution Rate: .....	<b>\$1,717</b>

### Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves.....0.50%  
Annual Inflation Rate .....3.00%

- The information in this Reserve Study is based on a site inspection on October 8, 2016.
- The Reserve Fund is currently 62.2% Funded. Comparatively, the 70-130% level is where associations statistically enjoy fiscal stability with low risk of special assessment and/or deferred maintenance.

The Reserve Fund yearly contribution is \$20,600 (\$1,717/MO). This amount is below the baseline amount (\$1,970) needed to maintain a positive cash flow and is below the recommended funding for a healthy fund balance.

# 2016 Reserve Analysis

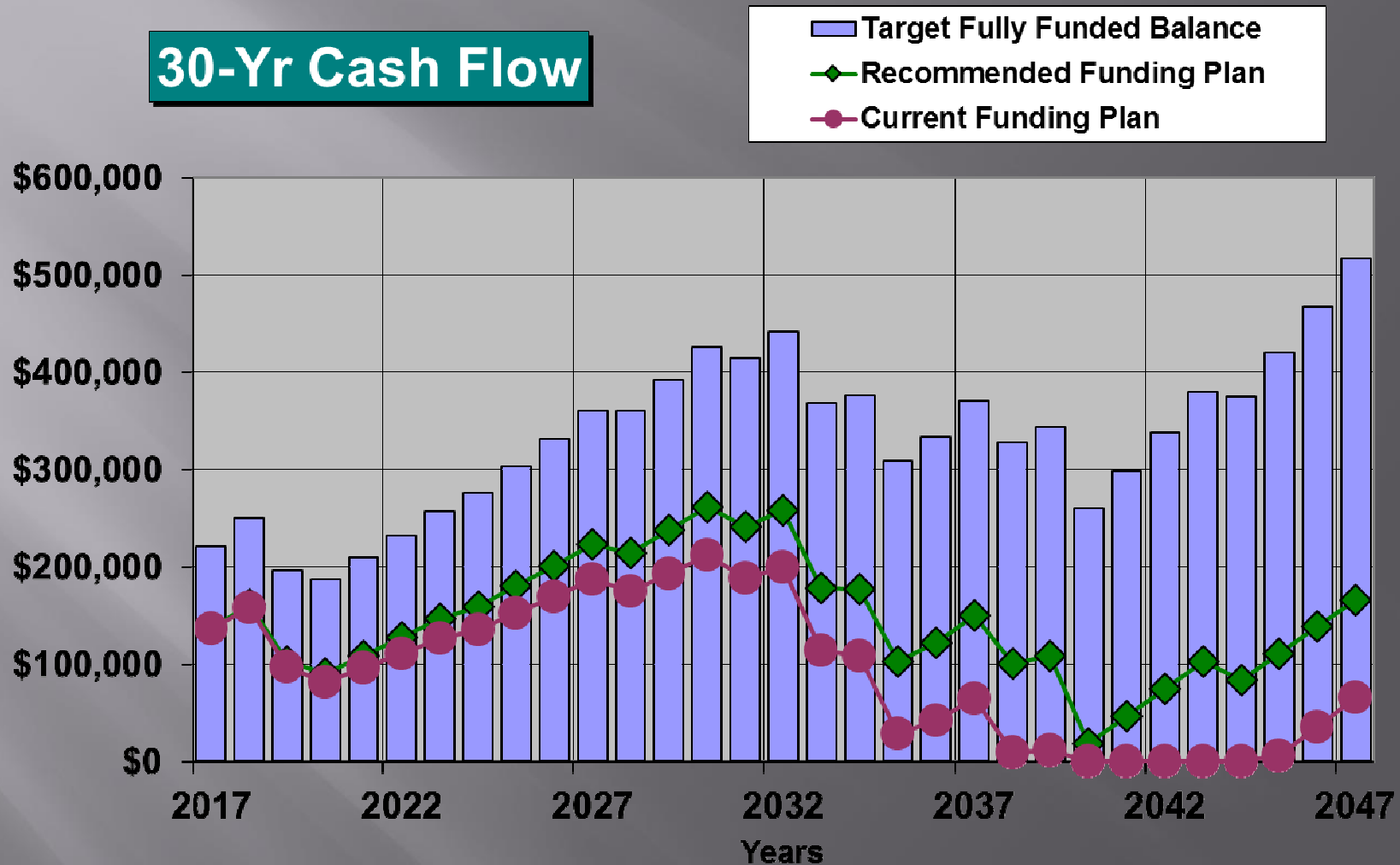
**Table 1: Executive Summary - Reserve Component List**

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# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
120 CR Big Toy Expansion - North Area	25	15	\$37,500	\$58,424
140 CR Playground Equip - South Area	25	17	\$38,520	\$63,668
160 CR Bridge	25	15	\$30,820	\$48,017
161 CR Asphalt Path (original)	30	1	\$27,500	\$28,325
162 CR Asphalt Path (repaired section)	30	20	\$43,500	\$78,566
200 CR Park Sprinkler System	40	2	\$15,000	\$15,914
205 CR Entrance Sprinkler System	40	2	\$7,500	\$7,957
310 CW Big Toy	25	13	\$30,220	\$44,379
311 Additional CW Playground Equip	25	16	\$16,780	\$26,927
312 CW Merry-go-round	20	1	\$11,700	\$12,051
313 CW Basketball Court	25	1	\$16,250	\$16,738
330 CW Park Sprinkler System	40	10	\$17,500	\$23,519
350 CW Entrance signs (6)	40	22	\$56,197	\$107,679
250 CR Entrance Signs (2)	40	17	\$22,700	\$37,520
400 Miscellaneous ( sidewalks, barriers, signage, lan	4	2	\$5,500	\$5,835
500 Cul-de-sac Planter Repairs	1	1	\$7,750	\$7,983
600 Mailbox Stands	1	1	\$0	\$0
700 Fences at CR Entrance	30	1	\$17,500	\$18,025
<b>18 Total Funded Components</b>			<b>\$402,437</b>	

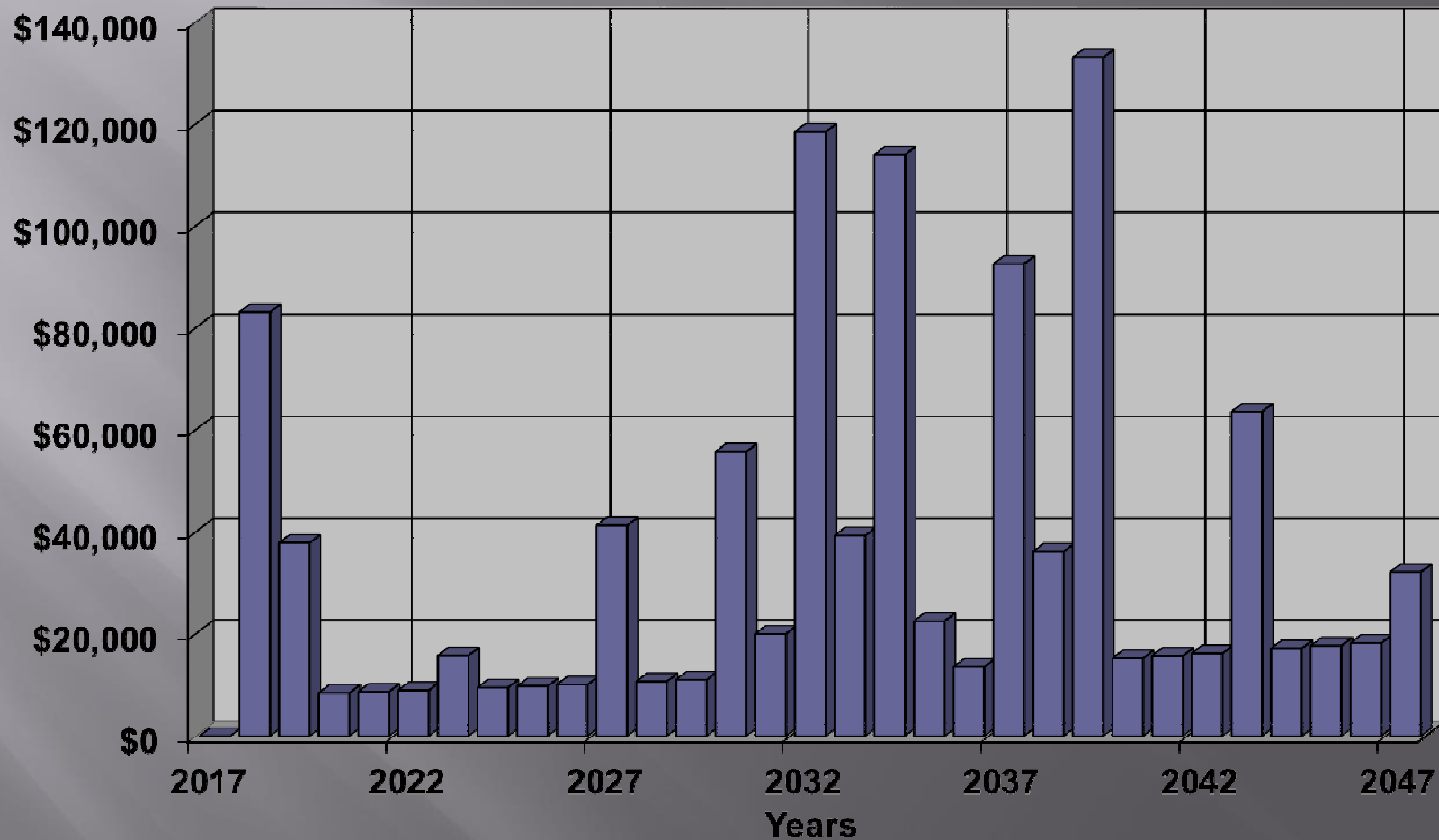
# 2016 Reserve Analysis

## 30-Yr Cash Flow



# 2016 Reserve Analysis

## Annual Reserve Expenses



# Treasurer Report – 2016 Finance Statement

	Actual Activity	Budget 2016	over (under) budget
<b><u>income</u></b>			
dues income	142,453	137,942	4,511
interest income	1,008	600	408
transfer fees	11,700	6,000	5,700
other income	2,315	1,000	1,315
<b>total revenues</b>	<b>157,476</b>	<b>145,542</b>	<b>11,934</b>
<b><u>expenses</u></b>			
CAM & Repairs	30,548	43,400	(12,852)
insurance premium	9,642	10,000	(358)
King County Sheriff & Securitas Patrol	9,195	14,000	(4,805)
administrator/bookeeper & accountant fee	18,650	20,300	(1,650)
legal fees & compliance	18,788	18,000	788
office supplies/photocopies/postage	7,543	8,500	(957)
utilities	7,678	4,000	3,678
regional/community functions	2,282	2,500	(218)
web site hosting	314	1,000	(686)
rentals (storage,mtg room, city light)	2,229	2,700	(471)
contingencies	6,175	500	5,675
Transfer to Capital Reserve	20,600	20,600	
<b>total budgeted expense</b>	<b>133,644</b>	<b>145,500</b>	<b>(11,856)</b>
<b>net income (loss)</b>	<b>23,831</b>	<b>42</b>	<b>23,789</b>
<b><u>Capital Improvement Projects</u></b>			
Basketball court refurbishment	-	10,000	(10,000)
CW entryway sign refresh	-	9,000	(9,000)
CR entryway landscape and fence refresh	-	5,000	(5,000)
CdS Island repairs	22,537	15,000	7,537
<b>Total</b>	<b>22,537</b>	<b>39,000</b>	<b>(16,463)</b>

# Treasurer Report

Fund Balances as of 12/31/2016

- General Reserve Fund \$105,000
- Legal Reserve Fund \$ 22,000
- Capital Reserve Fund \$137,102
  - \$400,000 + Estimated value of capital equipment
- Operating Fund \$128,484

# Treasurer Report – 2017 Budget

<b>income</b>	<b><u>2017 Budget</u></b>	<b><u>2016 Budget</u></b>
dues income	141,950	137,942
interest income	600	600
transfer fees	6,000	6,000
other income	1,000	1,000
<b>total budgeted income</b>	<b>\$ 149,550</b>	<b>\$ 145,542</b>
<b>expenses</b>		
CAM & Repairs	43,000	43,400
insurance premium	10,000	10,000
King County Sheriff & Securitas Patrol	10,000	14,000
administrator/bookeeper & accountant fee	20,500	20,300
legal fees & compliance	20,000	18,000
office supplies/photocopies/postage	8,500	8,500
utilities	5,300	4,000
regional/community functions	3,750	2,500
web site hosting	1,000	1,000
rentals (storage,mtg room, city light)	2,500	2,700
contingencies	1,000	500
<b>total budgeted expense</b>	<b>125,550</b>	<b>124,900</b>
Transfer to Capital Reserve	24,000	20,600
<b>total expense</b>	<b>\$ 149,550</b>	<b>\$ 145,500</b>
<b>Capital Improvement Projects</b>		
Basketball court refurbishment *	10,000	10,000
CW entryway sign refresh *	9,000	9,000
CR entryway landscape and fence refresh **	25,000	5,000
CdS Island repairs	15,000	15,000
<b>Total</b>	<b>59,000</b>	<b>39,000</b>

\* Carry over from 2013, 2014, 2015 and 2016

\*\* Carry over from 2014, 2015 and 2016

# Board of Director Nominations

## Three Board Positions Open for Election:

1. Three board positions 3 year term.
2. All Homeowners are eligible to be nominated to the Board of Directors if they:
  - Are willing to serve your Association and community for 3 years
  - Have the time every month to attend monthly meetings and Chair a Committee.
  - Do not have unresolved HOA complaints or delinquent dues
3. Nominees who have already identified themselves to the Board of Directors
4. Nominations from the Floor:

## Background information only:

### Position

<u>Number</u>	<u>Name</u>	<u>Term Expires</u>
1.	George McGill	2/1/2019
2.	Carol Nyseth	2/1/2019
3.	Alicia Follette	2/1/2017
4.	Don Nelson	2/1/2017
5.	Holly Jensen	2/1/2017
6.	Catherine George	2/1/2018
7.	Dan Nelson	2/1/2018

# Homeowner Discussion

Thank You for Attending

# CR\CW Board of Directors - Job Duties

- **President:** Organizes and presides at all Monthly Board Meetings and the Annual HOA Meeting. Makes sure all orders and resolutions of the Board are carried out properly. May sign (as Pres. Of CR/CW HOA) certain legal documents, contracts or insurance policies for the HOA.
- **Vice President:** Acts in place of the President in the event of the President's absence. If the President leaves the position (resigns or is removed) the Vice President will assume the President's duties until the Board meets and appoints a new President.
- **Treasurer:** Oversees the receipt of and deposit (in the proper bank accounts) all monies of the HOA. The Treasurer oversees the proper disbursement of funds as per the Board's directions. Oversees the financial books of the HOA's accounts. Coordinates the annual review of the HOA's books by a certified public accountant. Oversees the preparation of the annual budget and the statement of income and expenses presented at each Annual Meeting; provides a copy to each HO. Briefs the Board monthly on financial expenditures in relation to the approved budget.
- **Legal and Insurance:** Oversees the insurance coverage for the HOA and Board of Directors. Maintains a relationship with the HOA's lawyer regarding any and all HOA issues. Reports on legal and insurance issues at the monthly Board meetings and at the Annual Meeting.

# CR\CW Board of Directors - Job Duties

- **Common Area Maintenance:** Oversees all common areas: the entrances, the 2 parks and several areas around the retention ponds. Inspects and maintains all playground equipment, Mutt Mitt stations, all entrance signs, other signs in the parks and the community that belong to the HOA, all the garbage cans at the parks, the wooden bridge at CR Park and any other HOA property. Oversees the HOA's landscaping company's work and contacts\arranges for extra or emergency situations. This is the point of contact for our contracted King County Sheriff's Officer for monthly HOA security service. This involves coordinating any HO's complaints, comments and requests with the Officer, and also requesting that specific areas and activities are monitored more frequently. Reports on Common Area maintenance and Security issues at the monthly Board meetings and at the Annual Meeting.
- **Complaints Committee:** Oversees the Complaint Committee and receives and acts upon complaints received in writing and signed. Investigates their validity per the HOA CC&R's and R&R's, and sends out proper compliance and thank you letters. Follows up on any required action and coordinates appeal hearings. Initiates fines for non-compliance and notifies the Treasurer, Bookkeeper and the Board of new and ongoing fines. Maintains all compliance records. Reports on complaints issues and activities at the monthly Board meetings and at the Annual Meeting.

# CR\CW Board of Directors - Job Duties

- **Architectural Control Committee:** Oversees the ACC Committee and receives\acts upon all ACC request forms submitted. Determines if work and material are acceptable (per HOA guidelines and spec's) and notifies the homeowner when approved or if changes are needed. Follows up on work to see if it has been done as agreed and keep records of such.

**All Board members are expected to attend each HOA monthly meeting and the Annual Meeting, and give their Monthly/Annual report. Board members are also expected to help on various Committees and activities. One or two absences are allowed, but if you have to miss a Board Meeting, you would get your monthly report to another Board Member to present at the Meeting.**