

Candlewood Ridge/Carriage Wood HOA
Annual Homeowners' Meeting Summary
January 27, 2009

The following is a summary of the meeting minutes and is not yet approved by the Board.

A quorum was verified. Eighty-seven valid proxies were received and 16 homeowners were represented for a total of 103 votes.

At 7:00 pm the meeting was called to order followed by the introduction of Board Members and guests:

George McGill President, Curt Whitaker Vice President, Valerie Frazier Member at Large, Jerry Woolett Treasurer and Complaints, John Utz Legal, Sheena Kelly Book Keeper, Sondra Woolett ACC, Elmira Utz Recording Secretary and 15 homeowners in attendance. Officer Sam Shirley-attended part of meeting to give a police report and answer questions.

Welcome from President

The President thanked everyone for attending and taking an active interest in our community. He then shared this prepared statement:

Our vision remains unchanged - keep our community, homes, and yards looking attractive, make our community safer and maintain property values. Unfortunately it appears that not everyone has a similar vision.

The following are remarks received from a potential Buyer: "I was looking at potentially buying a property within the confines of your HOA at the designated address. I was surprised at the condition of some of the surrounding houses and surmised immediately that they must be rentals. Some of the houses in that area are in very sad states indeed and I will no longer be considering a house within Candlewood/Carriage Wood because of it. It is truly unfortunate considering you hold such an ideal location as far as schools and location. Your community should really be treated with much more respect and a sense of community ownership."

He went on to explain: Rentals are a significant problem and contribute to what this potential buyer references. A recent example was when a pipe broke in a rental during the cold weather. The HOA was contacted but was unable to provide contact information to the authorities who were trying to help the homeowners.

Committee Reports / Questions

Common Area Maintenance / Capital Improvements Report

2008 Common Area Activities:

- Removed several dangerous trees along borders of CR & CW parks.
- Repaired playground equipment in CW Park – swing and merry-go-round.
- Removed tree stumps along CR main entrance and at south end of CR park.
- Repaired entrance sign destroyed by car at 151st St entrance. – Car owner insurance paid.
- Removed dying cherry trees and exposed roots from 151st St entrance.
- Held an Easter Egg Hunt event in CW Park.
- Supported an Eagle Scout project at CR park which included "wetland" signs and a bench and a very thorough litter pick up of the entire park.

- Vandalism – On the increase this year. Most of Eagle Scout’s project was destroyed including the bench. This cost the HOA time and money – call 911 and refer to case #07-150561 if you see suspicious activity.
- Cedar River W&S completed necessary utility work in a cul-de-sac island in CR.
- Sponsored National Night Out against Crime

We are looking for a new Easter Egg Hunt Coordinator-we have the budget but need someone to take on the project.

Future CAM tasks

- Replace removed trees and grass at CR main entrance.
- Consider adding shrubs along street of CW retention pond chain link fence.

Capital Improvements

- Five Year Plan Completed in 2007
- Reserve Analysis Plan Implemented
- Need to set aside minimum of \$13005/yearly
- Spent \$3282.99 in 2008
 - Computer for use by Bookkeeper
 - New HOA Financial and Management S/W

Possible 2009 Major Improvements

- Repair additional portions of asphalt path in CR Park.
- Repair of retaining wall in center island of Candlewood Ridge Entrance.
- Continue Replacement of Signage at Entrances

CAM committee Functions

- Confer to:
 - Suggest major repair and replacement projects
 - Determine priorities and project layouts

If you have any interest in volunteering to be part of any committee please contact the HOA.

King County Sheriff Patrols

- 264 hours of service provided in 4 to 6 hr segments at random times from Jan through Dec 2008.
- Main services:
 - Deterring trespassing in our parks after dark – Majority of offenders nonresidents
 - Neighborhood speeding
 - Illegal parking & parking on streets with expired tabs
 - Crime deterrent
 - Feedback has been positive
 - 314 hours of service budgeted for 2009

Report from Officer Sam Shirley

A series of burglaries are a big problem at this time. They follow the same pattern. The house is door belled and if there is not an answer the suspects gain entry at the back of the house through a slider or other door. The thieves are targeting electronics, cash, flat screens, and jewelry. Make sure you always answer your door-even if it's just by answering through a locked door. If a stranger comes to your door get a description and license plate if you can. Call 911 with any suspicious activity. Other suggested countermeasures include locked doors, set alarm systems, and install glass breakage sensors.

Architectural Control Report

2008 ACC Activities 1/1/08-12/31/08

January: 1 roof, 1 exterior paint, 3 window replacement, 1 deck/landscaping

February: 2 shed, 1 fence, 4 roof, 2 exterior paint

March: 4 roof, 3 exterior paint, 1 window replacement, 1 garage door, 1 deck/landscaping.

April: 1 fence, 1 roof, 3 exterior paint, 3 window replacement, 1 other, 1 decks/landscaping

May: 1 fence, 3 roof, 7 exterior paint, 1 other, 6 decks landscaping

June: 1 fence, 2 roof, 5 exterior paint, 1 other, 3 decks landscaping

July: 1 shed, 1 fence, 1 roof, 7 exterior paint, 2 other, 5 decks landscaping

August: 1 roof, 6 exterior paint, 3 window replacement, 6 decks/landscaping

September: 1 fence, 5 roof, 6 exterior paint, 3 decks landscaping

October: 1 fence, 3 exterior paint, 1 window replacement, 2 other, 1 decks/landscaping

November: 1 shed, 1 exterior paint, 2 window replacement, 1 decks/landscaping

December: 1 exterior paint, 2 window replacement, 1 decks/landscaping

Totals: 4 shed, 7 Fence, 22 Roof Replacements, 45 Exterior Paint, 15 Window Replacements, 7 other, 1 garage door replacement, 28 decks/landscaping.

Totals by Month: January-6, February-9, March-10, April-9, May-18, June-12, July-17, August-16, September-15, October-8, November-5, December-4

ACC Notes

- 12 projects started without an ACC request submitted or an approval given.
- 1 project started using materials that could not be approved. Extra time, money and stress occurred.
- A nonrecurring \$100 fine can be imposed for not submitting a request or receiving approval prior to commencing work. Additional recurring fines can be imposed for not replacing unapproved materials in a timely manner.
- Recommend contact ACC via email or phone if no feedback received within 15 days of submittal. (HOA phone 425-738-8611 or architecture@crcwhoa.org). Contact if need to do emergency repairs.
- Notebook of paint chip samples that meet HOA guidelines is available. Contact ACC Chairman for notebook.

Complaint Compliance Committee Report

The HOA complaint process was briefly explained. The following steps are followed as necessary:

- Receive Complaint
- Verify
- Respond to Initiator
- 1st, 2nd, 3rd letters
- Thank you Letter
- Fine
- Lien
- Legal Action

Complaint Compliance Committee Activities 2008

- 124 Complaints
- 300 plus letters sent out
- 2nd and 3rd letters where required, sent registered or certified.
- 8 Homeowners are in fine stage
- 108 Complaints Closed
- 38 Open Active complaints

Legal & Insurance Report

Legal chair read letter from our attorney regarding ongoing litigation with the HOA. Synopsis is that our recent motion to have all individuals named in the original complaint including; individual board members, HOA employees and spouses, was successful. The Judge ruled in the HOA's favor "with prejudice."-indicating the inclusion of said individuals should not reoccur. The complaint, regarding the enforcement of not allowing the home business to operate within the HOA is still pending trial.

Treasurer Report

Available Funds Beginning of 2009

- General Reserve Fund \$25000
- Legal Reserve Fund \$20000
- Capital Replacement Reserve \$20694
 - We have approx \$300,000 in capital equipment
 - Need to set aside minimum \$13,005/yr
 - Near term replacement needs are small
 - Slightly ahead of reserve analysis plan
- Operating Fund \$4976

2008 Financial Events

- Purchased computer for used by bookkeeper
- Purchased new HOA Financial and Management S/W. Old S/W no longer supported.
- Digital Phone Service started. New phone number 425-738-8611. Voice messages delivered by email to selected Board Members and Committees.
- 2007 Audit Ongoing.
- Ended year with 57 HOs delinquent in paying dues and 39 with liens filed. Numbers up from last year.

The following budget chart was discussed:

Category	2008 Budget (No Dues Increase)	2008 Actual	2009 Proposed Budget (3% increase)	Notes On 2009 Budget
Revenues				
Dues\Assessments	\$114,580.00	\$112,863.54	\$117,980.00	Assumes all pay.
Interest	\$350.00	\$1,262.59	\$350.00	
Other	\$375.00	\$18,492.11	\$500.00	Fines, fees, Insurance, etc
Total Revenues	\$115,305.00	\$132,618.24	\$118,830.00	
Operating Expenditures				
Common Areas Maintenance	\$31,000.00	\$27,544.38	\$31,000.00	Canber Contract \$20,125 yearly
Capital Property Maintenance	\$0.00	\$0.00	\$5,000.00	Capital Equipment Repairs.
Insurance	\$9,100.00	\$8,974.00	\$9,100.00	cost increased \$4 last year
Sheriff Patrol	\$12,900.00	\$11,135.36	\$12,900.00	Provides approx 314 hrs service
Storage Rental	\$900.00	\$715.00	\$900.00	
News Letters (Flyer)	\$5,500.00	\$4,097.67	\$5,500.00	3 months not published in 2008
Bookkeeper Salary	\$11,124.00	\$11,124.00	\$12,000.00	
Website	\$120.00	\$95.40	\$100.00	
Legal Expenses	\$2,200.00	\$15,515.00	\$5,500.00	Includes Lien filing fees
Acctg Fees	\$3,200.00	\$3,750.00	\$1,700.00	Financial Review for 2009
Office Supplies	\$3,500.00	\$3,053.27	\$2,500.00	
Utilities	\$5,000.00	\$3,483.39	\$5,000.00	
Postage	\$2,500.00	\$3,339.17	\$4,000.00	Lot of certified mail
HOA Functions	\$1,500.00	\$583.67	\$1,500.00	Easter Extravaganza & HOA picnic
Income Taxes	\$150.00	\$75.00	\$150.00	
Secretary Fees	\$1,486.00	\$1,379.82	\$1,560.00	
Meeting Rm Fees	\$100.00	\$25.00	\$100.00	Meetings not held in Sheriff's office
Rentals (Pipeline)	\$993.00	\$957.88	\$1,040.00	Increases yearly
Non-budgeted CAM Expenses		\$8,795.79		Replaced entrance sign
Contingencies	\$1,700.00	\$1,210.80	\$3,000.00	
Transfers In (Out)				
Capital Replace Reserve	\$22,000.00	\$22,000.00	\$16,000.00	Reserve Anal requires min \$13005 yearly
Total Expenditures	\$114,973.00	\$127,854.60	\$118,550.00	

Net Unbudgeted \$332.00 \$4,763.64 \$280.00

A motion to accept 2009 budget as written was made and seconded: Passed unanimously

Nomination of new Board Members – Three positions were open.

Reminder was made to consider conflicts of interest, such as open ACC related complaints, and the fact that the HOA is currently involved in a lawsuit.

Nominations from the floor included: John Utz, George McGill, John Newcome, Norm Roth, and Richard Follette. A potential conflict of interest was disclosed regarding an open ACC related complaint associated with one of the nominees.

Election of Board Members

84 proxy votes were exercised by Curt Whitaker at the request of President, George McGill (usually president's duty but since George McGill was a nominee they were passed to the vice president). Three proxy votes were exercised by George McGill since his name was specifically inserted on the proxies. Ballots were distributed to attending Homeowners and collected for counting by one of attending homeowners and the bookkeeper.

Results as announced : Actual results

John Utz 101 99

John Newcome 100 98

George McGill 103 101

Norm Roth 5 5

Richard Follette 6 6

Two ballots were used for exercising the proxies and were initially counted as 2 additional homeowner ballots.

8:45 Additional Homeowner Questions / Comments

Home owner suggested that we encourage compliance with the covenants and rules and regulations by spotlighting especially nicely maintained homes in our newsletter. Suggestion was made to contact Kevin Idzi - our webmaster about hosting the idea on the website.

A concern was raised by a CW resident about a dangerous spot coming out of the neighborhood to the light at Petrovitsky. If you are concerned about this icy spot, please request the county sand the area when it is below freezing. Please help by calling King County Roads: 1-800-527-6237

Paul Bader of the CERT program presented information about the CERT emergency preparedness course. 8 residents, 2 in CR and 6 in CW are now qualified CERT members. Training is free at Renton Voc Tech and information can be found on their website. The CERT met in the past week and developed an informal proposal to assist our communities in the event of an emergency. In the event of an emergency the Carriage Wood park is the best

place to meet because it is accessible by helicopter.

The CERT group would like to encourage our HOA to purchase a container which could be stored in the park for the purposes of keeping emergency supplies such as leverage bars, buckets with shoring materials, radios, first aid supplies, etc. The suggested container should be out in the light so as to discourage vandalism. Finally, CERT plans to do a drill in our neighborhood with the City of Renton in the future.

Homeowner asked the HOA to take a position on the Fairwood Incorporation question. The HOA board has discussed this issue and feels it is not appropriate at this time to make a recommendation since they do not know the position of most of our homeowners that they are supposed to represent.

9:03 Meeting Adjourned