

With a quorum present, the meeting was called to order at 9:05am with the following Directors in attendance: Joe Frank, Tim Olsen, Tom Sahlberg, Lee Wolfand, Steven Clark

Present on behalf of Rockwood Property Management: Gil Pierce

### RATIFIED DECISIONS

The following decisions were made by unanimous consent in the interim and are hereby ratified by addition to the meeting minutes:

- a. Board of Directors Meeting Minutes of 6/12/24 are approved and posted to the website.
- b. Late fee waiver in the amount \$138 for account# RCXS00109.
- c. New dog station was installed Mission & Snoqualmie.

### NEW BUSINESS

**Nuisance reports @ N. Malad Ct:** RPM continues to receive notifications of recurring and/or unresolved nuisance violations such as marijuana smoking (within private residences), noise complaints and, parking violations. Regrettably, the HOA lacks effective remedies to enforce violations of law and encourages residents to continue reporting such concerns to local law enforcement. In an effort to support the Members and their reported concerns, the Board would consider an amendment to the CCR. Such a proposal must be drafted and submitted to the Board for consideration. Such an amendment would require a supermajority vote (67%) of the membership, the administration for which would be funded through the main budget. Upon a motion duly made and seconded, the Board elects to take no action at this time.

### 2025 BUDGET PROPOSAL

**Main Assessment: will increase from \$35.00 to \$37.50 per month.**

- a. The landscape contract will increase by 5%, which is on-target industry wide. The contract is not bid annually but the HOA did shop rates 2 years in a row (2023-2024). By contracting with professional management, the HOA receives the benefit of industry pricing data accumulated across the entire portfolio, which helps verify cost to value. According to Member feedback, satisfaction is up this year over last. There surely is a cheaper contractor but \$ saved in contract fees will be paid in level of service. Another consideration with respect to changing major service contracts is the additional time assumed by Management to administrate the bidding process and onboard new vendors, as needed. This service incurs an additional expense that brings down the value of switching to a cheaper service provider.
- b. Irrigation/water expense was considerably over budget (\$10k) throughout the community and across all properties managed by RPM. This unusual increase appears to be an outlier and thus the 2025 budget will remain on the current increase schedule.
- c. Water usage increased a bit due to new construction. This combined with the City's scheduled increase of 13% resulted in a \$5k increase to this line item.
- d. Snow removal line item covers alleyways and sidewalks adjacent to common areas along main walking paths throughout the community.
- e. The Board reconsidered hosting a summer/fall party due to the anticipated cost of \$5k. While it was a well attended gathering, the Board will solicit feedback from members at the next Annual Meeting to ensure it's meeting expectations and decide if future parties at HOA expense will occur.
- f. Unexpected park maintenance and installation of a new dog station put maintenance and repairs over budget this year.
- g. After much discussion, the Board elected to remove the \$1500 sponsorship to Friends of Centennial Trail and the money budgeted for summer monitoring from next year's budget.
- h. To ensure appropriate funding for long-term maintenance and repairs, RPM recommends a Reserve Study in the near future. A budget of \$3k is assigned for this line item next year. In the meantime, an increase from \$5k to \$13k is proposed for next year.
- i. To recap, the \$2.50 increase on Main Assessments is due to:
  - o Electricity rate increase proposed by Avista.

- Higher anticipated snow removal.
- Increased reserve funding.

**Sahale Townhomes & Cottages Assessment: no increase (aside from Main Dues).**

- a. The difference in assessment between townhomes and cottages relates to differences in maintenance area and obligations.
- b. Snow removal is triggered at 2" of accumulation with 10 budgeted removals; contract increased 5% over last year.
- c. Capital funding increased slightly to keep up with funding goals.
- d. Like the Main Budget, Sahale will also pay for a Reserve Study to ensure proper funding of it's respective longterm maintenance obligations.
- e. While reserves are currently well funded, the cost of asphalt is increasing and may result in an increased reserve assessment in the future.

**Orchard Place Assessment: no increase (aside from Main Dues).**

- a. Started the year with a negative cashflow of \$5468 and ended with positive cash flow of \$2514.

**Trailhead Townhomes & Cottages Assessment: no increase (aside from Main Dues).**

- a. Snow removal is triggered at 2" of accumulation with 10 budgeted removals; contract increased 5% over last year.

**River Crossing East Townhomes: no increase (aside from Main Dues).**

- a. This sub-section is still expanding down Indiana as more cottages are built.
- b. Snow removal is triggered at 2" of accumulation with 10 budgeted removals; contract increased 5% over last year.
- c. Unlike the other subs with static income capacity, this sub is still under construction and therefor the number of units paying dues will continue to increase until buildout is complete. Until then, income generation will increase through the addition of new paying homes and collection of Builder's dues (paid when the home sells to a private owner).

**Reserve Funding Increase**

- a. As the community approaches builtout, a Reserve Study should be completed to ensure a stable funding model over time. Prior to turnover, the Declarant reviews the reserve funding model as part of annual budget preparations but now that the Association is self-governed, a Reserve Study is a critical financial planning tool. RPM will assist the Board is selecting a contractor and completing the process in 2025.

Upon a motion duly made and seconded, the proposed 2025 Budget is hereby approved for distribution to the Members for review. During the member review period, members are encouraged to contact the Board and/or RPM to ask questions and provide feedback. The Ratification Meeting is scheduled for Tuesday, December 10<sup>th</sup>, at 11am via Zoom. Unless 51% of the membership contests at (or before) the scheduled radification meeting, the budget is automatically ratified.

With no other business rightfully brought before the Board, the meeting was adjourned at 10:20am.

Respectfully submitted,  
Melissa Owens, CMCA®, AMS®  
Association Admin, Rockwood PM