

Qualchan Hills Homeowners Association
Annual Meeting
St John's Lutheran Church - 5810 S Meadow Rd
January 17, 2019 at 6pm

1. Call to Order & Establish Quorum: Quorum is established.
2. Introductions
 - a. Board Members: Willie Masten, Outgoing President; Carla Michaelson; Venus Morris.
 - b. There were 17 homeowners in attendance.
 - c. WEB Properties: Bridgett McCain.
3. Discuss changing By-Laws to make a 5 person Board
 - a. A signed document was found that makes an amendment to the by-laws, allowing for a 5 person Board. Because this amendment already exists, there is no longer a need for homeowners to vote on a 5 person Board. Moving forward with a larger Board, there will be three open positions for members as two of the positions were appointed in December, 2018.
4. Call for Board Position Nominations & Introduce Volunteers
 - a. Troy Scott, Bob Davis and Heather Kohler volunteered for positions on the Board. There were no other volunteers or nominations. Willie motioned for a vote. All three volunteers were unanimously voted to the Board by homeowners in attendance.
5. Vote to Determine the Audit for 2018
 - a. The Board did not receive adequate responses from homeowners to decline the audit at this time. Upon further discussion, the Board elected to extend the vote to hopefully get more homeowners to respond. The Board had been going door-to-door and sending e-mails to homeowners in an attempt to gather ballots. They will continue to use these methods through the extension.
 - b. A homeowner suggested sending a special assessment to homeowners who don't respond and allowing them to be financially responsible for the audit if it cannot be declined this year. Bridgett will look in to weather or not that would be an option.
 - c. A homeowner suggested that the votes for the audit be counted in the same way as the votes for the budget in that a non-vote is the same as a yes-vote. Bridgett explained that this was a state requirement and that the RCW specifically states that 67% of homeowners must vote to waive the audit. According to the RCW, the audit must be voted on every year. (See RCW 64.38.045)
6. Summary of 2018 Financial Report - Bridgett McCain, WEB Properties, Inc.
 - a. Operating Account: \$13,490.24
 - b. Savings Account: \$1003.90
 - c. Reserve Account: \$43,776.54
 - d. Park Account: \$111.59
 - 1) Bridgett reported that Donna Simanton has contacted WEB and discussed turning over the entire Park Account to WEB to be managed in a money market trust solely for the park. If managed

correctly, the account would make enough money off of interest to cover the park expenses. The Board agreed to discuss this with Bridgett and make a decision on how to proceed.

- e. 2018 Income: \$140,067.34, which is \$5871.34 above the budget of \$134,196
- f. Delinquent: \$22,505.90, a total of 21 homeowners
- g. Prepaid: \$2,114.99, a total of 20 homeowners

7. Delinquency Report - Bridgett McCain

- a. Delinquencies are currently \$22,505.90, a total of 20 homeowners
- b. 6 of these delinquencies are large—over \$1,000. WEB is moving forward with putting liens on two of these homes, and notice of liens are being sent to the other 4 homes.
- c. One of the HOA's largest delinquencies was recently paid in full including fines.

8. Architectural Review Committee Report - Dan Skindzier

- a. Dan reported on several ARC requests that were made by homeowners in 2018. Although some requests required modifications, all requests were ultimately approved.

9. Year in Review - Bridgett McCain

- a. Persimmon Woods, Bridgett McCain - Persimmon Woods has a new Board, and their Board has reached out to Bridgett to schedule a time to meet with the Qualchan Hills Board. Now that new members have been appointed, the Board is ready to proceed with a meeting with Persimmon Woods in February in the hopes of working out a new agreement. Bridgett expressed that in her conversations with Persimmon Woods, they feel they do not owe anything to Qualchan Hills, however based on Qualchan Hill's calculations, approximately \$40,000 is owed to the QHHOA. If an agreement cannot be reached, QHHOA may consider putting liens on all of the homes in the PWHOA, or sending their homes a special assessment for money not yet collected. The Board will continue to work on this matter.
- b. New Management Contract, Venus Morris - The Board explored several different management options. After comparing the options, the Board determined that WEB offered comprehensive services at the most affordable rate. Following an Emergency Meeting on 01/10/19 to discuss this topic, Board members signed a new contract with WEB. The contract has an inclusive fee structure and outlines what management fees will be for the next three years if QHHOA decides to remain with WEB; however, it allows for both parties to give 60 days written notice of termination at the end of each year without penalty.
- c. Landscape Scope of Work, Bridgett McCain - Several homeowners were dissatisfied with the landscaping that was done in common areas in 2018. At this time, there are no plans to proceed with another contract with C&C again. However, Bridgett asked the Board to consider the scope of work that should be included in the landscaping bid for this year. Bridgett agreed to e-mail information about this to the new Board members so a decision could be made.

10. Open Forum

- a. A homeowner questioned how many of the 96 homes in the HOA are owner occupied. Bridgett explained that there isn't a full count of renters, because there is no requirement that homeowners give the HOA notice that they are renting their homes. Bridgett stated that there are approximately 15 homeowners who have provided the HOA with mailing addresses outside of the HOA, which indicates they may be using their home as a rental property.

- b. Homeowners expressed concerns that there are too many people living in a rental property at 806 Lincoln Blvd. CC&Rs state that homes must be single family. Bridgett explained that there is difficulty in defining what constitutes as a family due to cultural factors; however, family is not defined by a group of unrelated roommates, which appears to be the case at this current address. WEB has sent several notices to the owner of the property but there has been no response. Bridgett will attempt calling the homeowner.
- c. A homeowner requested meetings start at 6:30 pm so those commuting from work can make it to the meetings on time. There was no objection from the Board or homeowners in attendance. Future meetings will begin at 6:30 pm.
- d. Willie held a gift card drawing for homeowners in attendance. Bridgett drew the winning homeowner, Debbie Masten.

11. The meeting was adjourned at 7:15 pm.