

Tuesday, December 5, 2023

Songbird Homeowner's Meeting

Place: Claire Nickelberry's House (President)

Attendance: See Sign-in sheet (12 of 39 houses present)

Time: Meeting called to order at 7:12pm

Subject: Board Membership and Budget

Claire introduced board members.

- Claire Nickleberry - President
- Jessica Arias - Vice President
- Kerry Cummings - Treasurer
- Laura Hickman - Secretary
- Ryan Brouwer - Member at Large

12 Houses present, no quorum. Vote to be done via email. All in attendance agreed.

Board Membership

- CCRs are outdated and, in some cases, not relevant.
 - Big project in order to review and update.
 - Board proposes addition of two more Board Member positions
 - Reasoning: More help, CCRs not always followed in the past, more committees (ARC & Social), Board Members would be assigned to new committees
- Neighbor concerns:
 - Minimize not expand due to concerns surrounding decisions benefiting the few not the whole. Perception that rules being passed to benefit board members not the neighborhood
 - Concerned that increased costs are associated with increase in board members
 - Neighbor was reminded that the HOA Board is an unpaid position and any potential Dues increases are related to neighborhood expenses and reserves.
- President: Finally have people interested in joining the Board after years of minimal to no interest.
- President asked if there were any more concerns relate to increase in number of board members, no more objections were raised.

In accordance with the CCRs the Board noted that Board Members Terms are supposed to serve terms of 2 Years. Due to previous lack of interest by homeowners this provision has not been adhered to very well in the last 13 years. Going forward the

HOA Board will start to have annual elections.

- Board intends to have the positions staggered so that the board is not replaced all at once to ensure smoother transitions.
- Treasurer, VP and Members-at-Large will be voted in Even Years (stagger Member at Large years)
 - Jessica & Ryan were appointed and not elected in 2023 and are eligible for election in 2024.
- President and Secretary will be in Odd Years
- Elections to be held in March Home Owners Meetings each year. Date to be set in February.

Budget - Attached

Kerry passed out Budget to review

- 2023 dues collected \$7,589.75 so far expenses \$7,844.58
 - \$3,764.83 additional expenses expected for FY23
 - Bank Account expected to have \$6,175.45 on deposit at end of 2023

Claire spoke about a Reserve Study

- Last done in 2014 and should be done now
- Board presented that they want to complete a reserve study in May 2024 to help the board determine what expenses to reserve for and how much dues should be.
 - Board has looked at 2 companies and is looking for 1 more.
 - The cheapest cost so far is \$2,000
- Washington Law states one is supposed to be done each year
 - Kerry found a potential loop hole in the law stating that if the cost exceeds 5% of an HOA's annual budget it is not required. This is according to RCW 64.38.080
- Sharlene volunteered to explain what a reserve study is for and so that homeowners would understand the value for one.
 - The reserve study will layout a funding schedule for future anticipated needs for the neighborhood including Fence Repair, Irrigation Systems, Tree Trimming, signage, mailboxes. These expenses are typically long term in nature and not needed on annual basis and a properly funded reserve would fund.
- Fence repair was a large repair in 2023
 - This was for fence repair along NW 109th Street which the HOA is responsible for
 - One neighbor asked if the houses that share those fences can/should pay more in dues to offset this cost.
 - CCRs do note a special assessment for those who directly benefit from these costs/improvements
 - Same homeowner was concerned that they saw the fence was being fixed with Fir vs Cedar wood which would be better in the long term

- President responded to the HOA Dues aspect that the fence along NW 109th St serves as an entrance to the Neighborhood/Community and is a benefit to the entire neighborhood and that is why it is a shared expense for all 39 homes.
- President's response to the type of wood used for the fence repair is that the Board acknowledge this, however, cost vs. amount of reserves was the primary concern with completing this project.
- Cost of maintenance is increasing in general (we've all seen it):
 - Paint has doubled
 - Landscaper has doubled
 - Reserve study was \$300 in 2014 vs. \$2000 in 2023
 - Tree Trimming, first time cost \$690
 - Considering cost reductions
 - Pursuing new Landscaper bids
 - One homeowner suggested reducing the frequency
 - One homeowner suggested homeowners trim their own trees
 - Concern was noted regarding what the requirements are from the county (height clearance), having it done consistently and potential safety.

Budget Conclusion:

- Dues have not increased since the builder turned over the HOA to the Homeowners in 2007.
- With costs increasing, inflation and increased projects due to the age of the neighborhood, the board is suggesting an increase in Dues up to \$300 for 2024 and going forward, pending the results of a reserve study.
- Another email will be sent out to all homeowners with the proposals. All homeowners in good standing will have a vote with 75% approval needed. Homeowners not in good standing will not be able to vote, this includes homeowners with outstanding dues or unpaid past due fees.
 - If not passed by vote the board will proceed with a one time emergency assessment of \$300-400 which will be in addition to current HOA dues. The goal of this assessment is to bring the HOA reserve in excess of \$15,000.
- It was asked about "good standing" and how late fees are assessed and collected.
 - In terms of the special assessment the board noted that they would follow procedures in the CCRs including using an attorney to send letters and ultimately file liens on homeowner's properties. It is also the board's understanding that the attorney fees would be assessed to the specific homeowner(s) not in good standing and not the responsibility of the HOA.