

HARBOR LIGHTS ESTATES HOMEOWNERS ASSOCIATION

Board Meeting Minutes for 17 August 2015 at 6:30 p.m. at 2237 Steamboat Loop East

Board members in attendance:

Kenneth Farmen, President
Mary Jaffe, Vice President
Lisa Kirkemo, Secretary
Daniel Ransom, Treasurer

Other Home Owners in attendance:

There were no other homeowners in attendance.

The meeting was called to order by President, Ken Farmen at 6:26 p.m.

Minutes

The minutes from the last Board meeting of Friday, May 1, 2015 were read and approval as written. Minutes from previously approved September, 2014 Board meeting were signed by the President and Secretary. The official signature had been tabled due to a detail correction.

Treasurer's Report

The Treasurer's financial report stated that as of August 17, 2015, 100% of our homeowners have paid their 2015-2016 assessment. No overdue notices or further collections will be necessary for this fiscal year. There is a present balance of \$6, 644.91 in our account. This does not include a sum of \$240 that has been collected but not yet deposited.

The treasurer reminded us that our budget now includes fiscal years 2015 – 2035 due to the State-mandated Reserve Study that was implemented this year. Formerly the budget was for one fiscal year at a time. Our assessment collection and annual reporting continues to be managed and recorded on a fiscal year – to – fiscal year basis.

Old Business

Lot one report

The new owners have purchased the house as a rental investment, and will not be residing there. The owner inquired of the President regarding the CC&R's and what the requirements were regarding fences and dogs. The owner briefly mentioned a potential renter who had a pit bull that was a service animal. The President suggested that the owner refer to the CC&R's provided in closing (*that do not include a breed requirement*). The Board reviewed that the HOA has no authority over dog ownership other than what is stated in the CC&R's.

A Board member pointed out a website that reveals a scam by which pit bull owners are certifying their pit bull breeds as service animals to avoid restrictions frequently enacted against that and other breeds.

In regard to the HOA, this was informational, but has no relevance and requires no action. There presently is no occupant or dog at the residence. There has been no infraction of any rule or County Ordinances.

ACC issues

There have been home improvements requests approved by the ACC for painting, two additions and a roof replacement.

D&O Insurance (*Directors and Officers Insurance*)

The Board reviewed Resolution No. 5 OF THE BOARD OF DIRECTORS, HARBOR LIGHTS ESTATES HOMEOWNERS ASSOCIATION IN THE INCREASE OF DUES FOR THE PURPOSE OF PROVIDING DIRECTORS AND OFFICERS INSURANCE. The resolution explains the need for the insurance and the Board's position on increasing the dues in order to provide D&O Insurance for Board members. A motion was made, seconded and passed to adopt Resolution No. 5.

(The resolution does not include a position by the Board in regard to increasing dues to build the State-mandated reserve for the Reserve Study, but only addresses D&O Insurance.)

It is President Farnen's responsibility to appoint a D&O Committee to:

- 1) use Resolution 5 and the research information already gathered by Board members and to
- 2) write and present a Recommendation for the Board. The HOA Board will consider the D&O

Committee Recommendation in forming that part of a ballot for the necessary assessment increase in the coming year.

New Business

Home sales in the neighborhood

Ken Farnen reported that he had received quite a few requests for information regarding the houses for sale on the loop. Daniel Ransom also reported that he has sent out assessment payment information.

Homes at 2181, 2264, 2288, and 2241 have been sold this month (*homes previously owned by Wells Fargo, and the Kelly, Webb and Hudson families*). The Harbor Lights Estates neighborhood is now considered a highly desirable because of our lot sizes, the maintenance of the property, and, we believe, a well-run HOA.

It was suggested that the Board have a "welcome" package. It would consist of a pee-chee folder with a welcome message from the President and copies of the CC&R's and the Bylaws. Rather than being full of papers that might get lost, the Homeowner would be directed to the HOA internet site to find documents such as ACC Request, ACC Complaint, Schedule of Fines, etc.

The President will write the welcome message this week; the secretary will purchase the pee-chees and make a checklist of important document that are on the internet. As soon as the packets are assembled, the Vice President will pass them out to the present new owners and will obtain email permission from the owners. A hand-signed email permission form is a legal requirement of the State of Washington for use of communicating official HOA business.

Lists of work instructions

Secretary Lisa suggested that the Board would benefit from a list of instructions regarding tasks, documents and other work that needs to be attended to by Board officers. There is a broad job description in the Bylaws for each position, but it does not reflect what details need attention and does not describe the processes to complete tasks -- such as the balloting process that requires meetings, timelines, mailings, etc.

The Board agreed that this needs to be discussed and attended to at the next Board meeting. Mary agreed to analyze/review the tasks of the officers and to form a list of tasks, documents, or process instructions.

Mary will also provide a set of file folders for the Secretary in which she can electronically archive the HOA documents required for auditing or future review or reference used by Homeowners or the Board.

Mary will also maintain an updated list of Homeowners for the Secretary. It will be provided after the email permission forms have been signed.

Email Communication

Treasurer Daniel cited WA Code 24.03.120 that requires face-to-face meetings or voice-recorded/accessed meetings (*such as conference calls where everyone can hear and speak*) for all Boards of Directors ...”members may participate in meeting with conference phone or similar... in which all can hear each other at the same time...” Email meetings cannot be held by Boards. The ACC is a committee, not a Board. However, the ACC meets face-to-face for structural improvements, paint colors or controversial issues, such as a complaint filed against a neighbor.

Common Area Maintenance

There was a brief discussion regarding the either dead or overgrown trees and shrubs in the entrance. There are opinions regarding “ugliness”, vanishing sight lines to Lidstrom, and replacement of removed plants. This is a safety issue for the children who wait for the school bus or walk in the street where there is no sidewalk. Board members Lisa Kirkemo and Ken Farmen will walk down to the entrance and form a set of tasks for a work party that will take place on Sep 26th at 9:00 a.m.

Coming Meetings

The next Board meeting was set for Monday, September 21st at 6:00 p.m. at the home of Lisa Kirkemo.

At 7:46 p.m. a motion was made, seconded and carried to adjourn the meeting.

Secretary, Lisa Kirkemo

Date

President, Kenneth Farmen

Date