

## **Minutes of Annual Meeting of Aune Homeowners Association**

A meeting of the above referenced Non-Profit Corporation was held on March 7, 2007, as provided for in the Bylaws of the Association, at the Cascade Elementary School gymnasium.

### **The following Board of Directors were present:**

President	Brenda Corbett (BC)
Vice President	Kari Coleman (KC)
Treasurer and Secretary	Stacie Thesenvitz (ST)

### **The following members were present:**

Norman Fallen&Karen Baker	Matt Thesenvitz	Abbie Riley
Vickie Myrick	Linda Peterson	Dianne Trabont
Rob&Sandy Racz	Terry&Holly Jackson	Ryan Tuengal&Kamela Cruz
Karen Brown		

Holly Jackson was given proxy by Lot 25 Hollenbeck.

BC called the meeting to order at 6:30 PM.

BC started the meeting with a personal introduction and introduced Board members KC and ST and gave a brief discussion of each position. After the introductions, ST presented the following overview of 2006:

"This time last year, Brenda Corbett was nominated and voted onto the Board of Directors and has acted as President. Currently, she and her family will be moving in a couple of months leaving a position open on the Board.

This time last year, Tamie Webster was nominated and voted onto the Board of Directors and acted as Treasurer until 12/31/06. She could no longer fulfill her term and duties due to medical reasons.

It was in the 4<sup>th</sup> quarter of the year 2006 that Melanie Cochrun and her family moved and this is when Kari Coleman was nominated and voted onto the Board of Directors and has acted as Vice President. Currently, Kari's longevity on the Board is determined by her pregnancy and life with a newborn.

I have been acting as both Treasurer and Secretary since January 1, 2007.

Throughout 2006, the Board and the Landscaping Improvement Committee had met off and on. Because of the lack of involvement from members volunteering time and resources and/or Board and Committee members moving away and/or just waiting for the county approval and/or just finding bids that are acceptable, the landscaping improvement projects had to be put on hold and the common area was just going to be maintained. Around the same time of that decision, members within the Association were experiencing numerous criminal activities on or around their properties as well as in the treed area on the west side of 56<sup>th</sup> Drive NE and the dead-end area of 103<sup>rd</sup> Street

NE. The Board decided to use some of the landscaping improvement money to fund the fence that was built in November of 2006. Shortly after the fence was erect, kids/teens/young adults kicked out individual wood planks and sections of the fence. The Board had to use more landscaping improvement money to cover the cost of repair. To date, there is no damage to the fence.

The Association had its Annual Yard Sale the first weekend in June and again, there were a large number of houses that participated and everyone made lots of extra money. The Association will again have its annual yard sale the first weekend in June which is June 1 and June 2 of this year. Notices will go out to all members with the minutes of the annual member's meeting as well as flyers being posted on mailboxes 2 weeks before the yard sale.

The Association had its Annual Holiday Decorating Contest and there were a large number of houses that were so beautifully decorated. Members were asked to vote for their top 3 favorites via email. Since there was little voting, Kari Coleman went door-to-door in the cold and rain to collect votes. 3<sup>rd</sup> Place went to Lot14 Dianne Trabont and she received a \$10 Fred Meyer Gift Card. 2<sup>nd</sup> Place went to Lot34 Troy and Brenda Corbett and they received a \$20 Fred Meyer Gift Card. 1<sup>st</sup> Place went to Lot7 Matt and Stacie Thesenvitz and they received a \$50 Fred Meyer Gift Card. The Association will again hold a holiday decorating contest for 2007.

According to my records, there were 12 homes sold and bought in 2006 and there are 12 rentals.

The Board had several members in violation of the CC&Rs throughout 2006. The majority of the violations included parking RVs, trailers, or commercial vehicles on driveways, parking vehicles on lawns, some had trash/rubbish in yards, some yards needing desperate attention and maintenance, some animal-related issues like dogs barking and fighting and dogs/cats running around loose in the neighborhood using other yards as their toilet, and some neighbors having loud parties late at nite and/or playing loud music. Once letters were mailed, members became compliant."

ST presented the following 2006 financials (SEE ENCLOSURE):

"Second page of the handout is the 2006 check register. It is pretty standard and self-explanatory in showing money in and money out. As I mentioned before, Tamie Webster handled Treasurer duties for approximately 8 months in 2006. When I took over on January 1, 2007, I had to fill in some blanks and make some minor mathematical adjustments. Year-end balance is \$592.55.

On the next page, is the contingency ledger. Again, it is pretty standard and self-explanatory in showing money in and money out. Year-end balance is \$170.15.

On the next page, is the cash statement. At the top, are the amounts carried over from 2005 (\$1004.87), the total 2006 money in

(\$3765.87) and total money out (\$3173.32). At the bottom, you will see the same number of \$592.55 as shown on the check register. There were some unexpected increased costs in 2006. Some of them were the insurance policy for the pond/common area, rental of the PO Box, office supplies and postage.

On the next page, is the individual member record of 2006 dues received. At the top section, this show the date paid, lot#, name, amount received and check#. The next section is all the deposits made (11 visits to the bank). The next section is the collection of 2005 dues in 2006. This money was moved to the 2006 contingency fund. The last section shows that there were 4 members that did not pay their 2006 dues, which were Lots 1,5,30,42. Whatever of this money we receive in 2007 will be moved to the 2007 contingency fund. The Board will work aggressively in 2007 in placing liens on properties that refuse to pay their balances."

KC now takes over discussing of a Neighborhood Watch (NW) meeting that was held at the beginning of the year at the residence of Lot9 Myrick. She goes on to say how nice it was to meet new members within the Association. The meeting was informative and suggests members to ID personal belongings, display NW signage, and place motion sensors. KC offered members to purchase these lights from her employer and having someone with installation experience offer to install them on member's houses. Contact the Board at the email address if interested. KC was able to receive a quote on security services. A quote of \$555+/-monthly includes night time drive-bys 3 days a week. The Board feels that this amount of money seems high and will consider a special assessment if more members approve this service and cost. KC informs members of an upcoming pond clean up day which is March 17, 2007. The Board would like to have adult and kid members help in the clean up their neighborhood as well as getting inside the gated pond and weeding the parameter.

At this time, we take a coffee break.

KC discusses that with the continued lack of interest and participation from more members, the Board has not other choice but to hire a company or person to handle the day-to-day affairs of the HOA. KC explains to the presented members that the Board met with a property manager and her assistant from Century 21 in December 2006. After this meeting, the Board reviewed and discussed all of the property management company (PMC) research and all agreed that we would hire this property manager in February 2006 as to give ST time to get all Treasurer and Secretarial files ready for the handoff. Early February, the Board came to find out that this property manager was no longer working at Century 21; however, her assistant would be honor the contract. The Board was not too impressed with this assistant and voided the contract. The Board is back at square one in trying to find a PMC who would do the required work at \$125/month. KC continued her search and found that PMCs are charging between \$250 and \$400 monthly. The Board is at a lost as to what to do as the Board budgeted only \$125.00 per house to cover the cost of a PMC. KC discusses that she knows of a neighboring HOA who pays the wife of a Board member to handle the day-to-day affairs. Prior to the annual board meeting, the Board discussed "hiring" ST to handle the day-to-day affair. ST will accept the position as long as she or her family can not be held liable for anything in relation to the HOA. ST will research the matter and get back to the Board. The members present have no objections to that idea.

KC reviews the proposed operating budget of 2007 (SEE ENCLOSURE). KC explains that the amount of the PMC was the quote from Century 21, which as previously mentioned, we revoked the contract. KC warns that there may be a special assessment for this year for increased costs of a PMC or if not this year, dues will be increased for 2008. KC explains that because of the past

history of Safeco insurance increasing, the Board raised the amount to \$1000.00. The Board will not know until June 2007 what the exact amount will be. Common area costs were increased to pay professional rates for professional work. During 2006, member(s) who had been mowing and maintaining the common area either had to quit or moved away. The Board had hired a landscaper; however, became unsatisfied with the work, thus canceling the service. The Board will continue to work on improving the common area with a sign and the planting of trees, plants, flowers, etc.... Because the Board is now being forced to start placing liens on properties, we allocated some money to retain an attorney. As time goes on, there is a need to replace old office supplies and there is a need to add files, folders, binders, etc.... as to keep paper copies of everything since 2002 as well as on disc. Because there are members that do not pay by the due date, late statements have to be mailed and some of those are via certified mail, which costs more. The annual expenses, annual yard sale, PO Box rental, holiday funds are not expected to increase and if so, only very little. The total budgeted expenses come to \$5500 and divide that by 44 lots equals \$125.00 per lot. On the last page, KC explains that 2006 balance of \$170.15 is carried over into 2007 with the Board adding \$420.99 of the \$592.55, \$945.00 of 2006 dues received in 2007 and \$369.00 from the 2007 assessment giving the HOA a total of \$1905.14 at the end of 2007.

BC, along with the other Board members, discuss the need of people to volunteer to a position on the Board. KC's term is coming to an end and she says she will stay on if there is no one else interested. Of the members present, no one volunteered, so BC nominates KC to stay on the Board and members approved. KC mentions that she has been in communication with Lot14 Trabont and she has expressed interest. Of the members present, no one volunteered, so the Board nominated and members approved that Lot14 Trabont become a Board member. The Board will meet in April 2007 to discuss positions and the status of hiring ST. The members present had no objections.

BC opens the floor to open discussion. Ex-Board member, Matt Thesenvitz takes this opportunity to express the desperate need for more members to become involved either by becoming a Board member or head up a committee. As it currently stands, the Board of 3 is doing the work of 10 people and more members need to step up. He states that he is 100% for the hiring of a PMC and each member will have to pay for that expense. He approves the Board of hiring ST to handle the HOA affairs on the contingency that she can not be held liable for any issues relating to the HOA. Matt Thesenvitz also suggested that the Board make an amendment to the bylaws of the Plat of Aune claiming that no past, present or future Board member be held liable for any issue relating to the HOA. Members present inquired about the speeding on 56<sup>th</sup> Drive NE and ST informed them that the Snohomish County Sheriff parks in the cul-de-sacs before and after school to catch speeders. Members present that reside outside the neighborhood ask that they receive all communications from the Board directly instead of leaving them with their occupants. The Board reminded everyone that all suggestions are considered and discussed in detail.

The Board again requests further involvement with committees and HOA issues.  
The meeting was adjourned at 8:00 P.M.

Submitted by:

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Stacie Thesenvitz, Secretary

Accepted by Board of Directors:

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Brenda Corbett, President