

Poulsbo Place II Home Owners Association
Board Meeting Minutes of
November 6,2017

Welcome: A regular meeting of the Poulsbo Place II Homeowners Association (HOA) Board of Directors was called to order by President Vicki Cunning at 4:00pm November 6, 2017. The meeting was held in the second-floor conference room in the Poulsbo City Hall.

Introductions: Vicki Cunning made introductory remarks with an overview of meeting procedures and protocols. The purpose of the meeting was to conduct the routine business of the HOA.

Quorum Established: Board members present were President Vicki Cunning, Vice President Kent Salo, Treasurer Nate Sargent, and Secretary Matt Lyons. A quorum was established.

Minutes Approved: The minutes of the HOA Board meeting of September 12, 2017 were approved.

Officer Reports:

Treasurer: Nate Sargent provided and discussed the financial statement of September 30, 2017 (attachment 1). The Board discussed the statement and voted to approve it.

The Treasurer also provided a proposed tentative 2018 budget for the HOA (attachment 2). The tentative budget was reviewed by Board members, and discussion ensued. The proposed budget will be on the agenda for final approval in January.

The annual audit is budgeted at \$3,000 for 2018. The requirement for an outside auditor may be waived under Washington law if 65%, or more, of homeowners approve. If an outside auditor is waived, there will be an internal audit. This will be addressed in conjunction with the Annual Meeting of homeowners in February, 2018.

The Treasurer discussed the transition of accounts receivable and payable to contractor HOA Solutions. The contractor has notified all homeowners by US Mail of the changes in procedures for monthly assessment payments. Some homeowners are still sending monthly dues to the old post office box. Homeowners will be reminded of the changes in the next News-Notes which will be sent out mid-month.

The treasurer noted that the Association still has approximately \$800 in the Kitsap Bank. These funds will eventually be transferred to the HOA Solutions management account, or may be used for local purchase needs.

President: Vicki Cunning noted that she has signed the landscaping maintenance contract extension with HisHands. This extension provides covers one year with a second-year option. Both years are for the same annual cost as the initial contract.

Vicki Cunning discussed the compliance inspections completed by HOA Community Solutions during 2017. Homeowners have been notified of deficiencies in writing and are expected to take corrective action, and reply to HOA Community Solutions as indicated in the compliance letters. Possibly having inspections four times per year instead of the current twice yearly was discussed.

The President and Board discussed the problem of homeowner's incursion beyond their lots into HOA commonly owned land. This raises legal and liability issues for the Association. The Rules and Regulations of the HOA specifically state that any waiver granted by the Board to a homeowner allowing the homeowner to use HOA common areas adjacent to their property for fencing, gardening, or any other use, do not transfer with the property to subsequent owners when it is sold.

Vice President: Kent Salo discussed the current status of the claim against Central Highlands Builders for deficiencies in landscaping and irrigation on HOA common property. The City of Poulsbo is currently working with Central Highlands Builders to find an agreeable final solution.

The Vice President also discussed the unscheduled recent storm drain cleaning. The City of Poulsbo notified the HOA that our storm drains needed to be inspected, and serviced as necessary. A contractor was hired, and the inspection and cleaning were accomplished by a contractor. These drains will need to be inspected annually, and corrective action taken as needed. It was noted that only rain water is allowed to flow into the storm drain system. The system empties into Liberty Bay. Consequently, no car-washing, oil changing, or other polluting activities will be allowed in the Poulsbo Place II community. Violators of this policy are subject to fines by the City of Poulsbo.

Secretary: Matt Lyons discussed the need for improved communications with homeowners. The HOA will strive to send out monthly News-Notes monthly to ensure that homeowners are kept informed of news pertinent to their Association.

New Business:

Annual Meeting: Vicki Cunning discussed the forthcoming Annual Meeting. She will schedule the meeting for February, and reserve the City Hall Council Chambers.

Board Members: The Board discussed the need for additional volunteer Board members. Current members were elected to a specific term which will expire. Greater participation of homeowners is needed to ensure competent management of the Association. The current Board has only four members. At least one additional member is needed immediately.

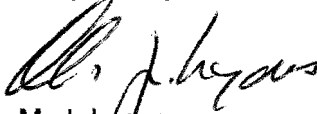
Homeowner Discussion: Jim Schlachter discussed the history of compliance inspections made by HOA Community Solutions, and the proposed increased in frequency. Jane Kish discussed the matter of maintaining Scoter Lane. She reported that the developer promised to repave the road once construction of the townhomes was complete. The road was not repaved.

Homeowners Present:

JoAnn and Jim Schlachter
Jane Kish
Diane Knauer
Charles Cathey
Brenda Ramirez
April McKeown

Adjournment: A motion to adjourn the meeting was made by the President, seconded and passed. The meeting was adjourned at 5:50pm

Respectfully submitted



M. J. Lyons
Secretary

2 Attachments:

Financial Statement as of 30 SEP 17
Proposed/Tentative Budget for 2018

Approved by the PPII-HOA Board on January 8, 2018



M. J. Lyons

Secretary

Poulsbo Place II
GL Balance Sheet Standard

Posted 09/30/2017

Operating Reserves Total

Assets

Bank

Operating Account	8,520.57		8,520.57
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Reserve Account		44,398.20	44,398.20
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<u>Total Bank</u>	<u>8,520.57</u>	<u>44,398.20</u>	<u>52,918.77</u>
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Accounts Receivable	(2,445.79)		(2,445.79)
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	<u>(2,445.79)</u>		<u>(2,445.79)</u>
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<i>Total Assets</i>	<u>6,074.78</u>	<u>44,398.20</u>	<u>50,472.98</u>
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Liabilities & Equity

Other Payable	468.00		468.00
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Prepaid Assessment	3,694.00		3,694.00
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	<u>4,162.00</u>		<u>4,162.00</u>
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Equity

Operations Retained Earnings	11,038.46		11,038.46
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Reserves Retained Earnings		43,739.92	43,739.92
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Net Income	(9,125.68)	658.28	(8,467.40)
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<u>Total Equity</u>	<u>1,912.78</u>	<u>44,398.20</u>	<u>46,310.98</u>
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<i>Total Liabilities & Equity</i>	<u>6,074.78</u>	<u>44,398.20</u>	<u>50,472.98</u>
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Budget Monthly Totals

Poulsbo Place II

Sunday, October 29, 2017 14:10

Budget 2018

Date: 1/1/2018 - 12/31/2018

Operating

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
INCOME													
410000 Assessment Income	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	98,784
	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	98,784
EXPENSE													
501000 Accounting/Audit	0	0	0	3,000	0	0	0	0	0	0	0	0	3,000
610130 Backflow Testing	0	0	0	0	3,000	0	0	0	0	0	0	0	3,000
501010 Filing Fees	0	10	0	0	0	0	0	0	0	0	0	0	10
600001 General Maintenan	167	167	167	167	167	167	167	167	167	167	167	163	2,000
501003 Insurance Expense	0	0	0	1,870	0	0	0	0	0	0	0	0	1,870
610205 Irrigation Repairs	0	0	0	0	400	400	400	400	400	0	0	0	2,000
610001 Landcaping Miscel/	0	0	0	0	10,600	0	0	0	0	0	0	0	10,600
610005 Landscape Mainten.	4,457	4,457	4,457	4,457	4,457	4,457	4,457	4,457	4,457	4,457	4,457	4,457	53,484
501004 Legal/Lien Fees	400	0	400	0	0	400	0	0	0	400	0	0	1,600
501006 Management	375	375	375	375	375	375	375	375	375	375	375	375	4,500
503000 Office Supplies	73	100	73	73	73	73	125	73	73	73	73	70	952
990000 Reserve Contributio	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,034	12,452
501190 Reserve Study	0	1,000	0	0	0	0	0	0	0	0	0	0	1,000
750001 Water	36	36	36	36	36	100	400	450	450	400	300	36	2,316
	6,546	7,183	6,546	11,016	20,146	7,010	6,962	6,960	6,960	6,910	6,410	6,135	98,784
Net Income/(Loss)	1,686.00	1,049.00	1,686.00	(2,784.00)	(11,914.00)	1,222.00	1,270.00	1,272.00	1,272.00	1,322.00	1,822.00	2,097.00	0.00

Income: 98,784

Expense: 98,784

Total: 0

Budget Monthly Totals
 Poulsbo Place II

Budget 2018

Date: 1/1/2018 - 12/31/2018

Reserves

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
EXPENSE													
630015 Road Repairs	0	0	0	0	0	0	13,000	0	0	0	0	0	13,000
	0	0	0	0	0	0	13,000	0	0	0	0	0	13,000
Net Income/(Loss)	0.00	0.00	0.00	0.00	0.00	0.00	(13,000.00)	0.00	0.00	0.00	0.00	0.00	(13,000.00)

Income: 0
 Expense: 13,000
 Total: (13,000)