

Pioneer Trails Homeowner Association- (PTHOA)
Board Of Directors 2017 Budget Ratification Meeting Minutes
Tuesday December 13, 2016

LOCATION: Silver Lake Baptist Church, 12918 35th Ave SE, Everett, Wa 98208

BOARD OF DIRECTORS PRESENT: 5 of 5

Bruce Meaker, Will Matheny, Andy Hamack, Brendan O'Farrell,
Audrey Chamberlain

PORT GARDNER PROPERTY MANAGEMENT (PGPM):

Tom Gish

HOME OWNERS (H/O) PRESENT: 48

HOUSEHOLDS REPRESENTED: The sign in sheet noted 25 owners in person and there were 20 proxies. In addition, there were 5 Board Members unsigned. Let the record show the Total households represented to be 50 either represented in person or by proxy.

Meeting was called to order by our President Bruce Meaker, at 7:01pm, followed by welcoming and introductions to your Board of Directors.

Meeting purpose is to ratify 2017 budget proposal required to meet expenditure obligations and planned projects. To help our constituents appreciate the 2017 budget, Bruce presented a slideshow summarizing our Pioneer Trails Association accomplishments of the current year 2016 highlighting our ongoing property maintenance obligations. This then was followed by the 2017 budget plan submitted by our Board of Directors.

The criterion for ratification is: The proposed budget is automatically ratified unless over 50% of the HOA households vote to reject. Silence is a vote of acceptance (For PTHOA this would be 152 households.) By procedure, a copy was mailed to each household two weeks prior to this budget review meeting.

ACCOMPLISHMENTS 2016: (Summary of the referenced slideshow overview)

Main Points noted in working with Tom Gish of Port Gardner Property Management:

1. The tennis and basketball courts were re-surfaced. Additionally, one safety issue was addressed at the basketball court where sod was installed to raise the ground 3 inches to the level of the playing surface.
2. Asphalt trail maintenance/repairs were done and funded at the rate of \$15,000.
3. Trail Entrance signs, bollards, and trailhead privacy statements were repainted.
4. Responded to numerous requests for architectural and paint approval (thanks current board members and Chris Kern)
5. Reinforced the covenants for improper trailer parking, allowed sheds, and cutting of trees in the greenbelt.
6. Pond treatment was applied to control algae bloom in Pioneer Lake and Trail Lake.
7. Reserve Funds were invested in one year CD's for a better yield at Mountain Pacific Bank.
8. Bill's Tree Service (thanks Ken Bemis) removed danger trees in the common area.

Pioneer Trails Homeowner Association- (PTHOA)
Board Of Directors 2017 Budget Ratification Meeting Minutes
Tuesday December 13, 2016

9. Managed Landscape Maintenance Contract with North West Gardner.
10. Replaced dead or dying rhodies in the main entrances.
11. Completed follow-up road crack sealing.
12. Developed a trail flooding interim solution. Worked with Spring Haven and Dept. of Wildlife to establish a notch in the beaver obstruction. Next spring the top of the dyke will be cut down to effectively lower the water level.
13. Monitored the facilities for pond pump function (thanks Ken Bemis), beaver activity, and pathway water incursion from Spring Haven.
14. The three bridges of PT are in need of re-painting and maintenance of the wooden structure to achieve an end of life through 2025. Tom Gish of Port Gardner Property Management pointed out that this project came under consideration this fall (one bid was - \$12,740). Work has been postponed to next year in order to solidify a method and evaluation of savings. Tom referenced the 2017 budget line item of \$2000 as our high bid limit to attract outside labor. Our alternative is to organize a PT internal work party. Will Matheny has a refurbishment plan to extend the wooden structure's appearance through its 9 year remaining life time (Full replacement in 2025).
15. Sponsored an Emergency Preparedness Presentation by Snohomish County Dept. of Emergency Management before the September BoD meeting (thanks Judy Kimball)
16. PT picnic, our first community association organized social event, was a deserved celebration. (It was a thrill to meet our neighbors and be involved with our dedicated homeowners.) It was a success measured by an attendance of over 260, well exceeding the RSVP count.

Budget Presentation: by President Bruce Meaker.

See Attachment: "Pioneer Trails Homeowners Association 2017 Budget"

1. Replacement reserve fund expenditures over the past 5 years were reviewed. Approximately \$87,000 has been spent on the new entrance signs, entrance landscaping and lighting, asphalt trail refurbishment, a replacement pond pump, resurfacing the basketball and tennis courts, trailhead signage, and major trail repairs.
2. These expenditures have drawn down the reserve funds which need to be replenished to address anticipated expenditures over the next 30 years. The PTHOA is required by law to contract for a reserve study. An on-site reserve study is conducted every 3 years with updates annually to guide the PTHOA in managing its reserve funds.

Anticipated expenditures are:

- trail maintenance of \$15,000 for the next two years, replacement of the other 2 pond pumps, replacement of playground equipment, replacement of the 3 bridges in 9 years, and the replacement of the 3 small entrance signs in 4 years.
3. The history of contributions to both reserve funds were reviewed. Based on the expected expenditures and the current level of the reserve replacement fund, the contributions to the reserve funds have been increased from \$10,600 to \$15,264 for

Pioneer Trails Homeowner Association- (PTHOA)
Board Of Directors 2017 Budget Ratification Meeting Minutes
Tuesday December 13, 2016

2017. This is the primary basis for the recommended increase in HOA dues for 2017 of \$30 per household.

4. The contribution to the road reserve funds has been increased from \$4,575 to \$5,246 in anticipation of the replacement of the private roads in PTHOA. This is the basis for the \$11 increase of dues for the 61 homeowners on private roads.

Comments and Issues discussion:

1. Property Management and Grounds maintenance costs – Mr Charles Sanders expressed objection to the perceived increased allotments to be paid for these services, sighting increases of 40% and 20% respectively. Upon inspection, another homeowner noted he was misunderstanding the data, thus the objection was resolved.
2. There was a question of competitive bids for the major contracts. Tom Gish commented that to maintain a competitive advantage for PT, contractor work goes out to bid after 5 years. Northwest Gardner has always been very competitive whenever this is done.
3. There was a question about the contracted services from Port Gardner Property Management. Tom Gish said that his fees for management are less from 2015 to 2016. The budgeted amount is not changed for 2017. Chris Kern, past BoD president, gave a brief history of PTHOA Board governance and stated how much easier it is to manage the association business since Port Gardner Property Management was hired at the end of 2014. This comment was supported by several current and past Board members.
4. Community/Social Expense of \$1,500. There were three or four in the audience who expressed some degree of dissatisfaction relating to either food content or cost of the 2016 Picnic. Others thought the picnic was a great idea and wanted it done again.

Bruce stated that at 1% of the entire operating budget for PTHOA, the budgeted amount for the picnic is a place holder on a par with the funds expended in 2016 for an event that far exceeded the Board's attendance expectations. For 2017 a Picnic Committee will have the responsibility to develop a plan and execute the event, incorporating lessons learned from the first event this past year. The committee will meet early next year and make a proposal for celebration content including menu, logistics and activities, and submit their plan to the Board of Directors for approval. The monies budgeted are to give the committee the latitude to implement a social event for the benefit of PTHOA homeowners. There is no requirement that the committee use all the funds budgeted.

Volunteers for the Picnic Committee: Terry Yocom, Bonnie Foti, Judy Kimball, Brendan O'Farrell, Pat Davis, Lynn Davis Rene Parrella, Joyce Paulson, Maury Chamberlain, and Audrey Chamberlain and Jackie Sloan.

5. Several homeowners stood and commented that PTHOA is a wonderful community with great amenities in our facilities and grounds. They said that by comparison to other HOA's that don't have near the quality of living provided by PTHOA, the homeowner annual dues are very reasonable.

**Pioneer Trails Homeowner Association- (PTHOA)
Board Of Directors 2017 Budget Ratification Meeting Minutes
Tuesday December 13, 2016**

Additional Discussions

Community news and issues: It was requested that PTHOA community issues be printed in the quarterly news letter (Trail Tales) to homeowners. Volunteers are required to submit draft articles on pertinent issues to Port Gardner Property Management for final editing and publication. Deadlines for submittal will be established.

Newsletter Volunteers: Audrey Chamberlain, Bonnie Foti, Judy Kimble, Jackie Sloan, Pat Davis, Lynn Davis.

Other Business

Prior Minutes Review: Minutes of the previous meeting on September 13, 2016 was opened for discussion. No new revisions, additions or discussion was required. Motion to accept the minutes as reviewed, was made by Brendan O'Farrell and seconded by Audrey Chamberlain. The motion was passed, therefore declared as final to be posted on the PTHOA website for the record.

Coyote Concerns: Homeowners must recognize the possibility of encounters with wild animals in the PTHOA community. In the case of coyotes, their range is far greater than PTHOA lands. Even if removed, other coyotes from nearby developments such as Mill Creek (which does not remove coyotes) will continue to roam through PTHOA.

We will continue to monitor reports of sightings and issue public notices if any of the wild life is deemed dangerous. Our liability is to act responsibly. If any coyote proves to be aggressive, it will be removed. Removed animals are euthanized. Removal service fee would be paid out of operating funds, in the estimated amount of \$600 per animal.

It was suggested warning signs be posted of the danger to pets when being walked or unattended in a yard enclosure. Instead of signs we will publish articles in the Trail Tales news letters to reinforce the precautions required to cohabitate with these animals.

Ratification

The formal requirement is met for the 2017 budget to become operative on January 1st, 2017, there being fewer than 50% or 152 votes of rejection. (See Budget attachment)

Meeting adjourned at 8:45pm



Respectfully submitted, Secretary/Treasurer 2016, _____

William Matheny

Approved by the Board of Directors on this date:

Reviewed - 12/28/2016

Attachment: "Pioneer Trails Homeowners Association 2017 Budget"