

**Pioneer Trails Homeowner Association – (PTHOA)  
Homeowners Budget Ratification Meeting Minutes  
Thursday, December 7, 2017 (REVIEWED)**

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LOCATION: Silver Lake Baptist Church, 12918 35<sup>th</sup> Ave SE, Everett, WA 98208

BOARD OF DIRECTORS: 6 Members present

President and presiding officer Bruce Meaker, Vice President Brendan O'Farrell,  
Secretary Bonnie Foti, Treasurer Paul Heneghan, Members at large Andy Hamack and  
Will Matheny

PORT GARDNER PROPERTY MANAGEMENT (PGPM): Tom Gish

HOME OWNERS (H/O ATTENDING): Eighteen (18) individual homeowners were present  
representing fourteen (14) homes

PROXIES: Eleven (11) proxies were submitted

PURPOSE OF MEETING: The primary task of this meeting was to review and ratify the  
Pioneer Trails Home Owners Association (PTHOA) budget for 2018.

The meeting was called to order at 7:05 pm by President Bruce Meaker, followed by  
welcoming those present. A Board quorum was established.

The first order of business was to approve the minutes for the September 20, 2017 meeting.  
A motion by Brendan O'Farrell was made and seconded by Paul Heneghan. The September  
2017 minutes stand as approved.

In September 2017, Pioneer Trails reached its thirtieth anniversary of creation.

Using a PowerPoint presentation with photos, Bruce reviewed the 2017 accomplishments of  
the Board, various committees and volunteer owners. For a list of the 2017  
accomplishments see Exhibit A. Additional detailed information is provided below.

1. Architectural Control Committee (ACC). They reviewed and completed 17 requests  
approving sheds, decks and fencing. The committee enforced our covenants concerning  
greenbelt tree cutting, parking violations and greenbelt encroachment.
2. Paint Committee. From April to December 2017 the committee reviewed 31 requests: 27  
approvals, 3 reviews, and 2 denials.
3. Welcome Committee. In 2017 this committee personally visited twelve new owners to  
PTHOA, provided them with a packet of information about the association, and welcomed  
them into our community.
4. Three issues of our new Pioneer Trails Newsletter were published by the Newsletter  
Committee and mailed to homeowners in the second, third and fourth quarters of 2017. The  
newsletters were also placed on our website.

**Pioneer Trails Homeowner Association – (PTHOA)  
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5. The Picnic Committee organized a second annual PTHOA community picnic in August for owners' families and guests this year. A count of 156 enjoyed the food and games that included a meet and greet your neighbors. Donated tent canopies through a committee member's church provided relief from the windy but dry day. The Committee did a great job of containing costs which were less than \$700.

6. In August the Bridge Committee and many volunteers completely reconstructed a new 70-ft. walking bridge across Pioneer Lake over a 5-day period. Many volunteer women provided daily lunches, beverages and snacks to the workers. With manual labor and an owner provided discount, the group was able to replace the Pioneer Lake Long Bridge for less than \$3500; a savings to the Association of approximately \$25,000.

7. Pioneer Trails had its share of beaver activity this year. Four beavers created havoc around Pioneer Lake, taking down several large trees around the trail while leaving a large mess for the tree committee to clean up. Northwest Nuisance Wildlife was contracted for removal. Two beavers were caught and taken away. Our thanks go out to a team of owners and Tom Gish for providing all night shifts to guard the traps from any unwelcomed disturbance during this process. Wire mesh was placed around some of the deciduous trees to prevent the beavers from further destruction. The Board has contacted the Tulalip Tribes and for 2018 plan to have the beaver caught and released in the upper Cascades.

8. WE NEED YOU. Many more homeowners volunteered their time and labor to help on various committees this past year, just like the old days of "work parties." The Board would like to acknowledge their support, and invite all owners, new and established, to join with us in 2018. In appreciation and recognition from this year's Board, a list of all who contributed their time to our community in various capacities this year is shown in Exhibit B.

9. Bruce explained the 2018 budget emphasizing that the Association has two reserve funds to hold monies as needed for long term non-periodic maintenance and replacement of facilities managed for the common benefit of all homeowners. The Reserve funds are managed by the Association under the guidance of a consultant who advises through a Reserve Study on how much of the annual dues should be saved in the funds to meet the Association's long-term obligations. The goal for each study is to become at least 70% funded for our long-term obligations which gives assurance that a special assessment of the homeowners will not be needed to satisfy future expenditures.

A. Private Road Reserve Fund. Our two private roads off the south entrance are maintained by the Association. 61 owners pay yearly into this separate road fund for the surfacing and reconstruction of this asset. The Reserve Study for 2018 shows that the Road reserve fund is at 123% of the "fully funded" recommendation. The Board is

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comfortable with this level of funding and has chosen not to change the dues for the road fund in 2018.

B. Replacement Reserve Fund. After replacing several expensive items over the last 5 years (3 entrance signs and lighting, a pond pump, patching and crack sealing of the extensive asphalt trail system, and resurfacing the basketball and tennis courts) the Association reserve funds for 2017 were 37% funded against the Reserve Study's recommendation of a minimum of 70%. Therefore, the Board has eliminated several items from the replacement schedule (baseball backstop, and soccer goal) and increased the dues for 2018 to increase the contributions to the Replacement Reserves. In doing so, the Replacement Reserve fund will increase to 59% of fully funded for 2018. Over the next several years the replacement reserve funds will recover to the desired level of 70% funded. This will allow the Association to keep the community assets well maintained and reflect the desirable community in which we all live.

D. 2018 Goals and Activities.

Goals: replace the second bridge on Pioneer Lake as well as the bridge over the wetlands on the north side; resealing more of our trails.

Activities: Community Picnic, Travel Talks (PTHOA Homeowners are very well traveled throughout the world. Travel Talks is an opportunity for homeowners to share stories of their travel adventures for the benefit of those interested in future travels.)

C. Budget Ratification. Without rejection by 50% of the homeowners, the 2018 budget set forth by the PTHOA Board of Directors is hereby ratified. See Exhibit C.

After 30 years, PTHOA continues to be a wonderful place to live.

With no further discussion, Bonnie Foti moved to adjourn, Will Matheny seconded, and the motion passed.

Meeting adjourned at 8:30 pm.

Exhibits

- A. 2017 PTHOA Accomplishments
- B. 2017 Directors, Committee Members, and Volunteers
- C. 2018 PTHOA Budget

Respectfully submitted, Secretary for 2017.

  
Bonnie L. Foti

12/27/17

Reviewed by the Board of Directors on this date:

  
Bruce Meaker

12/27/17

**Exhibit A**  
**2017 PTHA Accomplishments**

- Invested surplus reserve funds in 13-month certificates of deposit
- Removed dangerous trees from the greenspaces
- Cleared paths of fallen trees and limbs
- Maintained the pumps in the pond
- Applied pond treatments to control algae growth
- Held a successful PTHA picnic in August for homeowners and their families
- Rebuilt the 70-ft. bridge over Pioneer Lake with member labor for less than \$3500
- Collaborated with Spring Haven HOA to install a beaver deceiver as a no cost solution to the water encroachment on the PTHA southern border trail
- Contracted for landscape maintenance including mowing of green belt grass, trimming of weeds and growth around ponds and swale, and re-barking of entrances and trail heads
- Contracted to have cracks sealed throughout and patched several areas on the asphalt trail system
- Contracted to trap beavers in Pioneer lake who were cutting down numerous deciduous trees – caught two
- Wrapped trees around Pioneer Lake with wire screening to minimize beaver damage.
- Developed a plan for beaver removal from both lakes in 2018
- Repainted nearly all the picnic tables and benches throughout Pioneer Trails
- Added a garbage can on the walking trail near 118<sup>th</sup> Pl SE
- Reviewed and approved numerous Architectural Covenant requests
- Reviewed and approved numerous house paint requests
- Welcomed and provided information to new PTHA members
- Enforced covenants for improper trailer parking, sheds, and cutting of greenbelt trees

**Exhibit B to  
Pioneer Trails Homeowners Assn.  
December 7, 2017 Meeting**

**Board, Committees, and Volunteers**

Property Manager - TOM GISH, Port Gardner Property Mgmt.

2017-18 Board of Directors

|                   |                |                    |            |
|-------------------|----------------|--------------------|------------|
| BRUCE MEAKER      | President      | WILL MATHENY       | At – Large |
| BRENDAN O’FARRELL | Vice-President | ANDY HAMACK        | At – Large |
| BONNIE FOTI       | Secretary      | AUDREY CHAMBERLAIN | At - Large |
| PAUL HENEGHAN     | Treasurer      |                    |            |

2017 PIONEER TRAILS NEWSLETTER COMMITTEE

(Develop timely information for inclusion in mailings by Port Gardner Property Management quarterly or throughout the year as needed)

JUDY KIMBALL – Chair  
AUDREY CHAMBERLAIN  
JACKIE SLOAN

2017 PIONEER TRAILS PICNIC COMMITTEE

(Develop a plan for the annual picnic including budget, dates, food, facilities, equipment, activities, cleanup, and advertising)

|                            |                |
|----------------------------|----------------|
| AUDREY CHAMBERLAIN – Chair | RENEE PARRELLA |
| MAURY CHAMBERLAIN          | JUDY KIMBALL   |
| BRENDAN O’FARRELL          | JACKIE SLOAN   |
| PAT DAVIS                  | LYNN DAVIS     |

2017 PTHA ARCHITECTURAL CONTROL COMMITTEE

(Review and approve exterior landscaping, yard projects, fences, sheds, driveways, patios and decks)

|                        |                    |
|------------------------|--------------------|
| TOM GISH – Coordinator |                    |
| BRUCE MEAKER           | BONNIE FOTI        |
| WILL MATHENY           | AUDREY CHAMBERLAIN |

2017 PTHA PAINT COMMITTEE

(Review and approve house paint requests)

BONNIE FOTI – Chair  
DEBBIE WOLFF  
JUDY KIMBALL

2017 PTHA RULES COMMITTEE

(Review Covenants and Policies of PTHA and makes recommendations for streamlining administration and or changes)

BRENDAN O’FARRELL – Chair  
AUDREY CHAMBERLAIN  
PAUL HENEGHAN  
ANDY HAMACK

2017 PTHA BRIDGE COMMITTEE

(Assess and make recommendations for maintenance and replacement of the three bridges)

WILL MATHENY – Chair  
BRUCE MEAKER  
KEN BEMIS  
TOM GISH - PORT GARDNER PROPERTY MGMT

2017 RESERVE STUDY COMMITTEE

(Review Reserve Study procedures and make recommendations on replacement of facilities)

BRENDAN O’FARRELL – Chair  
BRUCE MEAKER  
WILL MATHENY  
PAUL HENEGHAN

2017 PONDS AND TREES COMMITTEE

(Monitors pond pumps and tree health in the common areas. Coordinates contract with Bill’s Tree Service to remove danger or nuisance trees.)

KEN BEMIS– Chair

2017 WELCOME COMMITTEE

(Coordinates welcome to PTHA for new residents. Provides information packet on PT amenities, covenants, procedures, activities, and Homeowners/BoD meetings.)

BONNIE FOTI – Co-Chair  
WILL MATHENY – Co-Chair  
RENEE PARRELLA  
TRISH RICHMAN MATHENY

Exhibit B -

2017 PIONEER TRAILS HOMEOWNER VOLUNTEERS

WILL MATHENY  
BILL KING  
BROOKE KIMES  
EARL SHAFER  
RANDY PARRELLA  
KEN BEMIS  
MICHAEL BALL  
SVEN WESTGARD  
BRUCE MEAKER  
TRISH RICHMAN MATHENY  
KELLY KING  
ANDREA BEMIS

RENEE PARRELLA  
SANDY MAYBERRY  
CHRIS KERN  
RENEE KIMES  
CAROLYN SHAFER  
NANCY BALL  
BONNIE FOTI  
AUDREY CHAMBERLAIN  
BRENDAN O'FARRELL  
ANI O'FARRELL  
PAUL HENEGHAN  
ANDY HAMACK

## Exhibit C

### Pioneer Trails Budget for Year 2018 302 Homes

| INCOME                                    | Actual<br>10/31/2017 | Estimated<br>Year End | 2017<br>Budget      | 2017<br>Variance   | 2018<br>Budget      |
|-------------------------------------------|----------------------|-----------------------|---------------------|--------------------|---------------------|
| Assessments Collected                     | \$145,579.56         | \$145,579.56          | \$146,168.00        | -\$588.44          | \$151,000.00        |
| Road Fund Assessments                     | \$5,454.00           | \$5,454.00            | \$5,246.00          | \$208.00           | \$5,246.00          |
| Late Fee                                  | \$1,032.51           | \$1,032.51            | \$0.00              | \$1,032.51         | \$0.00              |
| Reimbursed Legal                          | \$494.00             | \$494.00              | \$0.00              | \$494.00           | \$0.00              |
| Fines                                     | \$0.00               | \$0.00                | \$0.00              | \$0.00             | \$0.00              |
| Interest                                  | \$177.68             | \$187.00              | \$0.00              | \$187.00           | \$0.00              |
| Key Charge - Tennis Court                 | \$125.00             | \$125.00              | \$0.00              | \$125.00           | \$0.00              |
| Picnic Income - Guests                    | \$60.00              | \$60.00               | \$0.00              | \$60.00            | \$0.00              |
| Other Income                              | \$150.00             | \$150.00              | \$0.00              | \$150.00           | \$0.00              |
| <b>Total Operating and Reserve Income</b> | <b>\$153,072.75</b>  | <b>\$153,082.07</b>   | <b>\$151,414.00</b> | <b>\$1,668.07</b>  | <b>\$156,246.00</b> |
| <b>EXPENSE</b>                            |                      |                       |                     |                    |                     |
| <b>ADMINISTRATIVE</b>                     |                      |                       |                     |                    |                     |
| Audit / Tax Return                        | \$1,750.00           | \$1,750.00            | \$1,750.00          | \$0.00             | \$1,750.00          |
| Reserve Study                             | \$1,150.00           | \$1,150.00            | \$1,150.00          | \$0.00             | \$1,150.00          |
| Permits/Licenses                          | \$0.00               | \$0.00                | \$10.00             | -\$10.00           | \$10.00             |
| Management Fee                            | \$22,650.00          | \$27,180.00           | \$27,180.00         | \$0.00             | \$27,180.00         |
| Board Education/Training                  | \$716.25             | \$716.25              | \$150.00            | \$566.25           | \$750.00            |
| Office Supplies                           | \$297.06             | \$320.00              | \$125.00            | \$195.00           | \$320.00            |
| Postage                                   | \$1,097.09           | \$1,097.09            | \$800.00            | \$297.09           | \$1,300.00          |
| Printing / Copies                         | \$2,082.47           | \$2,200.00            | \$1,650.00          | \$550.00           | \$2,350.00          |
| Meeting Hall Rental                       | \$325.00             | \$325.00              | \$325.00            | \$0.00             | \$500.00            |
| Community/Social Expense                  | \$803.87             | \$803.87              | \$1,500.00          | -\$696.13          | \$1,100.00          |
| Website Expense                           | \$43.04              | \$43.04               | \$75.00             | -\$31.96           | \$75.00             |
| Legal                                     | \$0.00               | \$0.00                | \$750.00            | -\$750.00          | \$3,000.00          |
| Insurance                                 | \$4,632.00           | \$4,632.00            | \$4,500.00          | \$132.00           | \$5,200.00          |
| Miscellaneous                             | \$423.41             | \$450.00              | \$250.00            | \$200.00           | \$450.00            |
| <b>Total Administrative Expense</b>       | <b>\$35,970.19</b>   | <b>\$40,667.25</b>    | <b>\$40,215.00</b>  | <b>\$452.25</b>    | <b>\$45,135.00</b>  |
| <b>REPAIR &amp; MAINTENANCE</b>           |                      |                       |                     |                    |                     |
| Repair & Maintenance                      | \$6,237.62           | \$6,737.62            | \$4,000.00          | \$2,737.62         | \$3,000.00          |
| Sign Repairs                              | \$0.00               | \$0.00                | \$500.00            | -\$500.00          | \$500.00            |
| Pest Control                              | \$658.20             | \$658.20              | \$0.00              | \$658.20           | \$500.00            |
| Grounds Maintenance                       | \$49,558.68          | \$60,200.00           | \$60,200.00         | \$0.00             | \$62,000.00         |
| Tree Maintenance                          | \$3,356.82           | \$6,000.00            | \$9,889.00          | -\$3,889.00        | \$7,005.00          |
| Detention Pond Maintenance                | \$0.00               | \$2,409.00            | \$3,500.00          | -\$1,091.00        | \$3,500.00          |
| Landscaping - Other                       | \$0.00               | \$0.00                | \$3,200.00          | -\$3,200.00        | \$1,000.00          |
| Irrigation R & M                          | \$525.73             | \$525.73              | \$1,000.00          | -\$474.27          | \$1,000.00          |
| Irrigation Backflow Testing               | \$160.00             | \$160.00              | \$0.00              | \$160.00           | \$160.00            |
| <b>Total Repair &amp; Maintenance</b>     | <b>\$60,497.05</b>   | <b>\$76,690.55</b>    | <b>\$82,289.00</b>  | <b>-\$5,598.45</b> | <b>\$78,665.00</b>  |
| <b>UTILITY EXPENSE</b>                    |                      |                       |                     |                    |                     |
| Water/Sewer                               | \$7,567.75           | \$7,717.75            | \$5,500.00          | \$2,217.75         | \$5,500.00          |
| Electricity                               | \$2,162.06           | \$2,632.06            | \$2,900.00          | -\$267.94          | \$2,700.00          |
| <b>Total Utility Expense</b>              | <b>\$9,729.81</b>    | <b>\$10,349.81</b>    | <b>\$8,400.00</b>   | <b>\$1,949.81</b>  | <b>\$8,200.00</b>   |



| Summary (from previous page)       | Actual<br>10/31/2017 | Estimated<br>Year End | 2017<br>Budget      | 2017<br>Variance   | 2018<br>Budget      |
|------------------------------------|----------------------|-----------------------|---------------------|--------------------|---------------------|
| Total Operating and Reserve Income | \$153,072.75         | \$153,082.07          | \$151,414.00        | \$1,668.07         | \$156,246.00        |
| Total Operating Expense            | <u>\$106,197.05</u>  | <u>\$127,707.61</u>   | <u>\$130,904.00</u> | <u>-\$3,196.39</u> | <u>\$132,000.00</u> |
| Gross Income (including reserves)  | \$46,875.70          | \$25,374.46           | \$20,510.00         | \$4,864.46         | \$24,246.00         |
| less Road Fund Contribution        | \$5,454.00           | \$5,246.00            | \$5,246.00          |                    | \$5,246.00          |
| less Replacement Fund Contribution | <u>\$15,264.00</u>   | <u>\$15,264.00</u>    | <u>\$15,264.00</u>  |                    | <u>\$19,000.00</u>  |
| Cash Balance                       | \$26,157.70          | \$4,864.46            | \$0.00              |                    | \$0.00              |

#### ROAD RESERVE FUND

2018 Budget, 61 homes

|                                               | Actual<br>10/31/2017 | Estimated<br>Year End | 2017<br>Budget    | 2017<br>Variance | 2018<br>Budget     |
|-----------------------------------------------|----------------------|-----------------------|-------------------|------------------|--------------------|
| <b>INCOME</b>                                 |                      |                       |                   |                  |                    |
| Homeowner's Contrib.                          | \$5,246.00           | \$5,246.00            | \$5,246.00        | \$0.00           | \$5,246.00         |
| Interest on Road CD                           | \$347.51             | \$441.52              | \$792.00          | -\$350.48        | \$562.50           |
| Interest on Road MMA                          | \$18.55              | \$19.49               | \$0.00            | \$19.49          | \$20.00            |
| <b>Total Income</b>                           | <b>\$5,593.51</b>    | <b>\$5,707.01</b>     | <b>\$6,038.00</b> | <b>-\$330.99</b> | <b>\$5,828.50</b>  |
| <b>EXPENSE</b>                                |                      |                       |                   |                  |                    |
| Crack fill/ sealing                           | \$0.00               | \$0.00                | \$0.00            | \$0.00           | \$1,000.00         |
| <b>Total Expense</b>                          | <b>\$0.00</b>        | <b>\$0.00</b>         | <b>\$0.00</b>     | <b>\$0.00</b>    | <b>\$1,000.00</b>  |
| <b>Net to Road Fund</b>                       | <b>\$5,593.51</b>    | <b>\$5,707.01</b>     | <b>\$6,038.00</b> | <b>\$0.00</b>    | <b>\$4,828.50</b>  |
| <b>Road Fund Balance at Beginning of Year</b> |                      |                       |                   |                  | <b>\$80,318.03</b> |
| <b>% Funded to cover deterioration</b>        |                      |                       |                   |                  | <b>123%</b>        |

#### REPLACEMENT RESERVE FUND

2018 Budget, 302 homes

|                                                      | Actual<br>10/31/2017 | Estimated<br>Year End | 2017<br>Budget     | 2017<br>Variance   | 2018<br>Budget     |
|------------------------------------------------------|----------------------|-----------------------|--------------------|--------------------|--------------------|
| <b>INCOME</b>                                        |                      |                       |                    |                    |                    |
| Homeowners Contrib.                                  | \$15,264.00          | \$15,264.00           | \$15,264.00        | \$0.00             | \$19,000.00        |
| 2017 Remaining operations funds                      |                      | \$4,677.46            | \$0.00             |                    | \$0.00             |
| Interest on Replacement CD                           | \$170.60             | \$210.78              | \$357.00           | -\$146.22          | \$240.00           |
| Interest on Replacement MMA                          | \$29.82              | \$36.58               | \$0.00             | \$36.58            | \$13.50            |
| <b>Total Income</b>                                  | <b>\$15,434.60</b>   | <b>\$20,188.82</b>    | <b>\$15,621.00</b> | <b>-\$109.64</b>   | <b>\$19,253.50</b> |
| <b>EXPENSE</b>                                       |                      |                       |                    |                    |                    |
| Bark Replenish                                       | \$4,200.00           | \$4,200.00            | \$4,550.00         | -\$350.00          | \$0.00             |
| Landscape Refurbish                                  | \$0.00               | \$0.00                | \$4,950.00         | -\$4,950.00        | \$0.00             |
| Bridge Replacement                                   |                      |                       |                    |                    | \$4,000.00         |
| Asphalt Trail Patch Repair                           | \$11,500.00          | \$14,332.31           | \$15,000.00        | -\$667.69          | \$5,000.00         |
| <b>Total Expense</b>                                 | <b>\$15,700.00</b>   | <b>\$18,532.31</b>    | <b>\$24,500.00</b> | <b>-\$5,967.69</b> | <b>\$9,000.00</b>  |
| <b>Net to Replacement Fund</b>                       | <b>-\$265.40</b>     | <b>\$1,656.51</b>     | <b>-\$8,879.00</b> | <b>-\$5,967.69</b> | <b>\$10,253.50</b> |
| <b>Replacement Fund Balance at Beginning of Year</b> |                      |                       |                    |                    | <b>\$42,701.71</b> |
| <b>% Funded to cover deterioration</b>               |                      |                       |                    |                    | <b>59%</b>         |