



Annual Meeting

Minutes

April 22, 2009

Called Meeting to order at 7:02 pm

Location: Liberty Lake Water & Sewer

In attendance: Jim Frank, Tisha Thelen, Ben Scandalis, Carlette Lowell (Association Manager), Katherine Funk (w/ Rockwood Property Management), 41 homeowners. Guests Jennifer Mendenhall & Tim Brinson from Maloney & O'Neill

Quorum established with

Insurance Information (Maloney & O'Neill): handed out policy info

- Insurance will no longer cover if pipes freeze unless there has been due diligence.
- Deductible is \$5,000 so damages have to be above that for insurance to pay. If it is less than \$5,000 the association will pay out of own fund
- If an insurance claim is denied, due to negligence caused by Greenstone, in a unit they still own, then Greenstone will cover the damages.
- Homeowners required to carry insurance on contents
- Owners need to make sure someone is watching unit if they are not living there or snowbirds
- The Association will put together guidelines for freezing temperatures / winter checklist: If it gets below 20 degrees in house above the thermostat so be set at 70°, if below 15° cabinet doors along the outside wall should be open, if below 10° allow faucet to drip.
- Vacancy clause comes into effect if units are vacant more that 60 days and 70% of the building is vacant
- General liability: covers up to two million for any one occurrence
- Unit owners are listed as additional insured under HOA policy
- Terrorism coverage: yes
- The association will also set up an insurance checklist. (Jennifer's phone number is 509-325-3024)

2009 Budget and discussion

- \$5,500 under budget for 2008
- Community event - we are looking for people to form a committee, the budget is \$5,000
- Casey is the new maintenance man for the Villas working 20 hrs a week (Monday, 8 hours; Wednesday, 4 hours; Friday, 8 hours)
- The association will look into a cover for Jacuzzi to hold in heat in winter
- 32 gal trashcan covered by dues – call Rockwood Property Management for up grades. If a homeowner upgrades they will be billed for the increase.

- Cable: bulk rate agreement for extended basic, will expire in two years (4/2011). We will re-negotiate at that time. Currently the contract calls for an increase each year.
- Complaint from several people they are having trouble getting a hold of Joel regarding upgrades, call Rockwood Property Management if this happens and Carlette will contact him.
- Greenstone Homes looking into ways to save energy-pool light, CFL lights, Avista programs, putting into place irrigation management system (devices and maintenance guy),
- Snow removal – budget \$16,000 in part because of the need for a bobcat and the sidewalks. This was an unusually bad winter.
- Internet line is provided by the association. We are working on ways to speed up the connection. Please remember that the cost to each unit is about \$3 a month. To increase capacity it may cost more. Before there is an increase it will be brought to homeowners & will be discussed in an annual meeting like this. The association will keep homeowners posted on internet problem solving
- The association will break down what the \$165 covers, and email it to the attendees
- A new treadmill was purchased for fitness center
- Web fee cover hosting fee and on-line bill payment
- The association is looking at cost effective ways for billing/online payment/bank auto payment
- 10% of our 2009 income will be moved to the Building Reserve, growing that reserve by \$45,000. The Building Reserve will also increase by \$665 for every new condo sale.
- Downspouts are being fixed by Greenstone
- Greenstone Homes pays \$165 per month for all the units they still own
- When are we getting street signs/signage/building numbers? This is a summer project (garage numbers are different from unit numbers because it helps with security). The signage would only be villa side. Currently Greenstone is only planning to replace the current building numbers on each building. Additional signage would have to be approved by the board.

Update on Sales/Project Report

- Sales numbers are as follows:
 - 111 (49%) units are sold and closed
 - 19 (8%) units are under contract
 - 130 (58%) combined closed and under contract
 - Of the 130 units, 115 are sold to Primary Residents, 13 to Secondary Residents, 2 to investors.

Note: Definition of Secondary is some who has a primary residence elsewhere and calls this their second home.
- Very few leased apartments (15 left)
- The association is looking into ways help quiet garage doors, one homeowner said he put WD-30 on his tracks and it is much quieter now
- Replacing damaged curbing from snow removal and adding boulders to help protect from future damage
- 2nd entrance off Homestead the association is adding curbing for flower beds
- Gutters / downspouts being repaired
- Garage door numbers – new numbers being put on
- Homeowner questions:
 - Can we put in new windows/ screen doors? Yes, but first an ARC application form must be submitted for approval
 - Can we use Trex® decking? Yes, but first an ARC application form must be submitted for approval

- Can BBQs be bolted on to rails? Need to submit ARC as this has not been asked yet by any homeowners and a policy has not been established
- What about inside? The only thing inside that cannot be done is to change-out carpet on 2nd & 3rd floor. It must remain carpeted. Also no structural changes to unit

Discussion and Vote on Amendment to CC&R's

- Purpose to bring into compliance to HUD so we can be approved for FHA loans. Condo financing has become very difficult in the last 8 – 11 months. Result re-finance is very difficult and selling is very difficult for private owners. FHA financing will allow other financing options. Have not reduced prices on condos, but assisting with closing costs and / or upgrades. Need to have as many financing options as possible.
- Down sides: none that Greenstone Homes sees.
- What is FHA financing: It is government backed financing. It has credit score requirements, debt to income requirements, and down payment requirements. They typically have lower mortgage insurance premium and greater credit leeway.
- HUD administers FHA which is government guaranteed loans
- Will this open door to VA loans? No – would have to put additional risks on HOA, but Tisha will find out what specifics need to be met.
- Votes tallied and 5th Amendment passed with 163 votes in favor and five votes not in favor. Passed by 73% of voting power of the Association.

Discussion and Vote on Rules & Regulations

- Re-iterates things in covenants and includes some items not in covenants but good idea to adopt for HOA
- Collection policy outline – under Washington state law gives right to lien the property, but in second position to mortgage
- Transfer fee – charge to change records of ownership and to make sure get notice of sale
- Violation process
- Key replacement policy
- Rules on pool & spa
- Rules for fitness center
- Rules for vehicle/guest parking
- Garage / storage (very specific guidelines for what can be on patios – if homeowner sees something they can report to property management)
- Animal waste pick up fine
- Car repairs not on common property
- Normal wear and tear for oil drip okay but need to have ability to deal with what goes beyond normal and routine ex. If spilling and it is running onto lawn and causing damage.
- BBQ's gas not charcoal / fire pits are not permitted by fire code (check fire code)
- Put garbage cans away in garage otherwise there is a fine
- If a particular fee is mentioned (for example \$25 for pet waste) then that is the fine but not the \$100 fining system
- Install video cameras in problem areas to see who is not picking up after their pet is a possible solution to finding violators
- Notice to everyone for animal care - make sure it is away from building and not on islands
- Visitor parking question – intent is to eliminate vehicle storage and prevent STA overflow parking. If there is a guest that will be there for an extended time just notify property management. By 478 we could add a third space in that area

- Leasing a unit – units cannot be leased for less than 30 days (no time share)
- Have to live in unit for one year before can rent out
- Condo in foreclosure – being auctioned at courthouse – researching that particular unit already
- Votes tallied and Rules and Regulations passed with 165 total votes in favor, three votes not in favor. Passed by 74% of voting power of the Association.

No New Business
Adjourned Meeting at 9:09 PM

Recorded by: Katherine Funk (Rockwood Property Management)
Approved by: Tisha Thelen (Board Member)