

Somerset Creek Condominium Residents Association

Annual General Meeting
January 17th, 2018
Newport Way Library
14250 SE Newport Way
Bellevue, WA 98006

1. Call to Order 7:00 pm
2. Luiza Limona stated that the owners present together with proxies constituted a quorum.
3. Approval of the Minutes of the Annual General Meeting held on 01/03/2017
 - a. Unit 49 Peer M. proposed acceptance of the minutes.
 - b. Unit 39 Jason seconded the motion, which was passed unanimously
4. Reports of the Officers
 - a. President's Report
 - i. Resident Information Updates; Please provide any changes of vehicle information either to Morris Management through Luiza Limona or via the Somerset Creek web site, www.somersetcreek.net.
 - ii. Association ACC Request Documentation; Thank you to homeowners who have submitted applications with full project details, drawings, necessary permits, and a signed form holding the association harmless in the event of any problems arising from the changes, because so much of our property is held in common and we have to protect the interest of all homeowners.
 - iii. Parking; A reminder to all homeowners to review the rules and regulations regarding parking in visitor spots. Please inform the board of violators and include license plate numbers with your submission.
 - iv. Rental Cap; A reminder regarding the rental cap amendment. All rentals must have written approval. Please reference our website, <http://somersetcreek.net/site/rental-guidelines/>, and / or contact Luiza Limona regarding questions and inquiries.
 - v. Insurance Update; At the beginning of 2017 we renewed our insurance policy and excluded flood insurance which resulted in a considerable savings.
 - vi. Foreclosures & Delinquencies; The member assessment receivable (delinquencies) are \$0. Total delinquencies of less than 5% of the annual budget are one of the indicators of a financially healthy Association. Currently Somerset Creek has no delinquencies.
 - vii. Reserve Study; We have partnered with Reserve Consultants to prepare the 2018 reserve study report.
 - viii. Fire Extinguishers; Fire Extinguishers were renewed as requested by the Fire Dept.
 - ix. Annual backflow testing was done at the three irrigation meters.
 - x. Pest Control; Sprague Pest Control continues to provide service for ants, rodent activity, wasps and bees.
 - xi. Roof Moss Treatment; Annual roof moss treatment was performed by Affordable Handywork. If you observe any moss on our roofs, please report it immediately.
 - xii. Pet Waste; When walking your dog in our community, it is important to remember to immediately clean up after your pet. Pet waste left to decay on sidewalks, lawns, or common areas is unsanitary, unsightly and unsafe. Rain can wash feces into storm drains, which flow directly into streams and cause

a host of water quality problems. It's not only a filthy situation, it's also unhealthy for people and the environment. Pet waste can contain bacteria and parasites that severely sicken people, pets, and wildlife. Thank you for your cooperation!

- xiii. Tax Return; The 2016 tax return was filed and the 2017 financial audit is being finalized by our CPA, Andrew McAlister.
- xiv. Drainage Project; Olympic Rockeries has completed a major drainage improvement project at units 33 and 34. The project involved installation of drainage pumps wrapped entirely with filter fabric and back filled with clean washed drain rock from top to bottom of trench. The drainage system will dump out into the well which will pump out the ground water with a sump pump will tie into the existing storm drain system located in the asphalt driveway. The vendor has installed pipes from the sump pump towards the catch basin in asphalt, excavated well & install utility vaults for wet walls, deliver & place 19-20 cubic yards of washed drain rock, trench and place electrical 2" conduit for hookup of the pumps.
- xv. Roof Replacements; Another major project was done at the same building due to roof leak and lack of attic ventilation. Roof vents were installed, roofing material was replaced for the majority of the building surface. As a reminder, when installing insulation inside attics, please ensure your vendors do not cover the venting holes from the attic which will affect the ventilation of your unit and create extensive damage to the building.
- xvi. Light Repairs; Lights for several units and buildings were repaired and underground work was completed due to a shortage underground done around the meter at unit 11, possibly caused by the concrete replacement work done. A new electrical meter was installed at unit 31 and lights are properly working now.
- xvii. Landscaping; Condo Grounds completed several non contract projects throughout the community (soil install/ additional trimming/removal of hedges/core aeration, etc).
- xviii. Trees were sprayed for Aphids infestation.
- xix. Commercial Insurance policy was renewed for 2017-2018, you can find a copy on the website.
- xx. Asphalt Sealcoating of the community streets was completed this summer.
- xxi. Gutter cleaning was done early in 2017 and will be done again weather depending in Jan 2018.
- xxii. We currently have 7 units known to be rented out.

b. Treasurer's report

- i. For a detailed report, please reference the financial presentation.
- ii. 2017 Budget Performance; A recap of the 2017 budget was presented.
 - Utilities were \$3,673 over budget, driven by water charges.
 - Maintenance was \$855 under budget.
 - Administration was \$310 under budget.
 - Insurance was \$1,358 under budget.
 - The 2017 allocation budget was \$288,685, including reserve contributions. Actual allocation was \$292,298.50.
- iii. 2018 Budget Overview; The 2018 budget includes a 10% increase in dues. The rate increase reflects a 29% increase in reserve contributions, a 5.5% increase to utilities, and a 3% increase for repairs and maintenance.
- iv. Reserve Study Update; The "Reserve Fund" funds major maintenance, repair, and replacement of common elements, including limited common elements that will require major maintenance, repair, or replacement within thirty years. A fully funded reserve balance for Somerset Creek is

\$1,414,602. As of 12/31/2017, Somerset Creek had a total of \$397,566 in reserves. Somerset Creek is currently 28% funded and is considered "Adequately Funded".

5. Election of Directors
 - a. Open positions
 - i. The terms of Nancy and Arnold expired at this AGM. They both agreed to serve for the 2018/2019 term. Additionally, Calley has requested to step down as treasurer.
 - ii. There were two additional volunteers, Tiffany (Unit 7) and Danielle (Unit 23), who completed applications to serve on the board.
 - iii. Peer made a motion that Nancy and Arnold be confirmed on the board first, then Somerset Creek votes on which new volunteer would fill the 3rd vacant position. This motion was approved 23 to 5.
 - iv. It was moved by Peer, seconded by Barbara, and passed to re-elect Arnold and Nancy.
 - v. Tiffany was elected to serve the remainder of Calley's term for 2018.
6. Unfinished Business.
 - a. None to report.
7. New Business and Questions
 - a. Unit 7; Home owner reported that they have experienced mold in a window from a previous roof leak.
 - b. Unit 27; Home owner reported that the front porch post is not attached due to concrete settling.
 - c. Unit 8; Home owner reported during the installation of a gas line, an excessive amount of water was found in the crawl space. The home requests that the board have a professional drainage company inspect the crawl space for possible solutions.

There being no further business, the meeting was adjourned at 8:00PM.
Calley C., Secretary.