

**Grapetree Home Owner's Annual Meeting,
Wednesday, October 2, 2019, 3:00 P.M.,
Coldwell Banker Tomlinson, Second Floor Conference Room,
4102 South Regal Street, Spokane, WA 99223**

Members in Attendance: Audrey Conklin, Vern and Carol Severud, Allen and Linda Hermann, Lynn Baycroft, Kris and Bill Laaninen, Kay Feirich, Carol Kylo, Missy and Charlie Willis, Sue Eugster, Gay Hodgen, Dixie and Grant Person, Debbie and Bill Jakkola, Candy and Ted Galvan, Tami and Mike Gaffney, Marlene and Glen Larson, Connie and Tom Bush, Diane and Michael Smerdon, John Miskulin, Nancy and Bob Yeager, Sylvia and Dean Moorehouse, Joanne and Ed Harris, Richard Whiteaker, Arthur and Sherida Nelson, Robert Demianew and Bev Breidenbach. **Represented by proxy:** Harrison McVay, Dave Nerren, Jeff and Annie Shiffer, Larry & Marsha Hitchcock, Jolene Jarvis, Mike & Shirley Young, Richard and Frankie White. **Guests:** Martin Bixby and Gary Wickham, Greenleaf Landscaping, and Ron White, WEB Properties Inc.

Welcome, and Introductions - President Judy Cole opened the meeting at 3:02 P.M. asking members to introduce themselves and to share one unique thing about their personal history. She then reviewed the meeting agenda, which follows.

Annual Meeting Agenda

- 2018 Annual Meeting Minutes
- HOA Vision/Mission/Roles - Judy Cole - 10 Minutes
- 2019 • Accomplishments - Judy Cole, 10 minutes
- 2020 Landscaping Plan - Judy Cole, 5 minutes
- Year-to-Date Financial & 2020 Budget Proposal - John Miskulin, 15 minutes
- Audit Waiver - John Miskulin, 5 minutes
- Introduction of Director Nominees - Judy Cole, 5 minutes
- Collect all Director/Audit/Budget Ballots from the Floor
- Results from Streetlight Feedback - Judy Cole, 5 minutes
- Looking Forward - Judy Cole, 10 minutes

- Vote Tally, Ron White & Dean Moorehouse - 5 Minutes
- Open Forum – 15 Minutes
- Reception – 60 minutes

Reflections – After three years serving as board president, Judy shared reflections on what she learned about how Grapetree residents view the Grapetree community and the varying roles members, committees and the board share for effective management.

Grapetree Community Vision

“Grapetree is a welcoming community where neighbors are friends. The distinguished single-family homes and well-appointed landscape create a safe, high-end place of beauty for seniors to live and enjoy life.”

HOA Mission

“The mission of the Grapetree Homeowners’ Association is to enhance, preserve and protect the property values of our neighborhood.”

The president said we are successful in fulfilling this mission when:

- Each member takes ownership in abiding by the governing documents
- All members interact with respectful, open and transparent communications
- The Board and committees lead with responsible fiscal management, strong business practices and anticipatory strategies.
- Board’ Role: Policy, Planning, Budget, Contract Negotiations, Compliance Oversight
- ARC & Infrastructure Committees’ Roles: Operational Planning

- Management Company Role: Accounting, Compliance Implementation, Contract Management, & Project Oversight

2019 Accomplishments were reviewed by the president:

- Volunteer Appreciation – Class of 2019 - 18 volunteers
- Upper Lots Infrastructure Construction monitoring
- New Front Gate Sign & and landscaping
- Catchment Pond Maintenance
- Asphalt Resurfacing - Major Coordination Effort
- Contractor contribution to curb damage Assessment
- 20 Architectural Reviews
- Update of ADG
- North Gate Repair
- Board change to 5 Directors - Add VP Position – Recruitment of 4 members
- Recruitment of 3 new members for the ARC
- Streetlight Review
- Member Participation Audit of Utilities Resulting in: Garbage Plan Change - Recurring Savings of \$3945 Total Cost Recovery - \$10,822 or 6% of total 2019 annual operating costs

No change from 2019 in the 2020 Landscape Plan. Key elements of the plan include: Premium Lawn Care: 4 Lawn Fertilizer Applications, 1 Lawn Weed Control, Spring/Summer/Fall Weekly mow & string trim Blade edge bi-weekly, 1 Lawn Aeration, Clean-up: 1 Spring, 3 Fall Leaf Clean-up, 3 Small shrub & tree insect control, Dormant, Spring, Summer Shrub Bed & Small Tree Fertilizer & Weed Control (limits does not eradicate all weeds all season), 1 slow release fertilizer, 1 weed pre-emergent, 4 weed post emergent, Irrigation Blow-out and Start Up, Shrub & Tree Pruning 2 Summer & Fall & 1 Tree trimming (for trees less than 12 feet)

Members were reminded that the services listed do not promise perfection. Any service outside the list comes at an additional cost to the HOA. Some additional landscape tasks may be required by residents; e.g., pulling or spraying weeds and trimming privately-owned trees taller than 12 feet. A calendar of services is posted on the website so residents know which services will be delivered when throughout the year (changes may be required because of weather). A calendar of landscape services for the remainder of 2019 and 2020 will be posted on the website soon.

Residents who want additional services for which they pay can do so by contacting Greenleaf directly.

Members expressed they are “grapeful” for the service Greenleaf provides.

2020 Budget Overview – John Miskulin, Treasurer Landscaping costs increase by 21%

- Management fees increase by 46%
- Estimated cost of snow removal increased by 45%
- Other 2020 operating expenses similar to 2019, adjusted for additional homes.
- Operating expenses equal revenues from HOA assessments plus small operating income.
- Per home operating expenses increase slightly from \$4,195 to \$4,260 per year.
- To maintain a positive operating income, an increase in monthly assessment of \$10 (from \$320 to \$330).
- Total HOA funds, operating cash plus reserves funds, will be about even for the year.

2020 Proposed Budget

- Income: \$199,236
- Operating Expenses: \$197,155
- Operating Income \$2,081

Infrastructure/Capital Spending \$1400.

Total Funds on Jan 1, 2020 \$46,000

Total Funds on Dec 31, 2020 \$46,681

John noted that even with the significant vendor increases, the per unit home cost is relatively small due to the increase in the number of homes. On the question of what happens if there is money left over at the end of the year, John said that it rolls into the next year's general operating budget.

See Approved 2020 Budget on Website

Audit Waiver for 2020

Governmental regulations require an annual financial audit unless waived by a vote of HOA members.

- The Board recommends approval of a waiver
- An audit is expensive, up to \$5,000 to \$10,000
- Two sets of “eyes” review finances on a monthly basis, the Board and the Management company
- All finance data is available to members for review

Quorum: Out of the 59 qualified HOA member, 52 cast their ballots/proxies for an 88 percent voter participation.

Introduction of board nominees: Judy Cole introduced each of the director nominees; Joanne Harris, Diane Smerdon, Bill Laaninen, and John Miskulin, after which Ron White and Dean Moorehouse exited the room to count the budget and waiver ballots and the director nominee ballots. Returning to the room, **the secretary reported that 52 members voted and unanimously adopted the 2020 proposed budget and recommendation to waive the financial audit for 2019/2020.**

Ron White, WEB Properties, reported that the director nominees were unanimously approved.

Looking Forward – Judy Cole, reviewed some of the issues of primary importance to the board

- Management Company Review - as part of a commitment for continuous improvement, the Board will review the management company's role and cost
- Communications - members have indicated that the website communications should be augmented with emails.
- Member Relations - revisit the contents and procedures for welcoming new residents.
- Snow Removal - review other HOA best practices for the “triggers” that initiate snow removal. Inches of snowfall and weather forecast as examples
- Security - review other HOA best practices for safety of residents and implement new practices should they be warranted.

Streetlights

Members were reminded of the outcome regarding streetlights. Acorn Lights will remain the streetlight design for Grapetree. Avista is exploring softer LED lights. Once a LED light is selected, all lights will be replaced so illumination will be consistent throughout the community. Avista will replaced weather-worn light posts in the Spring of 2020.

Open forum:

Touchmark

In response to questions about Grapetree's relationship with Touchmark (TM), the board will provide TM with a list of Grapetree owners as several newer members expressed interest in keeping up with Touchmark activities through the TM monthly newsletter. Recently, TM initiated a policy that delineates what services are provided to Grapetree residents for free or fee depending on when they purchased their Grapetree home. The Board will seek clarity and consistency of this new practice and communicate findings to residents.

Appletree Court

With regard to the status of Phase II, Judy reported that Lexington/Horton isn't building in Phase II, Appletree Court. Dave Nerren, developer of Appletree Court, is in discussions with potential builders. Regarding Nerren fulfilling his commitment to build the perimeter fence, Allen Hermann said that installation is doubtful this Fall. Avista has yet to install underground cable on the development's east side and there appears to be substantial landscaping required around the development's outer perimeter.

Snow Storage

With the full build-out of Grapetree's lower lots, snow storage is an increasing challenge. Using Appletree Court area for snow storage in 2020 was deemed problematic due to the need to push the snow uphill. The right-of-way immediately to the east and outside the front gate will remain an option for snow storage. Nancy Yeager suggested the Board consider that Peachtree Court street, just west of Grapetree, be expanded for snow storage.

The Board will work with Greenleaf to explore cost-effective options to transfer the snow off-site. Snow removal, storage and cost will remain a priority for the Board.

Closing actions: Dean Moorehouse was recognized and thanked for his three years on the board. He received a box of golf balls with the "Grapeful" logo and a personalized poem:

*It's been a good run but now you are done. So...
Be on the golf course not tending to discourse
Relax with a book knowing you're off the hook
Enjoy snowfall - removal not your call.*

Judy Cole, will remain on the board to serve her remaining one-year term. However, she will be stepping down from the presidency. Her service was honored with a framed picture of the front entrance sign, one of her signature projects. The white border around the picture allowed space for each member to sign their name.

With no further business, the meeting adjourned at 4:50 P.M.
Respectfully submitted, Dean Moorehouse, Secretary.

