

**MERIDIAN VALLEY MAINTENANCE ASSOCIATION
ANNUAL MEMBERSHIP MEETING
DECEMBER 13, 2016**

CALLED TO ORDER: 7:35 pm by President Brian Goodell

ATTENDANCE: Forty-six accredited homeowners presented a quorum for the meeting.

OPENING REMARKS FROM PRESIDENT: Brian Goodell

Residents were welcomed and thanked for their attendance at the Annual Meeting. The Board members were introduced and thanked.

MINUTES OF THE DECEMBER 8, 2015 ANNUAL MEETING:

It was moved, seconded, and passed to dispense with the reading of the 2015 Annual Meeting Minutes and accept the minutes as submitted and posted to the MVMA website.

COMMITTEE REPORTS:

FACILITIES: Jack Ottini

The big news is that a sewer line project by Soos Creek Sewer will be hooking up the new Siek Temple to our system at South East 243rd Place and 133rd Avenue SE; next to the 11th green. It looks like the main loop road will be closed for up to one week. Signage will be put up when the work starts. Cracks were sealed on our roads. The City of Kent completed inspection of our storm drain system. Repair and cleaning will be done in early 2017. We put a new roof on our Guardhouse – a couple of leaks showed up, that have now been fixed. We are currently getting bids to up-grade the green boxes at the north gate. We are also going to upgrade our camera system at all three gates. All signs, posts, and reflectors are in good shape. All speed bumps and stop lines have been painted.

The green boxes that are in need of repair have been fixed by Comcast; U.S. West has yet to fix their boxes. If you live on the perimeter of MVCC, please inspect your fence and let the guards know if any repairs are needed. The Gas Company will be doing road work on two cul-de-sacs; - the project should be done within a week.

Thank you to Brian Applebury for helping oversee the care of our Facilities.

COMMON PROPERTIES: Jack Ottini

Trent Allen and his crew are keeping all areas in good shape. This time of year they are checking and cleaning all storm drains after rain or wind storms. Work on the 144th Avenue along the fence continues. We up-graded the sprinkler system at the main gate so we could plant flowers; we used the same colors as the Country Club.

A new sidewalk and tree replacement project was completed by the contractor building homes on 240th, east of the North gate. Clean-up work and some planting for screening still needs to be done.

ARCHITECTURE: Jan Lewis

This has been an active year for your Architectural Committee. This is a working committee, considering a wide array of projects and new building products and techniques that have been brought to the market place.

Three homes damaged by fire have been restored, two sold and one on the market. One new home was completed in 2016 and one new home is under construction to be completed in 2017. New roofing products have been submitted and adopted, samples are outside MVMA office.

Working hours for contractors in our community are Monday – Friday 7:30 am and shall be off our community property by 6 pm. This was adopted by the Board to promote the quiet enjoyment of our community and to leverage our security personnel and efforts. Unfortunately property owners have allowed contractors to work inside and outside homes well past normal and customary working hours (10:30 pm and 2 am are just two of the incidences). Saturday working hours, with prior approval, NO Sunday work. Contractors coming in for “estimates” are also limited to the previously stated working hours. Again, sadly there have been contractors who have “just come in for a bid” and are found working well past acceptable hours, so due to a few, the policy was enacted about two years ago.

Tree removal still needs approval of an AC member. Unfortunately, we have had trees cut down by property owners who have not appreciated a tree that was on a neighboring parcel.

Access through North and South Gate – while you may think you are courteous, all vehicles, sans property owners, are restricted to the Main gate for ingress/egress. Why? Our security personnel work for our benefit and sadly we have had neighbors, being courteous, and clicking their clickers to let ‘visitors’ out our North and South Gates. Package thefts, vehicle prowls, and thefts have been just a few of our challenges. Utility vendors are also required to use our Main Gates.

Residents submitted 197 projects to your AC, as of our November 2016 meeting. Tomorrow night we have at least six more projects to consider. Projects included: Roof replacement, replacement of doors, windows, decks, driveways and sidewalks, mailboxes, tree removals, landscape redesign/update, water feature installation, installation of emergency generators, attached golf cart garage, car cover removal, and demolition of fire damaged homes. Letters requesting compliance of DOR’s: Parking of commercial vehicles; yard maintenance, trash can removal, removal of unattached building; Removal of stored utility trailer, and vehicles storage.

Walkers/joggers/dog-walking – please wear reflective clothing. Package delivery – if you are going to be gone, ask your neighbor to pick up your package, the guards can’t accept any deliveries.

Landscape and roadway clearance/maintenance – City of Kent has a minimum road clearance of 13’ for vehicles. Property owners with landscaping impeding walkers and vehicles will be receiving letters requesting that the landscaping be cut back to meet City standards.

SECURITY: Sam Shirley abs. – report given by Jan Lewis

This year the Board investigated the current contract relationship we have with Pierce County and after seeking requests for proposals from the industry and meeting with several companies, the Board decided to continue the business relationship with Pierce County Security, a new contract was signed. We are appreciative of the efforts and professionalism of our security personnel, under the direction and leadership of Kim Sharrah, site supervisor.

Officer Bobby has announced he will be retiring in September 2017. Our security personnel are doing an excellent job. We have a good team working on our behalf.

Despite our long standing requirement of vendors and deliveries being directed to enter/exit through the main gate exclusively, we are challenged by Amazon drivers who feel they are exempt from following our rules.

The relationship between the Kent Police Department and our security personnel remains solid, cooperative, and professional.

TREASURER - Richard Sleep

We wish to thank the members of the MVMA Audit/Investment Committee for their advice and service. The members (all former MVMA treasurers) include: Jim Schack, George Hull, Peg Steiner, Roger Wall, Richard Metz, Mike Rucker, and Brian Goodell.

The results for the fiscal year ended November 30, 2016:

**MVMA Unaudited Financial Summary
FY 2016 (1 Dec-Nov 30)
Operating Fund**

	<u>Actual</u>	<u>Budget</u>	<u>FY2015</u>	<u>Budget</u>	<u>% B/W FY2015</u>
Dues-residential	351,557.35	0	7	0.3%	3.2%
Dues-MVCC	22,128.00	22,128.00	21,468.00	0.0%	3.1%
Other	2,758.38	3,900.00	4,097.18	-29.3%	-32.7%
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Total Revenues	376,443.73	376,653.0	366,197.9	-0.1%	2.8%
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Security	249,561.04	241,000.0	231,800.2	-3.6%	-7.7%
Landscaping	35,991.26	0	9	3.5%	5.1%
Roads, Gates, and Fences	43,171.57	37,300.00	37,928.27	19.6%	-12.8%
Utilities	15,645.38	53,700.00	38,270.41	-1.6%	-14.0%
Insurance	8,562.84	15,400.00	13,723.94	14.4%	7.7%
Administration	15,588.31	10,000.00	9,273.00	5.2%	2.3%
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Total Expense	368,520.40	373,850.0	346,945.9	1.4%	-6.2%
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Net Margin	7,923.33	2,803.00	19,252.02	182.7%	-58.8%
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Federal Income Tax	7,369.29	1,500.00	10,500.00	n/a	n/a
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Surplus	554.04	1,303.00	8,752.02	-57.5%	-93.7%

Per the above, the MVMA appears to have ended with a small surplus. However, this does not take into account that we still need to make a full contribution (approximately \$29K) to the Long Range Plan Capital Fund. Additionally, MVMA accounting is on a cash (i.e., not accrual) basis. We are already dipping into the remaining cash balance to pay our November bills when received.

The previously planned storm drain repair project (one of the 3 authorized uses for the LRP funds) was delayed and put into the fiscal 2017 budget. The budget also includes approximately \$12K for a new north gate electronic control system as well as other several other smaller Security and Landscape projects. Homeowner annual dues were budgeted (per the recommendation of the Audit committee) at \$875. The fiscal 2017 budget is shown as follows:

**MVMA Financial Summary
Operating Fund (incl. LRP expense)
FY2017 Budget**

	<u>Budget</u> <u>FY17</u>	<u>Actual</u> <u>FY16</u>	<u>B/W%</u>
Dues-residential	371,875.00	351,557.35	6%
Dues-MVCC	23,484.00	22,128.00	6%
Other	5,940.00	2,758.38	115%
Total Revenues	401,299.00	376,443.73	7%
Security	251,800.00	249,561.04	-1%
Landscaping	39,000.00	35,991.26	-8%
Roads, Gates, and Fences	44,250.00	43,171.57	-2%
Utilities	15,975.00	15,645.38	-2%
Insurance	9,000.00	8,562.84	-5%
Administration	18,650.00	15,588.31	-20%
Total Expense	378,675.00	368,520.40	-3%
Net Margin	22,624.00	7,923.33	186%
Federal Income Tax	5,000.00	7,369.29	32%
Surplus	17,624.00	554.04	3081%

The above budget will provide for a LRP Capital contribution of approximately \$12K and add over \$5K to our operating cash position which has been nearly depleted over the past year. Even before receipt of the 2016 fund contribution, this balance is on track to the long-term LRP planning scenario.

Finally, as previously described in the MVMA newsletter we are moving forward with our plans to implement an optional Direct Payment (ACH debit) system for homeowner dues payments. The required consumer authorization forms were made available at the meeting, on the MVMA website as well as at the MVMA office. If enough interest is shown, we may be able to put this in place for 2017 dues in the next several weeks.

MVMA WEBSITE: Robert Steiner

Ways to communicate with MVCC residents

- Newsletters/mailings (dated), 2-3 annually
- Word of Mouth (not always accuracy questionable)
- Security Gatehouse (posted, verbal)
- MVMA Website (passive, you must go to the website to get information)
- MVMA E-mail distribution (active, push information to residents) (as needed)

MVMAWebsite

meridianvalleycc.com/mvma

- Website - archive for Board Minutes, past Newsletters, contact information for Board, Architecture Committee, List of important documents: Policies, DORS, By-laws, Policies, forms, etc., resident information.
- Resident Database

E-mail Distribution list

mvma-hoa@meridianvalleycc.com

- Currently 354 (+92 duplicate residences) on list, or approximately 75- 80% of residences.
- Difficult to keep totally accurate because of changing in addresses, new arrivals, departures, etc. If you got the announcement of tonight's Annual Meeting, you are on the list and our e-mail address for you is accurate.

PRESIDENT'S REPORT: Brian Goodell

The MVMA has completed a number of projects during 2016 and look forward to still others in the near future, including:

1. Replacement (over approximately four years) of the north and south gate hardware which needs repairs on a more frequent basis. These costs are estimated at \$40-60k.
2. Cleaning and repair of the storm drains. We have \$18k budgeted for 2017 but may need to make additional repairs during 2018.
3. Adding supplemental cameras, first at the main gate for testing and later at the north and south gates.
4. Upgrading the software data bases used by the security staff. We are using a systems consultant to help make the software selections.
5. Restructuring the operating agreement with MVCC which has been in place for ~20 years.

In addition, the Board has approved several new policies covering landscaping, parking and street trench restoration. These documents are posted on our website. Members are urged to read and comment directly to the Board and/or Architectural Committee.

Please take the time to thank your neighbors who volunteer to serve on the MVMA Board and committees. We use volunteers to replace permanent/employed management and this takes time and energy. Jan Lewis and the Architectural Committee have done a fine job monitoring the appearance of our neighborhood. Jack Ottini, as usual, has kept us well maintained in roads, gates and common grounds. Sam Shirley and Jim Stott have kept a close eye on security and guardhouse issues. Rich

Sleep has collected dues in record time and kept us financially in the black. A special thanks to Bob Steiner who maintains our website and corrects our grammar and spelling. And to Mike Rucker who troubleshoots our computer systems. Finally, thanks to Cheryl Havener who knows (mostly) how to run our QuickBooks system!! Welcome to Mike Atwood and Jim Stott who have been elected to the Board for three year terms.

QUESTIONS/COMMENTS FROM THE FLOOR:

- Responding to an inquiry, the treasurer noted that our Capital Fund investment balance at Vanguard on November 30th was over \$533K, invested in a 60/40 equities/fixed income split.
- A member asked about the road closure – Jack Ottini will check with the company doing the work to be sure that there will be good signage when it is closed.

CLOSING REMARKS:

Jack Ottini will be our new President. Out-going Board member Brian Goodell was thanked.

MEETING ADJOURNED: at 8:35 pm

Minutes prepared by Cheryl Havener