

BUDGET RATIFICATION MEETING AGENDA

Licorice Fern II Homeowners' Association

November 14th, 2016

7:00PM

Location: 10418 172nd Avenue SE

Call to Order

President

Budget Ratification

President

Per RCW 64.34.308

(3) Within thirty days after adoption of any proposed budget for the condominium, the board of directors shall provide a summary of the budget to all the unit owners and shall set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary.

Unless at that meeting the owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget is ratified, whether or not a quorum is present.

In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the unit owners shall be continued until such time as the unit owners ratify a subsequent budget proposed by the board of directors.

Adjourn

President

1020 Licorice Fern II Homeowners' Association
Approved 2017 Budget

		Actuals 2013	Actuals 2014	Actuals 2015	Annual Budget 2016	YTD Actuals 2016 Thru August	Projected YE 2016	Approved Budget 2017
OPERATING INCOME						2017 Annual Assessment \$ 385.00		
						2016 Annual Assessment \$ 385.00		
						Homes	80	
40000	Regular Assessment Income	\$ 30,800.00	\$ 30,800.00	\$ 30,800.00	\$ 30,800.00	\$ 30,800.00	\$ 30,800.00	\$ 30,800.00
43000	Late Fee Income	121.38	325.00	275.00	0.00	175.00	175.00	0.00
43050	Interest Penalty Income	0.00	75.14	69.36	0.00	40.46	40.46	0.00
43500	Fines & Violations Income	(50.00)	0.00	0.00	0.00	0.00	0.00	0.00
45000	Interest Income - Operating	42.26	45.86	33.03	0.00	15.78	23.67	0.00
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	Total Operating Income	\$ 30,913.64	\$ 31,246.00	\$ 31,177.39	\$ 30,800.00	\$ 31,031.24	\$ 31,039.13	\$ 30,800.00
 OPERATING EXPENSE								
Admin Expenses								
50000	Office Supplies	\$ 196.08	\$ 68.10	\$ 33.30	\$ 99.00	\$ 105.50	\$ 175.50	\$ 189.00
50010	Postage	259.26	179.92	119.81	200.00	155.50	230.70	290.00
50020	Printing/Copying	450.62	429.70	380.63	400.00	416.40	528.40	500.00
50210	Permits & Licenses	10.00	30.00	10.00	10.00	10.00	10.00	10.00
50230	Meeting Hall Rental	50.00	0.00	0.00	0.00	0.00	0.00	0.00
50250	Functions/Social Events	550.26	1,335.54	353.10	1,410.00	0.00	1,000.00	1,050.00
50290	Web Site	240.00	240.00	477.69	240.00	240.00	240.00	240.00
50300	Management Fees	6,756.00	6,756.00	6,756.00	7,800.00	5,200.00	7,800.00	7,800.00
50320	Legal Fees	71.25	522.00	0.00	500.00	0.00	0.00	0.00
50340	Accounting/Audit Services	200.00	200.00	200.00	200.00	200.00	200.00	200.00
50360	Reserve Study	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50400	Insurance	2,219.88	2,200.88	2,200.92	2,201.00	1,467.28	2,201.00	2,201.00
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	Total Admin Expenses	\$ 11,003.35	\$ 11,962.14	\$ 10,531.45	\$ 13,060.00	\$ 7,794.68	\$ 12,385.60	\$ 12,480.00
 Maintenance & Repairs								
52000	Repair & Maintenance Services	\$ 0.00	\$ 239.36	\$ 0.00	\$ 350.00	\$ 0.00	\$ 0.00	\$ 350.00
53500	Landscape - Contract	10,764.00	11,750.40	11,750.40	11,750.00	7,180.80	11,097.60	11,750.00
53510	Landscape - Irrigation Repairs	0.00	200.00	0.00	200.00	0.00	0.00	200.00
53550	Landscape - Monuments	0.00	0.00	0.00	250.00	0.00	0.00	0.00
53590	Landscape - Other	551.20	0.00	0.00	650.00	3,600.10	3,600.10	2,500.00
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	Total Maint & Repairs	\$ 11,315.20	\$ 12,189.76	\$ 11,750.40	\$ 13,200.00	\$ 10,780.90	\$ 14,697.70	\$ 14,800.00

1020 Licorice Fern II Homeowners' Association
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	Actuals 2013	Actuals 2014	Actuals 2015	Annual Budget 2016	YTD Actuals 2016 Thru August	Projected YE 2016	Approved Budget 2017
Utilities							
56020 Electricity - Street Lights	\$ 990.00	\$ 990.00	\$ 990.00	\$ 990.00	\$ 660.00	\$ 990.00	\$ 1,020.00
56610 Water - Irrigation	122.69	180.76	1,230.25	1,200.00	0.00	250.00	500.00
Total Utilities	\$ 1,112.69	\$ 1,170.76	\$ 2,220.25	\$ 2,190.00	\$ 660.00	\$ 1,240.00	\$ 1,520.00
Reserve Contributions							
59900 Reserve Contribution	\$ 5,582.00	\$ 5,700.00	\$ 5,700.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,000.00
Total Reserve Contributions	\$ 5,582.00	\$ 5,700.00	\$ 5,700.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,000.00
Total Operating Expenses	\$ 29,013.24	\$ 31,022.66	\$ 30,202.10	\$ 30,800.00	\$ 21,585.58	\$ 30,673.30	\$ 30,800.00
Operating Net Surplus/ (Deficit)	\$ 1,900.40	\$ 223.34	\$ 975.29	\$ 0.00	\$ 9,445.66	\$ 365.83	\$ 0.00
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RESERVE FUND INCOME							
47000 Reserve Contribution Income	\$ 5,582.00	\$ 5,700.00	\$ 5,700.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,000.00
47100 Interest Income - Reserves	57.25	81.11	63.41	0.00	12.98	19.47	0.00
Total Reserve Fund Income	\$ 5,639.25	\$ 5,781.11	\$ 5,763.41	\$ 2,350.00	\$ 2,362.98	\$ 2,369.47	\$ 2,000.00
RESERVE FUND EXPENSES							
61700 Cptl - Mailbox Install	\$ 0.00	\$ 0.00	\$ 10,703.63	\$ 11,552.00	\$ 12,619.88	\$ 12,619.88	\$ 0.00
61530 Landscape & Rockwall Allotment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,185.00
Total Reserve Fund Expenses	\$ 0.00	\$ 0.00	\$ 10,703.63	\$ 11,552.00	\$ 12,619.88	\$ 12,619.88	\$ 2,185.00
Reserve Fund Surplus/ (Deficit)	\$ 5,639.25	\$ 5,781.11	\$ (4,940.22)	\$ (9,202.00)	\$ (10,256.90)	\$ (10,250.41)	\$ (185.00)
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**Licorice Fern II HOA
2017 Budget
Supplemental Budget Information on Reserves
In Compliance with RCW 64.34.308 and 64.38.025**

- a) Date of Most Current Reserve Study 9/4/2014
 Current Budgeted Contribution to Reserves (2016) \$ 2,350.00
 Recommended Contribution to Reserves From Study \$ 2,514.00
 Funding Plan Used for Recommendation Full Funding
 Proposed Budget's Contribution to Reserves (2017) \$ 2,000.00
- b) Is Additional Funding (regular or special assessment) planned? No
 If so, when is it due? N/A
 If so, what is its purpose? N/A
 If so, what is the estimated amount per unit, per year (on average)? N/A
 If so, what is the estimated amount per unit, per month (on average)? N/A

- c) Based upon the most recent reserve study, will the Association have funds to meet obligations for the next 30 years at the current contribution rate? Yes

- d) If reserve account balances are not projected to be sufficient, what additional assessments may be necessary to ensure that sufficient funds will be available each year during the next 30 years? N/A

		<i>Per Reserve Study</i>	
e)	Recommended 2016 Year End Reserve Balance (Fully Funded)	\$	2,885
	Projected 2016 Year End Reserve Balance	\$	3,865
	Percent Funded as of the Study Date		134%

		<i>Fiscal Year End Date</i>				
Next 5 Budget Years - Estimates Per Study		2017	2018	2019	2020	2021
f)	Recommended Fully Funded Balance	\$ 3,093	\$ 3,570	\$ 6,191	\$ 8,966	\$ 11,903
	Year End Balance at Recommended Contribution	\$ 4,046	\$ 4,461	\$ 7,000	\$ 9,640	\$ 12,387
	Year End Balance at Current 2016 Contribution Rate	\$ 4,054	\$ 4,401	\$ 6,775	\$ 9,148	\$ 11,522
	Projected Percent Fully Funded at Current 2016 Contribution	125%	114%	71%	76%	77%
g)	Year End Balance at Proposed 2017 Contribution Rate	\$ 3,700	\$ 3,694	\$ 5,714	\$ 7,734	\$ 9,754
	Projected Percent Fully Funded at Proposed 2017 Rate	125%	104%	60%	64%	65%

MANAGERS REPORT

Licorice Fern II Homeowners' Association
Christina Dillon

11/14/16

Financial

- October Financial Reports will be emailed to the Board on: 11.14.16
 - As of 10.31.16- current account balances are:
 - Operating Accounts: \$ 17,474.56 (\$8,295.16 in the Checking Account)
 - Reserve Accounts: \$3,865.38
 - Delinquencies as of 10.31.16:
 - Total delinquencies are \$0.00 – all owners paid for 2016!
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ARC Request(s)

- No new or pending requests.
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Maintenance Calendar

- For November:
 - Budget Ratification
 - Leaf Clean up & removal (Merlins)
 - For December:
 - Draft 2017 Maintenance Calendar
 - Holiday Social
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Ride List/Violation Summary

- 9935 171st Avenue SE – followed up with owner on house painting which had apparently not been completed, did not hear back to email, so sent another letter. Added issue with beauty bark left in driveway as well. Neighbor confirmed that the painting had not been done.
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Updates

- Still have not received a final water meter reading from Judy – followed up a few times for this. Need to get this done and reimbursed to the Jochims before year end.
 - Damaged mail kiosk has been repaired by Heilman Fence & Deck – they came down a bit on pricing, and I sent invoice for processing, to be billed back to the owner who hit the kiosk. Owner had already contacted our office after the accident as well.
 - No notes (owner contacts) for the month other than the Mason's (17244 SE Licorice Way) processing a Resale Demand for the sale of their home.
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Move In & Move Out

- New move in at 17244 SE Licorice Way (Mason's) – Megan & Maximo Flores 10.13.16
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Delinquency Report – nothing to report here, no delinquencies
