

Capitol City Golf Club Estates Homeowners Association
Minutes of 2018 Annual Meeting
November 15th, 2018
Jacob Smith House

Board Members Present: Larry Dittloff, President; Randy Luke, Treasurer; Christina Tremper, Secretary; Jayne Bradley, Trustee, Ed Obie, Trustee; Darrol Steiner, Trustee

Management Company: Sahara Burson and Kathleen Noffsinger, VIS Group

Call to Order: President Larry Dittloff called the meeting to order at 6:33pm, welcomed the community members present and then introduced his fellow board members and the VIS Group Management team. He then went over the meeting agenda and explained the rules of the membership meeting.

Quorum: A quorum of the members was verified via the sign-in sheet by the VIS Group.

President's Address: Larry Dittloff gave a report outlining the goals and accomplishments for the year. He spoke about the management company change from Vantage Management Company to our new management team at VIS Group. He explained that after numerous meetings to go over proposals with other management companies, the board had decided to change to VIS Group due to their superior forms of communication, their personnel and their ability to track our financials in real time. He also explained that yearly assessments are due soon, with the first half being due in January and the remaining half due in July. This was due to the increase in assessments from \$220.00 per year to \$320.00 per year.

Streets and Signs: Larry Dittloff reported that the catch basins had been cleaned and/or repaired where applicable earlier in the year and noted they would most likely need to be cleaned in the future again. He also explained that all street signs had been replaced to ones with larger letters to make them easier to read and match in conformity. In addition, he also touched briefly about a sinkhole that needed to be repaired and also noted that the replacement of the street lights to LED lights is now saving our homeowners community approximately \$3,000.00 per year. As a reminder, he also mentioned that we should all keep our leaves cleaned up so we don't have problems with flooding due to the drains being covered.

Larry Dittloff spoke about the condition of our streets and the report that was completed by Treasurer Randy Luke and David Luhr. He then introduced David Luhr, formerly of WSDOT, who also lives in our community. David explained that we have four miles of streets that are in fair condition and the need for maintenance next Spring. He explained that there are many single cracks which can be sealed, in addition to many cracks that are together which will need to be ground up and patched. The approximate cost to do these repairs is estimated at \$25,000.00, which would simply hold us over until the streets are resurfaced in approximately 5 years. He explained that the cul-de-sacs were especially bad. Once patched, we would need to do a chip seal again, which is the least expensive option and suitable for our type of roads.

Compliance Committee - Ed Obie reported the compliance team had done numerous ride-alongs throughout the year with VIS Group personnel to watch for those who were non-compliant or for those who were not following the CCR's and By-Laws of our community. Overall, our community is looking better and there have been many improvements by various homeowners.

Architectural Control Committee - Christina Tremper and Jayne Bradley reported that overall people were turning in the ACC forms and that our goal was to respond within 3 days. Throughout the majority of the year we were able to respond within that period of time, unless the form was incomplete and had to be sent back to the homeowner for more information. We could only think of a few that were denied because they did not meet the standards in our CCR's and By-Laws.

Security/Neighborhood Watch - Larry Dittloff reported that Gabriel Robinson is still overseeing security and the neighborhood watch in our area. Larry reported about the drug house in our community and the efforts to clean it up. He also stated that many speedsters on our streets had been give tickets by the sheriff's department now patrolling our community. In addition, he spoke about a couple of vacant homes in our community, one of which has sold. The other one is owned by a bank and we are trying to find a solution for that one as well. Larry also mentioned the City of Lacey "Annexation", which has been put on hold because Lacey has "bigger fish to fry" or other more important things on their current agenda.

Treasurer's Address – Treasurer Randy Luke reported the information found on the summary of the 2018 budget in our meeting handout. He noted that the budget in the past was based upon a yearly assessment of \$220.00 per lot, which did not include fees from collections or fines. He also reported that many of the larger delinquent accounts had been collected either by our attorney or small claims court. He also stated that we are up \$34,000 over where we thought we would be and that 2018 was a year of cleaning accounts up. In addition, we also incurred additional expenses due to changing the CCR's and By-Laws and other legal proceedings. Sign maintenance and a few older receivables written off to bad debts also contributed to overall expenses being slightly increased.

Randy Luke also explained where we are headed on our yearly assessments in the future. He explained that as a Homeowners Association we are required to have a certain minimum amount in a reserve account to cover problems and future maintenance. He mentioned the reserve study that was completed in February of 2018, which stated that we do not have enough funds for future problems that may incur and for future maintenance of our roads. He pressed on the fact that we have to start saving money for future road maintenance and that our community By-Laws state that we have to be funded properly. Numerous questions were asked by homeowners about the City of Lacey taking over our roads, about assessments being raised each year and a homeowner stating what he thought costs should be on speed bumps, catch basins being repaired and street sweepers tearing up the roads. Randy Luke again pressed on the fact that we have to get to a higher balance in our reserve account.

Review of the Previous Annual Meeting Minutes – President Larry Dittloff went over last year's meeting minutes that were distributed to all homeowners by mail along with the Annual Meeting notice. A motion was made and seconded to unanimously approve the 2017 Annual Meeting Minutes. **Motion Passed.**

Ratification of 2019 Budget – Larry Dittloff spoke about the goal for 2019 to reduce our Accounts Receivables and our operating budget. He stated that the largest change in 2018 vs 2019 would need to be the build up our reserve fund for future maintenance projects. A motion was made by Doug Coxia to approve last year's budget. Dan Partington seconded the motion. **Motion Passed**

Ad Hoc Committee – President Larry Dittloff reported that the CCR's and By-Laws had not been updated since 2005. The committee had held many meetings over the year to work on changes with the intent to address things requested by homeowners. Our attorney, Barker-Martin has worked on this process along with the committee for many months to achieve new CCR's and By-Laws that our community would accept and appreciate. Many of the changes were made to the benefit of our homeowners. A long discussion followed between the board and some of the homeowners about how the newly proposed changes in our CCR's and By-Laws were documented. A few of them were upset and felt the changes should have been shown next to the current items so they could be read line by line. One homeowner who doesn't live on a street that is maintained by us felt they shouldn't have to pay the increased assessment because they don't get anything out of it. Homeowner comments and discussions followed.

Nominations and Election of Board Members – Darrelyn Nuesca, Christina Tremper and Jayne Bradley decided not to remain on the board. However, the following homeowners stated their interest in being a board member:

Ed Obie – Ed explained his focus was to help maintain the value of all homeowner’s investments by making sure everyone was maintaining their homes and staying in compliance. He is currently a trustee and would like to remain on the board.

Kevin Rae – Kevin stated that he would like to join the board and could bring his expertise from the construction industry to aid in compliance and architectural committee functions, in addition to other ways of being involved.

David Luhr – David explained that he would like to join the board and could bring his knowledge from his years of employment at WSDOT in addition to other attributes.

Matthew Mueller – Matthew explained that he is currently in the military but would be retiring soon and would like to be a member of the board to bring new ideas forward.

John Leo – John Leo stated that he would like to once again be a part of the board. He has served in the past and would like to serve again.

Randy Luke and Darrol Steiner will remain on the board and will continue their terms.

There being no additional nominees, all of the above were accepted and a motion was made and unanimously approved by the community members present. **Motion Passed**

Goals for 2019

President Larry Dittloff stated the following items would be the goals for 2019:

1. Repaint speed bumps
2. Street sweeping
3. Catch basins cleaned and/or repaired if necessary
4. Community mail boxes cleaned
5. Abandoned house cleaned up and sold
6. Passing of the CCR’s and By-Laws
7. RCW 64.38.065 – Reserve Account – Adding funds to the reserve account for future road maintenance.

Open Forum:

CCR’s and By-Laws - Homeowners upset at how the information was presented. Some wished the changes would’ve been placed near the old rules or regulations so they could easily see what had changed without having to compare one document against another. A few homeowners failed to read and understand the outline included with the Annual Meeting packet which showed in detail the changes made so that they wouldn’t have to read the entire CCR’s and By-Laws publication.

Number of Vehicles Parked Outside - Homeowners questioned why only three vehicles (or the like such as two vehicles and a trailer or RV, etc) could be placed outside on a driveway or appropriate cut-out when there could possibly be more drivers and vehicles at a household.

Reserve Study – A few homeowners questioned the reserve study and the need to have funds set aside in a reserve account. Some felt it wasn’t necessary, although they didn’t want to be on the hook to pay for larger projects in the future either.

Open Forum Meeting – Some homeowners questioned why an open forum meeting was not held in the middle of the year to speak about the CCR's and By-Law changes.

Dues/Assessment Increase – Many homeowners questioned the increase in the 2019 assessment from \$220.00 to \$320.00 per year. Some felt the increase did not benefit them and some couldn't understand that we are trying to raise funds for road maintenance in 5 years which could potentially be \$350,000.00.

There being no further business, the meeting was adjourned at 8:15pm.

Respectfully Submitted,

Christina Tremper
CCGCE Secretary