

Edelweiss Annual Budget Meeting
Minutes 10-19-2019
Mazama Community Hall
6:00 pm – 7:00 pm

Prior to the official start of the meeting the board reviewed an error in the Board-approved budget regarding the garbage/recycling fees. Sern Watts and Peter Speer explained that the fees were intended to be raised 10% not 13.5% as shown in the budget. After a brief discussion, Sern made a motion to reduce the garbage and recycling fees in the 2020 budget from 13.5% to 10%. This was seconded by Chuck Timchalk and was unanimously approved.

Attendees:

Board Members – John Kirner, President, Peter Speer, Vice President, Sern Watt, Treasurer, Nicki McCullough, Secretary, Steve Ralph, Chuck Timchalk, Kirk Schumacher and Jon Fewster. Katherine Bill was absent.

EMC Staff - Gregg Strome, Administrative Manager, Craig Hook, Operations Manager.

EMC Community Members – Larry Hall, Monica Hall, Jen Fry, Tom Lasater, Lin Lasater, Karen Reneau, Debbie Rodenhizer, Dave Rodenhizer, MaryAnn Timchalk, Jeanette and Steve Wood.

Introductions: John Kirner made a brief introduction, reviewed the agenda and introduced Peter Speer.

Reserve Study Update: Peter Speer explained that this was the second year of a three-year contract with Jeff Samdal and Associates. The Reserve study estimates timing and costs of improvements to the infrastructure in Edelweiss for the next 30 years. The cost of the study, being done by Jeff Samdal and Associates was \$5,600.

He reminded those in attendance that two special assessments were approved; one for \$300 annually to pay for the water project being done in conjunction with Okanogan County Electrical Co-Op (OCEC) and an additional \$250 special assessment to put into an account to pay for unexpected capital expenses and emergency repairs. He explained that the water project went over budget and approximately \$10,000 was used from the Reserve funds to pay for the overage. The rest of the money was set aside to build up the reserve account. Peter also explained that this was first HOA in the Methow that has done a Reserve Study.

Peter and John also stated that the study included estimates for the year that any one infrastructure item would likely break or need replacement. The Board's approach is to try and maximize the use of equipment but have the reserve funds on hand to make repairs or replacements as needed. One example was the study indicated a need to replace all the water tanks in one year. To better assess the future financial needs the Board will review in detail all asset replacement assumptions next year to develop a more realistic picture of the timing of the replacement.

2020 Operating Budget: Sern Watt reviewed the proposed 2020 budget. He presented the income and fees and explained the differences from the previous year. Generally, the fees and expenses were estimated to increase by 3%. The vendor for the garbage/recycling have indicated they will increase their fees beyond 3%. Fees for the accounting are shown to increase by 5% and the garbage/recycling fees will be increased by 10%. Sern explained there were a few areas where the funds were moved from one category to another for clarity. For instance, Firewise was shown as part of the roads budget in 2019. This was moved to its own category in the 2020 budget.

Peter and Sern explained that there was an error in the budget with regard to the garbage/recycling fee that was intended to be increased by 10% not the 13% that was shown. Peter reviewed the corrected numbers and said a new budget with the corrected numbers will be sent out.

John Kirner called for a vote from the membership present to approve the budget (with the revised garbage/recycling fee). The vote to approve was unanimous in the affirmative.

Water Project: Craig Hook provided a summary of the water project and explained that the intent in 2020 was to continue down Quaking Aspen to Homestead and Cassal Road. There was a question about the water improvements for future years. Craig said that he annually sits down with OCEC staff and they each review their priorities. He stated that ideally, they will try and work downhill on the worst of the pipes but OCEC may have different priorities and are often hard to pin down. As stated earlier, this year's project went over by about \$10,000 which was due primarily to an increase in the pipe size to serve residents on Eagle's Nest Road whose water pressure was minimal due to their location and small diameter piping. John thanked residents along Trillium for limiting water use while they worked on the water system.

Roads Committee Update: Nicki McCullough provided an overview of work done to date by the roads committee. She explained it was formed in the winter/spring of 2019 and meetings are held about once a month. Three board members and about six members of the community attend the meetings. To date, the committee has identified issues, prepared goals, completed a roads inventory, began to classify roads and made recommendations to the board regarding trespass, speed and signage. She explained that the goal is to present a draft roads plan to the board in April and present the final plan to the membership at the annual meeting in May 2020.

Report on Firewise: Chuck Timchalk discussed the Firewise community status for Edelweiss and said that a Firewise community sign would be installed in the subdivision. He explained that the Firewise Community status might reduce individual's fire insurance and suggested members check with their insurance agent. To maintain the status of a Firewise Community it is necessary to keep track of hours spent in Firewise activity. He wanted to showcase successful stories of members who participated in Firewise activity on their property and asked members to let him know about hours spent on Firewise activities. Chuck said Marian Osborne revised the website this year to include a comprehensive Firewise page. Lin Lasater helped to initiate the Emergency communication network (Dial my Call) recently put in place. There are currently 340 people signed up for this service. The cost to Edelweiss is \$800 a year and it can accommodate up to 400 people for this price. In addition to the chipping Brother's Fire did this spring, they continue to chip wood from Edelweiss lots.

Next year, the plan is to identify more funding opportunities and to support the roads plan as they look at roads to widen to accommodate emergency fire vehicles and to reduce vegetation along the roadways.

Closing Remarks: John Kirner said that the Board wants to stay ahead of repairs in Edelweiss and has prepared a budget approach to do this. He also thanked the audience for participating in the meeting.

The meeting was adjourned at 7:00 pm

The next Board Meeting will be at John Kirner's house on Monday, November 4, 2019 at 6:00 pm.