

MONTAINE at ALDARRA HOMEOWNERS' ASSOC.
SPECIAL BUDGET RATIFICATION MEETING MINUTES
June 7, 2012

Approved

In Attendance: Nathan
Rau, President Amir
Molavi, Treasurer
Michael Smith, Member at Large
Debbie Weaver, Community Mgr.

Thirty Six Homeowners (27 votes)

Call to Order: 6:45 P.M.

Proof of Notice of Meeting: Nathan confirmed that all attendees received their notification via U.S. Postal mail.

Quorum: Owner representation in person and by proxy was 17 percent. Nathan explained that because this was a Special meeting to introduce the annual operating budget no quorum was necessary unless the Owners wish to reject the budget which then requires a quorum of 75 percent of the voting representation in person and by proxy.

Introductions: Nathan introduced the Board of Directors and Debbie Weaver, Community Manager with Best Management Co. Nathan further explained that the purpose of this meeting was to present and review the 2012-13 operating budget. Any additional topics would have to be discussed at a future Board or Special meeting of the Owners.

Reports of Officers: President Nathan Rau provided the following summaries of future maintenance projects:

1. Maintenance Issues:

- Landscaping: There was a water leak in the irrigation system along S.E. Duthie Hill Road at the end of last season that needs to be located and repaired. No as-built plans were provided for the irrigation system in the handover from the developer in late 2010. This has presented challenges for the Board. Beauty bark will be installed soon to protect the plants and for beautification purposes.
- New Reserve Study Legislation: RCW 64.38.070 requires that Homeowner Associations begin having reserve studies performed from Jan. 1, 2012 on. Debbie Weaver of Best Management provided further detail about such studies and what they entail. The initial study includes an onsite visit from a reserve study professional whereby an initial component (capital project) list is developed. Montaine's initial "On Site" study will be performed over June and July. Dues were

increased in anticipation of the need to build the HOA's current reserves.

2. Budget Line Item Review: Nathan explained the budget line items with detail of their corresponding expense amounts.

New Business (Open Discussion): Nathan opened the floor to Owner questions and comments about the budget which included the following topics:

- How much money should be in the Maintenance Reserve account?
Answer: Unknown as of yet- the Reserve Study will provide a recommendation.
- Is the soccer park located at the 278th entrance owned by the Association?
Answer: Yes. The developer made an agreement with the city that the park would be established and maintained by the HOA. It has been expensive to maintain.

Adjournment: The meeting adjourned at 7:40P.M.