

HP HANSEN PARK

Home Owners Association

November 2021 Meeting Minutes - Corrected

November 9, 2021

Call to Order: Aaron Beasley called the meeting to order at 7:01 pm via Zoom.

Attendees:

- Board Members: Aaron Beasley, Rachel Moore, Laura Jepsen, Tom Hall, Shelley Clark, Marty Zizzi, Erin Gneiting, Rachel Moore, Sharon Adkins
- Guests: Brad and Lorna Tukey, Susan Larson and Daniel Moreno, Karen McDonald of Accurate Reserve Professionals, and Quinn Connell of GameTime/Great Western Recreation.

Approval of Minutes

The 2021 October Board Meeting Minutes were approved as corrected.

Financial Report

Laura reported some categories are at 80-90% of budget. Our checking balance is \$59,000 (operating fund) and our Money Market Fund has \$94,000 (reserve fund). The value of our three CD's is \$50,000 each, totaling \$150,000 plus interest. Report was approved.

Committee Reports

CCR: Marty reported he approved one painting request and issued 38 notices to homeowners. Four addresses were notified that they would be fined - three discussed the situation with him and are working to correct the problems. Aaron noted a letter has been sent to Celski notifying them their contract is terminated.

Pond: Tom noted all three applications to keep the rocks from slipping into the Pond have been unsuccessful and he has discontinued the resin experiment. He is continuing to plan to have a contractor put new rock around the pond next March. The main pump failed last month and was replaced with a backup. A new one will be needed in next few months at an unbudgeted cost of approximately \$1,200. Rachel said her Entertainment Budget could handle that cost and it was noted the Infrastructure Account is also available. Shelley moved to allow \$1,500 for the replacement, Marty seconded. Motion approved.

Special Events: Rachel noted the Parade was a big success and she received lots of compliments. She proposed a Christmas "Lights of the Week and/or Decorations of the Week" recognition at a cost of \$24 per yard sign. Maybe a "Yard of the Week" next summer. Motion approved.

Landscape: After a letter was sent to the City of Kennewick regarding Hansen Park safety issues, Aaron met with the Kennewick City Council and discussed solutions. The City was very receptive and seems to be already making improvements.

Website Status: Rachel said the website domain is active (hansenparkhoa.com), the site is nearing completion, and gave the Board a brief review of the site. The remaining components will be uploaded to complete the project.

Common Areas: Shelley noted legal papers have been signed and we now own the common areas in question.

Unfinished Business

Erin and Quinn presented three new options for the Toddler Park: Option 5 retains the poured surface, removes the shade structure, raises the slide, and includes other minor changes, for a cost of \$165,043.26. Option 6 is similar to Option 5 but replaces the poured surface with engineered wood for a cost of \$96,642.99. Option 7 is similar to Option 6 but eliminates the swing set for a cost of

\$74,368.26. The approximate estimate for removal of some trees, replanting new trees, rerouting the sprinklers or removing them is \$12,000. Aaron will research legal issues relative to retaining the swing set. Quinn explained the specifics of the poured surface and engineered wood surface and the approximate cost of adding the swing set at a later date. Sharon asked who determines the preferred option: the Board or a vote of the Homeowners? Tom asked the Board to visit the play structure in Creekstone since their HOA is similar to ours and their play structure seems to be holding up well. The Board decided to table a playground vote until our next meeting.

Karen clarified the change in allowances per the June 2018 report by a prior reserve study provider and the July 2021 and September 2021 Reserve Studies by Accurate Reserve Professionals. Upon the Board's request for a revised study, the September 23rd study was published to update the playground replacement cost information. No significant changes were made except the tree trimming allowances were unfunded with the yearly cost to be absorbed by the Annual Operating Budget. The playground structure allowances significantly increased between the July and September studies. Karen reported that the major funding differences between the 2018 and 2021 reserve studies are due to differences in opinion between the two reserve study providers. She also noted their recommendation is that if the association wants to adjust the special assessment that it hold off on any adjustments until the park project is completed and the next reserve study update is done to reflect what was actually decided on for the park. At that time, the association can reevaluate whether to continue the special assessment or adjust it. This prevents the association from making an adjustment to the special assessment and then realizing after the fact that it should not have made that adjustment because the funds are needed.

New Business

Recording of meetings: Discussion included legal considerations of recording audio only of either Zoom or in-person meetings. Do other HOA's record meetings and if so, what are their procedures especially relative to access and storage? Should our Board purchase its own Zoom account rather than continuing to use Shelley's personal account? Joan will research these issues and report at the next meeting. The vote to approve was tabled until that time.

Bill paying and check issuance procedures: Upon Aaron's request, Laura explained her process and felt it is working well. Payments to companies and individuals are made within two or less weeks after she receives a request. All bills have been paid in a timely fashion unless they are not budgeted and subsequently added to the Consent Agenda for approval. Added: Aaron feels there is differential treatment by Treasurer toward board members. He would like to have flexibility with budgeted items: if the person responsible for that category asks for a check prior to purchasing anything in that category, they should be issued that amount. Added: Laura said nobody was ever handled differently and reiterated her bill-paying process. No action was taken.

Trees: Aaron has three bids and will have it on the Agenda to discuss next month.

Adjournment

Marty moved, members approved and Aaron adjourned the meeting at 10:08 pm.

Submitted and signed: _____

Joan Lewis
Joan Lewis, Secretary

Approved and signed: _____

Aaron Beasley
Aaron Beasley, President

1:09 PM

Hansen Park Homeowners Association

Balance Sheet

11/04/21

As of October 31, 2021

Accrual Basis

	Oct 31, 21	Oct 31, 20	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Hapo	150,050.96	0.00	150,050.96
Community First Bank	49,285.00	32,384.02	16,900.98
Money Market (Reserve)	94,985.50	127,645.55	-32,660.05
Total Checking/Savings	<u>294,321.46</u>	<u>160,029.57</u>	<u>134,291.89</u>
Accounts Receivable			
Accounts Receivable	41,151.48	44,022.38	-2,870.90
Total Accounts Receivable	<u>41,151.48</u>	<u>44,022.38</u>	<u>-2,870.90</u>
Total Current Assets	<u>335,472.94</u>	<u>204,051.95</u>	<u>131,420.99</u>
TOTAL ASSETS	<u><u>335,472.94</u></u>	<u><u>204,051.95</u></u>	<u><u>131,420.99</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	90.07	0.00	90.07
Total Accounts Payable	<u>90.07</u>	<u>0.00</u>	<u>90.07</u>
Total Current Liabilities	<u>90.07</u>	<u>0.00</u>	<u>90.07</u>
Total Liabilities	90.07	0.00	90.07
Equity			
Retained Earnings	180,607.83	252,187.82	-71,579.99
Net Income	154,775.04	-48,135.87	202,910.91
Total Equity	<u>335,382.87</u>	<u>204,051.95</u>	<u>131,330.92</u>
TOTAL LIABILITIES & EQUITY	<u><u>335,472.94</u></u>	<u><u>204,051.95</u></u>	<u><u>131,420.99</u></u>

1:11 PM

11/04/21

Accrual Basis

Hansen Park Homeowners Association
Profit & Loss Budget vs. Actual
 January through October 2021

	Jan - Oct 21	Budget	\$ Over Bu...	% of Budget
Ordinary Income/Expense				
Income				
HOA Dues Income	189,371.00	188,916.00	455.00	100.2%
Title Co Transfer Fees	1,275.00			
Late Payment & Lien Fees	818.00			
Returned Check Fee	20.00			
Total Income	191,484.00	188,916.00	2,568.00	101.4%
Expense				
Bank Service Charges	25.00	50.00	-25.00	50.0%
Business License & Fees	10.00	25.00	-15.00	40.0%
HOA Relations & Promotion	857.64	3,550.00	-2,692.36	24.2%
Infrastructure Repairs	0.00	10,000.00	-10,000.00	0.0%
Landscaping				
Groundskeeper - Contract	91,093.70	109,000.00	-17,906.30	83.6%
Groundskeeper - Add'l	10,158.79	10,000.00	158.79	101.6%
Pond Expense	4,615.56	4,200.00	415.56	109.9%
Total Landscaping	105,868.05	123,200.00	-17,331.95	85.9%
Liability Insurance	3,194.00	3,300.00	-106.00	96.8%
Meeting Expenses	0.00	200.00	-200.00	0.0%
Office Supplies	112.43	500.00	-387.57	22.5%
Postage Expense	2,259.99	3,500.00	-1,240.01	64.6%
Printing and Reproduction	411.90			
Professional Fees				
Property Management Fees	7,200.00	9,600.00	-2,400.00	75.0%
Monthly Bookkeeping Service	4,250.00	5,400.00	-1,150.00	78.7%
Annual Audit	0.00	1,500.00	-1,500.00	0.0%
Yearly Tax Preparation	375.00	400.00	-25.00	93.8%
Reserve Study	868.00	600.00	268.00	144.7%
Legal Fees	409.00	8,941.00	-8,532.00	4.6%
Total Professional Fees	13,102.00	26,441.00	-13,339.00	49.6%
Property Taxes	1,033.57	3,700.00	-2,666.43	27.9%
Utilities				
Gas and Electric	2,193.48	3,500.00	-1,306.52	62.7%
Irrigation Assessments	10,155.90	10,500.00	-344.10	96.7%
Total Utilities	12,349.38	14,000.00	-1,650.62	88.2%
Taxes	17.00			
Website Maintenance	598.86	500.00	98.86	119.8%
Total Expense	139,839.82	188,966.00	-49,126.18	74.0%
Net Ordinary Income	51,644.18	-50.00	51,694.18	-103,288.4%
Other Income/Expense				
Other Income				
5 Yr Reserve Dues	103,000.00	103,800.00	-800.00	99.2%
MMK Interest Income	130.86	156.46	-25.60	83.6%
Total Other Income	103,130.86	103,956.46	-825.60	99.2%
Net Other Income	103,130.86	103,956.46	-825.60	99.2%
Net Income	154,775.04	103,906.46	50,868.58	149.0%

2:02 PM

Hansen Park Homeowners Association

Profit & Loss

October 2021

11/04/21

Accrual Basis

	Oct 21	Oct 20	\$ Change
Ordinary Income/Expense			
Income			
Title Co Transfer Fees	75.00	300.00	-225.00
Late Payment & Lien Fees	818.00	0.00	818.00
Total Income	893.00	300.00	593.00
Expense			
HOA Relations & Promotion	737.64	696.86	40.78
Infrastructure Repairs	0.00	879.66	-879.66
Landscaping			
Groundskeeper - Contract	9,109.37	18,218.74	-9,109.37
Groundskeeper - Add'l	40.00	310.08	-270.08
Total Landscaping	9,149.37	18,528.82	-9,379.45
Office Supplies	87.94	0.00	87.94
Postage Expense	364.53	0.00	364.53
Professional Fees			
Monthly Bookkeeping Service	500.00	450.00	50.00
Reserve Study	67.00	0.00	67.00
Legal Fees	409.00	0.00	409.00
Total Professional Fees	976.00	450.00	526.00
Utilities			
Gas and Electric	211.29	416.79	-205.50
Total Utilities	211.29	416.79	-205.50
Total Expense	11,526.77	20,972.13	-9,445.36
Net Ordinary Income	-10,633.77	-20,672.13	10,038.36
Other Income/Expense			
Other Income			
MMK Interest Income	6.34	14.57	-8.23
Total Other Income	6.34	14.57	-8.23
Net Other Income	6.34	14.57	-8.23
Net Income	-10,627.43	-20,657.56	10,030.13

October 11, 2021

Fellow Hansen Park HOA Board Members:

Dave and I have requested time on the "Visitor Agenda" for the upcoming meeting because as homeowners, we have been very frustrated at the lack of response to my questions and the way that our concerns have been dismissed regarding the playground. Since I have been advised that our time at the meeting will be limited to 3 minutes, there are other issues that I want to address connected to the playground decision during that time. I am therefore providing this list of unanswered questions/concerns regarding the playground and asking you to review and seek answers to them. I will not be going over them at the meeting due to the time limitation but I am hoping that they will all be answered before any vote on proceeding with this project.

I am in support of replacing the equipment and recognize our responsibility to replace a structure that has not been maintained and manage our liability in assuring that no one is hurt on this equipment. I also very much appreciate the work done by Erin Gneitting and all others who have brought us this plan for consideration. That being said, I have the following questions that I would hope that the board would also share, in making this decision:

- **Homeowners that I have spoken with have had a strong negative reaction to the \$200,000 (cost of equipment, installation and ground work) price tag for this project.** Although this is a nice amenity to our neighborhood, it is extremely expensive, rivalling putting in a community pool. Homeowners are concerned that other important projects, that were a part of the original reserve study, will not be completed or that they are being overcharged for reserves if we can afford to spend this kind of money on a small play structure.
- **What was the budget given to the committee to work with in development of this proposal?** The budget should be driven by what the 2019 reserve study dictated, upon which the homeowners based their approval of the current reserve assessment. When I asked this question at the annual meeting, I was told it was \$500,000, This is the entire amount that we would collect in reserves over a five-year period.
- **What are additional options/alternatives to the current proposal?** We received two proposals which are essentially the same, replacing only one small piece of equipment.
 - I understand that we have only one company, GameTime, who can make bids on this type of work. However, our policies require that we have 3 bids to consider when hiring vendors. We should have 3 different options to consider from this vendor.
 - I would like to see an estimate that mitigates our liability but does not expand the playground at this time. What would it cost to replace the equipment just within the existing circle?
 - Although I love the design, the current proposal is not a replacement, it is an upgrade I would like to see a plan that allows us to complete this project in phases. Perhaps just the circle area for now and then add the swings, if the budget allows, in 2- 3 years.

- **The ground surface material makes up approximately 1/3 the price of this project. What are alternatives to this expense?**
 - I have visited HOA playgrounds at Cottonwood and Creekstone, both of which have wood chips and borders. Only city parks, which have significantly more funds, have the very expensive high-level surface that is being recommended. Even the Playground of Dreams is half wood chips
 - HOA playgrounds are considered private playgrounds and do not require this expensive surface.
 - What is the expected maintenance cost and life span of this type of surface? The surface at the Southridge play structure has numerous patches and still has large divets in the surface in need of repair. Who does this work? Will we be hiring a maintenance contractor?

We do not currently own the property on which the playground is located. It would seem prudent to wait to sign any contracts for improving the property until it is legally in the name of Hansen Park HOA. I understand this is "in process" but with the years of delays that we have encountered, I would recommend that we wait until this matter is legally completed.

In closing, I hope that you will consider these points, and seek answers before we proceed. We are all homeowners and are accountable to homeowners, If we can't answer these questions for ourselves and our neighbors when asked, we need to wait until we can.

Respectfully,

Laura Jepsen

Hansen Park Homeowner and HOA Treasurer

----- Original message -----

From: movnboots <movnboots@yahoo.com>

Date: 10/8/21 7:59 PM (GMT-08:00)

To: Aaron Beasley <beasleyllc9@aol.com>, Shelley Clark <shelleyprosser@gmail.com>, Jepson Dave & Laura <jepson700@gmail.com>, Tom & Becky Hall <tnbhall@gmail.com>

Subject: Proposed Toddler Playground Project

The proposed Toddler Playground project that was shared at the Annual HOA meeting on September 21st was all new to me and probably the majority of Hansen Park HOA members.

Since we have not had any monthly HOA meetings in person since the beginning of Covid; and the meetings on Zoom are not announced; with the exception of the Annual meeting where we needed the members to vote. Members were notified by a letter from the Board with the 2022 budget. Our HOA website has been down for quite some time and so there has been no communication to the entire neighborhood since Covid began in February 2020; with the exception of late payment notices and the ballot for the upcoming 2022 budget.

When I resigned from the Welcome Committee Chair position the Board had begun to talk about the need to get the toddler slide replaced. Evidently since the small toddler park was not ADA compliant a committee was formed of 6-7 Hansen Park members. I'm assuming most of the committee members have toddlers so they are interested in having a great park for their kids to play.

On the night of the annual membership meeting I sat and listened to the entire meeting but did not respond to any of the topics. I was absolutely amazed that our Board was considering spending approximately \$170,000.00 - \$200,000.00 for a new toddler park!!! There were maybe 20 HOA members on the Zoom meeting that night; maybe a few less. A well done presentation was given by one of the committee members with toddlers. When a couple of the participants asked questions of why we would spend that amount of money on a playground for toddlers and then told that we need to continue paying an additional \$200.00 per year for another 3 years to pay for some new projects; one being this toddler project and a costly project for the pond, it was stated that we could use our reserve money to pay for it.

The presentation regarding the reserve funds had just been given earlier in the meeting and we were told by the woman talking that it was not necessary for the HOA member to continue paying \$200.00 per year for another 3 years. Aaron or Shelley were quick to say that we still needed to do it because of the money for the toddler park, the pond and some other projects. What happened to the trees needing attention that was very costly?? How will that be paid for in this upcoming year? Much more important than a \$200,000.00 toddler park!!

I believe it would be in the best interest to the members in our entire neighborhood, and for the possibly of legal issues, that this proposal be put on hold until a notice has been sent out to every home in Hansen Park, with pictures of the two options and a breakdown of the costs for each option. An expense of this amount, without any chance for the entire HOA members to learn about and vote on, should not happen. Ideally this should be put on hold until the Board can have a membership meeting in person with a meeting notice sent out at least two or three weeks before the meeting. There is no need for the toddler park to be approved by only the Executive Board.

Spending this much money on something that I believe can be reduced to a less costly play area of no more than \$125,000.00. I know there has to be approved toys for toddlers that could be put in and save our HOA money for other important needs. The cost of the ground cover is insanely expensive! A ground cover of pavers, grass, or shredded bark could be used. I've looked at a few toddler parks around Kennewick and those are the types of ground cover I've seen with the exception of the city owned parks.

We are a smaller HOA, and the Board is given the responsibility of being good stewards of the reserve and dues money. I am asking the Board to not take action by vote at the upcoming Board meeting and vote to put this project on hold until we can have an in person meeting.

Sharon Adkins

Dear Hansen Park HOA Board Members,

I am unable to attend the meeting this week. However, I would like to mention a few items.

First of all, and I may be wrong on this but when I went out to review the minutes from the last meeting, I found that the WEB site appears to have had no activity since January of 1920. If I'm incorrect, I apologize, but if not, why not. I saw from the budget that WEB site maintenance was allotted \$500. I know it's expensive to send out monthly newsletters through the postal system. However, if the WEB site can't be maintained and updated with pertinent information, there needs to be a way to engage more people in the decisions being made, especially financial ones. I would propose a monthly e-mail. I know it's been noted that legally we can't force people to provide their e-mails to the board, but what if we sent a 1-time letter to everyone asking homeowners to voluntarily provide their e-mail information, give them the reason why. With that information you could do a monthly e-mail to let everyone know what's being worked on. Those that don't respond will unfortunately miss out until the WEB issue is resolved.

The redo of the playground and maintenance of the trees were discussed at the last meeting at an approx. cost of \$200K for just the playground and \$15K for the trees. The information provided on the playground sounded like you were getting quotes on only one type of playground surface, which seemed exceedingly high. Were other surfaces that would meet safety standards and longevity looked at? We don't need a Cadillac playground. Were other playgrounds around town looked at that had different surfaces. I would imagine those were done in accordance with safety requirements and might very well meet our minimum requirements at a much lower price than \$200K. If more homeowners knew what the estimate was for this project, they would be shocked. I'm not picking on anyone that's been involved in coming up with these figures, just feel that more research needs to be done. Maybe the playground can be done in increments just like the trees.

Regarding the trees, I recall those were noted in the original reserve study 2 years ago. It looks like specific trees have been painted, I'm sure for specific reasons, but other than that, it doesn't appear that a lot has transpired in saving/maintaining the trees. I believe the trees are a very esthetic part of what makes Hansen Park a beautiful subdivision. In the last meeting the 2022 Budget allowed for \$15k every year for 4 years. That just doesn't seem logical. The trees should be a priority. They could be done over at a minimum 2-year period, not 4.

Lastly, there was a lady at the Zoom meeting last month that explained the Reserve Study. I am not a figures type person. I thought I heard her say that we were actually doing very well at 70% funding and that most HOA's do not fund 100%. That being the case, could the HOA decrease the reserve yearly homeowner fee to \$100 or less for the remaining 3 years?

It may not sound like it, but we do appreciate all that the Board is doing. Somehow it just needs to get publicized out to the homeowners so we can have a more informed HOA and be able to provide sensible, positive and financial feedback.

I would appreciate a response to this letter.

Rita & Jerry Magnaghi

712 S Idaho Pl.