

May 11, 2007

To: Members of Southfork Homeowners Association

From: The Board of Southfork Homeowners Association

RE: Minutes of Annual Meeting held on April 19, 2007

27 Homeowners were represented at the meeting, including all five Board Members. This is an increase of one over last year's attendance of 26. Board President, Pat Eppright, began the meeting at 6:30pm

- **Introduction:** A review of the projects accomplished during the past year was reviewed. These include replacement of plants along entry boulevard and new bark; fence cleaning and staining; cleaning and re-graveling of easement between lots 34 & 35. The President also noted that currently there are four houses for sale that are all listed in the low to mid \$400,000 price range, which is an indication that this community is a desirable one. Over the past year, we have also had at least three homes sell within that price range.
- **Financial Report:** A Financial Report was handed out to all in attendance and was reviewed by Treasurer Kevin Lewis.
 - **Dues Increase:** Total expenditures for 2006 (\$20,009.31) exceeded the total income from dues (\$18,791.43). This was in large part due to the re-staining of the fence project that cost \$5,647.20. This is not a yearly expenditure and will need to only be done periodically (every three years or so). The Board presented that there is still a need to increase the dues by the allowed 5% in order to continue to build up the reserve fund. Dues will now be \$259.00 for the twelve-month period from June 1, 2007 to May 31, 2008.
 - **Delinquency:** Please be advised that the CC & R's allow the Board members of the Southfork Homeowners Association to impose a one time 5% late fee after ten (10) days delinquency. The CC & R's also allow the Board to charge 12% interest per annum after a 30-day grace period (*Article 8 Section 2*). The grace period will end on July 31, 2006. **The imposition of late fees and interest will be strictly enforced.** You are reminded that at the time of purchase all homeowners signed and agreed to adhere to the CCR's, which includes paying your dues by the due date. A homeowner put a suggestion forth in attendance that perhaps the services of a collection agency may be necessary for those homeowners that do not pay.
- **Community Drainfield:** presented by Wendy Morse, Secretary
The neighborhood is on a community drainfield system, which is referred to in the industry as a LOSS system; which stands for Large On-Site Septic system. Each homeowner has a septic tank on their individual lot. The wastewater from each system, or effluent, goes out to one of nine pump chambers/tanks located on 143rd Avenue East, next to lot 76. When one of the chambers or tanks is full, the wastewater is pumped out to the drainfield. The original developer of Southfork signed a maintenance agreement with Pierce County Health Department for each of the drainfield systems. The Pierce County Health Department has not "enforced" this agreement since it was signed in 2001 due to lack of a system of enforcement. Recently, the Pierce County Department of Health has begun to inventory all of the LOSS systems under their jurisdiction in preparation for the enforcement of these agreements. Sometime at the end of the year or

the beginning of 2008, Pierce County will bill the homeowner associations a yearly fee of \$10/per connection for the maintenance of the inventory. What this means for Southfork is another annual expense of \$760. With this new fee, Pierce County will also require to have on file a copy of an annual inspection report for each drainfield system – we have nine drainfield systems. What this translates into for Southfork is another annual fee of approximately \$1,200 to have the drainfields inspected by Pro-Vac (cost is estimated on prior years billing amount). Please note that this is not a requirement for homeowners to have their individual septic tanks, located on their lots, inspected annually. For optimal performance, it is not recommended to have your individual septic tank pumped every year. It is recommended that you check your filter regularly and clean it as needed.

Andy Sturdivant from Pro-Vac was also present to answer homeowners' questions regarding septic system maintenance. Andy left handouts containing valuable information with the board members, along with business cards. Please see one of the board members if you would like a copy of any of this information.

- **Projects List for 2007:** As stated in the newsletter sent out in March there are still projects that need attention throughout the neighborhood. They are as follows:
 - Easement cleaning of two remaining common easements. Project cost is \$1,500 for the smaller one and \$3,000 for the larger one leading out to trail.
 - Landscaping and irrigation along boulevard strip: replacement of missing and dying plants and expand irrigation system. Bid from current landscaper \$4,000.
 - Regravel in front of mailbox area – cost unknown.

Homeowners who were present at the meeting were asked to prioritize these projects and twelve lists were turned in. The enclosed list is an interpretation of their priorities of the projects and some new suggestions. The members of the board and several homeowners suggested that a special assessment be issued so that all the projects could be completed once and for all. If we could pass a special assessment to cover our projects, then we could actually save money from our dues each year. Our annual expenses run about \$14,000 and we will collect about \$19,000 in dues. So we could save about \$4-5000 per year. What we would need is only \$135 per household. That would give us just over \$10,000 to get the neighborhood into shape this summer, as well as keep a cushion in the bank for unknowns, such as the septic. Enclosed is a ballot. We would like everyone to return your vote so we can see if we have sufficient support to move forward with the upkeep of the neighborhood. Please feel free to drop your ballot off at the home of Wendy Morse (lot 28) on the front porch if you would like to save a stamp, or you could include your ballot with your dues check mailed to the post office box. We would like to have the vote counted before June 1.

- **Board Nominations:** It was announced that we are seeking a third board position to fill out the rest of the term for Bill Abram who has sold his home and will be leaving by June 1. The remainder of his term is for one year only. Nominating ballots were sent out with the newsletter mailed to each homeowner in March, however, only a few ballots were returned before the Annual meeting with only two new nominations. One of the nominees was not consulted prior to the nomination and that person has declined. There were two nominations at the meeting. Although a vote was held at the meeting there were insufficient ballots returned at the meeting.

Since there are three positions to fill and there are only three nominees, we are pleased to announce Southfork Estates newest board members:

- Pam Martin lot #60
- Keith Anderson lot #40
- Norman Minarsich lot #52

The three new members will be joining Kevin Lewis and Sarah Lysene. The new members will assume their new duties in June at the next board meeting.

- **Construction Projects** – Pat Eppright

Several suggestions were made as to corrective measures that could be taken to encourage homeowners to follow through on construction projects that are visible to neighboring properties, as the Board does not have authority to place a lien against a homeowner for failure to complete a project unless there is money involved. The first suggestion was to require a homeowner seeking the approval of the Board for a project to take out a bond to cover the cost of the project to ensure completion of the project. The second suggestion was to establish a fine schedule. A committee has been formed to look into this option, but unless the neighborhood votes to add this to the CCR's, the committee has not gotten back to the Board with any suggestions. Both measures would require a vote of the neighborhood to incorporate into the CCR's. Both suggestions are on the enclosed ballot. Please vote so that we can gauge what the neighborhood desires to have put in place.

- **Special Committees:** In an effort to promote a sense of community and neighborhood, there were sign-up sheets available for the following committees: **landscaping, garage sale and social activities**. We had formed the same committees last year but not much happened with them. It is believed that these committees were unsuccessful because there was no established chairperson. Enclosed is a list of the committees and the people who have signed up for them. If you would like to join one of these committees, please let one of the Board members know or contact someone on the list.

- **Communication:**

- The website is still up and running! Please note that the address is an “.org” address not a “.com”: www.southforkstates.org. Note that there is an email address for homeowners to correspond to the Board.
- Anything concerning money issues, such as dues, will be sent via the US Post Office.

- **Garage Sale** – the date has been set for June 29th – July 1. If you have any questions please contact Kevin or Jessi Lewis (see attached list).

- **Open discussion:** The floor was opened for general discussion. Two topics were raised:

- Road problems at the end of the main cul-de-sac on 142nd Av E. and in front of lot #2. A homeowner volunteered to contact the road department to find out about getting the hole and buckling problem fixed. The Board will keep the membership apprised of any new developments via minutes of monthly meetings.
- Rust in roadway: 17 homes currently have an issue with rust running out of the bubbler into the street. It was suggested that trenching down the gravel shoulder to bring the bubbler closer to the storm drains might be a solution. Several homeowners were willing to help those 17 homes with this project. Pat Eppright suggested that a committee be formed to look into possible solutions and the cost. If you are interested in helping with this problem please contact a board member.