

Cougar Ridge Homeowners Association
Annual Meeting Summary
December 3, 2020
Virtual Google Meet

President Barry Olson welcomed attendees at 7:05, with a total of 9 lots represented, plus 7 board members, at the virtual meeting.

Pat and Terry Barber, the HOA inspectors of the elections, reported that 43 ballots had been returned as of December 3 afternoon. This meets the quota of 34% needed. The deadline for ballots is midnight on December 7.

Welcome Cougar Ridge Neighbors!

2020 has been a busy and eventful year

- The Water System Committee has maintained and updated our system.
- The Financial Planning Committee has reviewed our business management and supported our long-term planning.
- The Architectural Review Committee has worked with you in planning and approval of new construction and improvement projects.
- The Landscape Maintenance Committee has kept our neighborhood beautiful.
- A new website has been created for the neighborhood:
<https://www.cougarridgehoa.com/>

Cougar Ridge Neighborhood 2020 Committee Volunteers - THANK YOU!

Architectural Review

Ben Davidson, Chair; James Ashley-Cole; Mike Burnett; Aaron Pershall

Finance

Julie Corwin, Chair; Judy Lundgren; Lloyd Moody; Pete Valinske; Christine Burnett

Newsletter

Pat Barber, Editor

Water System

Pete Valinske, Lead; Lloyd Moody; Rick Noble; Aaron Pershall

Landscape Maintenance

Judy Lundgren, Co-chair; Barb Valinske, Co-chair; Chuck Lundgren; Pete Valinske; Lloyd Moody

Website

Cheryl Matern

Thank you, 2020 Board of Directors

Barry Olson, President

Pete Valinske, Vice President / Water System Management

Barb Valinske, Secretary / Landscape Maintenance Committee

Judy Lundgren, Treasurer / Landscape Maintenance Committee

Lloyd Moody, / Water Committee, Finance Committee, Landscape Committee

Tom Coit, replacing Susan Bogni

Debbie Wigand, replacing Alejandro Sanchez

Financial Planning Report

HOA 2021 Financial Study Key Points

COUGAR RIDGE HOA	EOY 2020 BUDGET	EOY 2021 FORECAST	EOY 2022 FORECAST	EOY 2023 FORECAST	EOY 2024 FORECAST	EOY 2025 FORECAST	EOY 2026 FORECAST	EOY 2027 FORECAST
EOY FORECAST TARGET RESERVES								
HOA Reserve Goal (75%)	\$ 72,530	\$ 86,190	\$ 92,448	\$ 98,922	\$ 105,618	\$ 112,542	\$ 119,701	\$ 127,101
HOA Operating Cash Reserve	\$ 1,879	\$ 2,630	\$ 2,694	\$ 2,761	\$ 2,831	\$ 2,905	\$ 3,051	\$ 3,203
TOTAL EOY FORECAST TARGET RESERVES	\$ 74,410	\$ 88,820	\$ 95,142	\$ 101,683	\$ 108,449	\$ 115,447	\$ 122,752	\$ 130,304
EOY Forecast Reserve Balance	\$ 60,375	\$ 63,595	\$ 67,474	\$ 72,044	\$ 77,339	\$ 83,394	\$ 90,247	\$ 96,935
HOA EOY TARGET RESERVES (SHORTFALL)/ EXCESS	\$ (14,034)	\$ (25,225)	\$ (27,668)	\$ (29,639)	\$ (31,110)	\$ (32,053)	\$ (32,505)	\$ (33,369)
HOA PERCENT FUNDED	81.1%	71.6%	70.9%	70.9%	71.3%	72.2%	73.5%	74.4%

Water System 2021 Financial Study Key Points

COUGAR RIDGE WATER SYSTEM	EOY 2020 BUDGET	EOY 2021 FORECAST	EOY 2022 FORECAST	EOY 2023 FORECAST	EOY 2024 FORECAST	EOY 2025 FORECAST	EOY 2026 FORECAST	EOY 2027 FORECAST
EOY FORECAST TARGET RESERVES								
Water System Reserve Goal #1 (100%)	\$ 70,153	\$ 72,295	\$ 80,388	\$ 88,776	\$ 97,467	\$ 106,471	\$ 115,796	\$ 118,694
Water System Reserve Goal #2 (70%)	\$ 276,370	\$ 262,448	\$ 254,633	\$ 247,249	\$ 240,333	\$ 255,115	\$ 270,392	\$ 286,178
Water System Operating Cash Reserve	\$ 17,301	\$ 21,262	\$ 19,187	\$ 18,678	\$ 12,637	\$ 11,986	\$ 12,430	\$ 12,897
TOTAL EOY FORECAST TARGET RESERVES	\$ 363,824	\$ 356,004	\$ 354,208	\$ 354,703	\$ 350,438	\$ 373,572	\$ 398,618	\$ 417,768
EOY FORECAST RESERVES BALANCE	\$ 212,113	\$ 204,301	\$ 210,278	\$ 222,023	\$ 261,998	\$ 305,372	\$ 350,454	\$ 397,452
WS EOY TARGET RESERVES SHORTFALL/EXCESS	\$ (151,710)	\$ (151,704)	\$ (143,930)	\$ (132,680)	\$ (88,440)	\$ (68,201)	\$ (48,164)	\$ (20,317)
WS PERCENT FUNDED	58.3%	57.4%	59.4%	62.6%	74.8%	81.7%	87.9%	95.1%

reserve goal met end of 2028

CRHA 2020 / 2021

<u>INCOME</u>	<u>2020 Budget</u>	<u>End of Year Estimates</u>	<u>2021 Budget</u>
TOTAL INCOME	\$ 21,594	\$ 22,030	\$ 22,953
EXPENSES *			
Administration	\$ 800	\$ 607	\$ 800
Capital Improvement	\$ 3,500	\$ 3,088	\$ 0
Community Property Maintenance	\$ 5,500	\$ 5,594	\$ 7,000
Insurance	\$ 1,450	\$ 1,465	\$ 1,550
Office Expenses	\$ 2,200	\$ 1,372	\$ 3,000
Professional Services	\$ 6,000	\$ 1,910	\$ 6,000
Taxes, Licenses & Fees	\$ 650	\$ 997	\$ 1,200
Capital Reserves	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL EXPENSES	\$ 21,100	\$ 16,033	\$ 20,550

* Expenses estimated through December 31, 2020

CRWS 2020 / 2021

<u>INCOME</u>	<u>2020 Budget</u>	<u>End of Year Estimates</u>	<u>2021 Budget</u>
TOTAL INCOME	\$ 68,383	\$ 72,531	\$ 74,089
EXPENSES *			
Depreciation	\$ 1,142	\$ 1,142	\$ 1,142
Insurance	\$ 5,800	\$ 5,919	\$ 6,225
Capital Improvement	\$ 36,000	\$ 34,523	\$ 44,000
Taxes, Licenses & Fees	\$ 1,500	\$ 1,365	\$ 1,500
Utilities	\$ 6,400	\$ 5,124	\$ 6,000
Maintenance	\$ 8,000	\$ 2,752	\$ 8,000
Management / Pass through	\$ 10,000	\$ 7,700	\$ 7,500
Capital Reserves	\$ 10,680	\$ 10,680	\$ 10,680
TOTAL EXPENSES	\$ 79,522	\$ 69,204	\$ 85,047

* Expenses estimated through December 31, 2020

Treasurer's Report**Accounting Updates**

- Continued to simplify accounting system and procedures.
- Opened additional Capital Item Reserve Account CD.
- 2021 Notice of Fees & Billing Policy sent to members.

Account Balances**Homeowners' Association**

WSECU checking/savings	1,343.41
WSECU MMA/savings, CDs	46,264.63
Total	\$47,608.04

Water System

WSECU checking/savings	1,685.08
WSECU MMA/savings, CDs	57,351.11
Oly Fed Capital item Reserve CD	52,664.55
Total	\$211,700.74

Capital Item Reserve Assessments/Accounts - October 30, 2020**HOA Capital Item Reserve CD Accounts**

WSECU	5852 S-32	15,386.83
	5832 S-33	10,210.84
	5852 S-34	10,079.33
Total		\$35,677.00

\$72,939.22 Total Water Capital Item Assessments collected since 2014**Water Capital Item Reserve CD Accounts**

OLYFed	2045	52,664.55
WSECU	1118 S-31	21,124.80
WSECU	1118 S-33	23,768.49
WSECU	1118 S-35	20,650.89
WSECU	1118 S-36	20,421.62
WSECU	1118 S-37	20,254.87
WSECU	1118 S-38	20,158.61
Total		\$179,043.83

2021 Assessments & Fees

- HOA Annual Assessment \$237.00 (5%increase)
- Water Usage Fee \$50.50/month (\$151.50/quarter)
- Water System Reserve Assessment stays at \$30.00/quarter (\$120/year) - Backflow testing charge \$8.75 /quarter (\$35/year)
- Streetlight Reimbursement stays at \$15.02 per light per year

Water Committee

Water Usage

Water meters are being read monthly.

- Current system leakage is <3%.
- 15 – 20% leakage is common for domestic water systems.

This year, through November, we have used ~15 million gallons of water. Our water right is 20.53 million gallons.

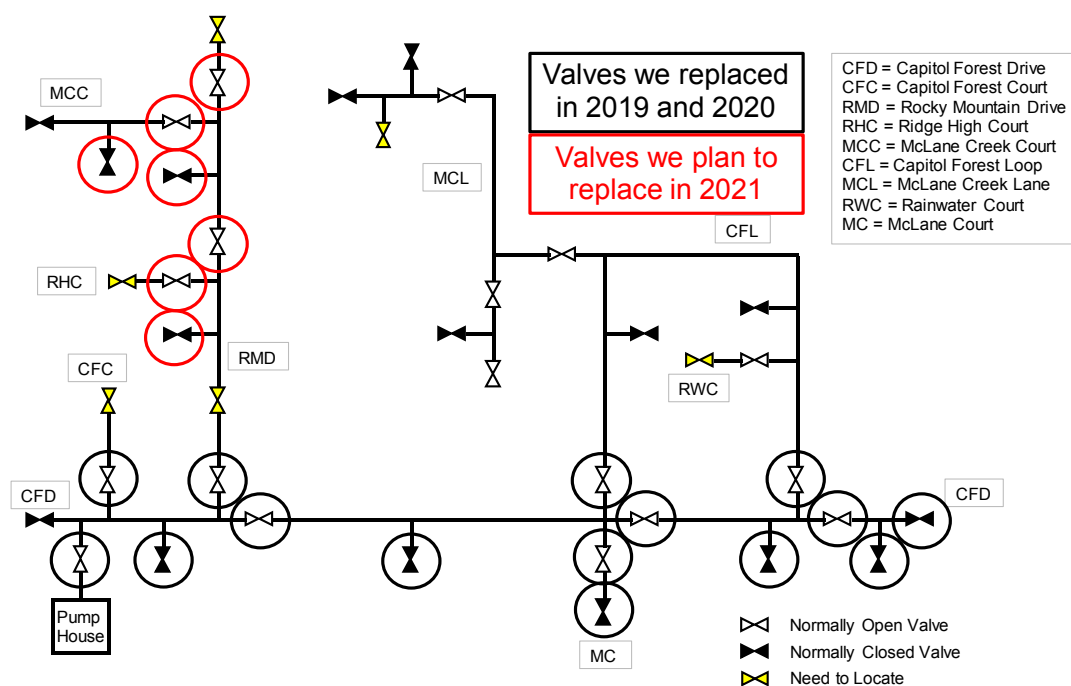
As of this year, we have a new Satellite Management Agency (SMA): H2O Management Services, Inc.

- You might see Drew or Kerry from H2O in the neighborhood collecting water samples.
- This change saved the HOA \$2,400 this year alone.
- Similar savings are expected in upcoming years.

Future Projects

- Replace remaining distribution valves over the next three years.
- Locate, uncover and test the 6 unlocated, buried distribution system valves.
- Upgrade the surveillance system at the pump house.
- Add a roof and siding to the pump house.

Simplified Distribution System Drawing



WE own our water system.

Since purchasing the system, we have made over \$180K in repairs and upgrades.

Architectural Review Committee

- Planning to build a new Structure or making it larger? New roof needed?
- Hardscape, fencing, repainting the house with a new color scheme?
- Questions about other updates?
- Contact Architectural Review Committee - crhoaarclead@gmail.com

Landscape Maintenance Committee

- Planning your new landscape for your new house? Big changes to your current landscape?
- Planning to cut down a large tree or need advice on planting a hedge?
- Other landscape questions?
- Contact Landscape Maintenance Committee - crhoabodlandscape@gmail.com

Landscape Maintenance Committee

- Maintain stormwater ponds and common areas
- Routine maintenance and cleanup
- Thurston Co. Weed Board – invasive weed “Japanese Knotweed” control on Beatty Creek
- Add Preen and bark to control weeds and retain moisture
- Replace burned out lights in streetlights and clean streetlights
- Organize neighborhood cleanup parties for Spring and Fall

The Value of Volunteer Participation

We are fortunate in Cougar Ridge to have low assessment fees compared to many neighborhood HOAs.

This is due to our volunteer Board of Directors, and participation by neighbors who work on the key committees that support the business management of Cougar Ridge. As an example, the landscape maintenance of our Common Areas would cost the association a minimum of \$10,000 annually.

Voting on proposed 2021 budget and the election of the 2021 HOA Board of Directors is taking place by mail.

- Deadline for returning your ballots is midnight, December 7th.
- Votes will be tabulated on December 9th and results sent out to members the next day.
- Voting may be extended if initial ballot returns do not reach the 34% quorum threshold.

Questions and Answers

Q: What do new residents pay to buy into Cougar Ridge water system?

A: \$3,000 per lot

Q: When will we start have to start paying for our water by use?

A: If or when we start hitting the maximum water right usage, which would take a super majority vote to change the water fees to a pay-for-consumption. Or, when Washington state mandates.

The meeting was adjourned at 7:49.

Respectfully submitted,

Barb Valinske, Secretary
Cougar Ridge HOA