



Foxhall Community Association
Budget Ratification Meeting
August 29, 2023
Park 1 6:00 p.m.

Board Members Present:

John McKinnon, Secretary
Alan Vaughn, Treasurer
Karen Dillon, At-large/Facilities
Katie Bundtrock, President
Dave Fleming, Vice President

Foxhall Members in Attendance:

Mary Waltrip
Rob Armstrong
David Toler
Loren Bosshard
Jessica Bradley
John Dana
Greg Darnell
Marcia Due
Tammy Findley
Connie Fleming
Scott Harriage
Joan Hewitt
Judith Anderson
James Morrissey
Bob Parks
Denise Solveson
Carol Vannerson
Susan Veis

Call to Order (Katie)

Katie called the meeting to order at 6:08 p.m. via zoom.

Katie asked if there were objections to the agenda. The agenda was adopted as written without objection.

Katie advised the group to observe the following rules:

- Please respect others and speak one at a time.
- To speak you must be recognized by the chair.
- No one can speak for more than one minute at a time
- No one can speak more than twice on any subject
- If people are not speaking on taking an action or on a motion, maximum debate for 5 minutes.
- Motion Adoption rules:
 - Clarification questions during presentation
 - Then speaking rules as above
 - Maximum debate on any motion is 20 minutes, then vote
 - Should any eligible voter request that a vote be by secret ballot, voting will be by secret ballot.

April 5, 2023 Minutes (John)

*Motion: Approve minutes of FCA Membership Meeting dated April 5, 2023, as posted on the News page of website.
Moved to adopt by Katie. No objections, adopted unanimously.*

Verify members in attendance for minutes (John)

Five board members and 18 community members were in attendance, representing 21 properties.

Statement by the President of the Association: Katie read the following statement:

“As requested by members of the community, the Foxhall Board of Directors have completed a review of our current insurance policies and found that our liability insurance adequately covers all public properties within the community. This is supported by two state laws regarding equestrian use and trail activities. Additionally, we are now members of

the Washington State Community Association Institute, providing us with educational, business and network resources. This will greatly enhance our ability to stay current on laws and policies and reach out to similar communities for resources. We as the board will continue to provide the best service that we can for the community and take steps to make Foxhall a desirable location to live. Thank you.”

Review Budget Process and Adopted Budget (Alan)

Alan reviewed the contents of the 2024 Budget (budget handout, see below).

Alan reviewed the Board’s goals for our Savings Account balance. \$20,000 will function as our own emergency and contingency account. In the past, allowances for legal fees and snowplowing were built into the budget. Yearly expenses for mowing and emergency maintenance are highly dependent on the weather. Also, improvement projects not foreseen at the time of the budget creation were delayed or rejected. Board approval is required for spending that has not already been identified in this budget. The goal is to be able to project budgets with three year averages for maintenance items.

Alan will begin the practice of a formal end of fiscal year accounting. This will establish a definitive surplus or deficit amount that will be set aside for the next budget adoption cycle. For example, the budget surplus generated by the 2022/23 budget will be known by December 2023 and will be applied to the revenue needed in the 2024/25 budget.

Greg asked about the appropriateness of having dues that produce an assessment in excess of the budgeted expenses. Alan explained the concept of having a year zero on the savings balance and our future plans for surplus accounting. The surplus anticipated from the 2022/23 budget will be calculated by the end of this calendar year and set aside for the 2024/25 budget.

Dave Toler had reservations for a budget that does not appear to balance. He suggested simply allocating the excess revenue into the reserve fund in order to balance the budget.

Dave Fleming responded that some of our needs do not match those named in the current reserve study, and therefore having a well-funded savings account can provide more flexibility in funding projects.

Rob stated support for budget as adopted, accounting for unexpected mowing expenses last year and moving the legal contingency to savings.

Budget Ratification

Voting instructions were given and the balloting period was opened.

Ballots were collected, the balloting period ended, and the proctors gathered to process the ballots.

Facilities Update (Karen)

Karen presented a facilities report.

New Business (Katie)

Katie described the new meeting schedule – the board will meet on the second Thursday of each month, beginning in October. September’s meeting will take place on the 21st.

Member Comments

Rob thanked board and volunteers who organized the weed removal.

Denise asked about the status of a letter to the insurer.

Tammy asked for a copy of the application for insurance.

Rob stated that there have been a number of board presentations on the insurance policy explaining the details and adequacy of our coverage.

Ratification Results

Vote results: 19 in favor of the adopted budget for 2023/2024, none opposed. Two ballots invalidated. The adopted budget was therefore ratified.

Other business:

One member asked about how many people responded to the budget survey. The answer is that 11 members responded to the survey and that a link to the collected responses were posted on the News page of the website.

Adjournment

Katie adjourned the meeting at 7:08.

Minutes prepared by John McKinnon.

These minutes were approved at the annual Membership Meeting on April 11, 2024.



**Foxhall Community Association
2024 Budget
Adopted by the Foxhall Board of Directors on August 3, 2023**

Adopted 2024 Budget for the Fiscal Year (FY) October 1, 2023 – September 30, 2024

The adopted budget is based on the current projections with the following details:

- Administrative and Operating Expenses: legal and professional fees, previously included as a contingency will now be drawn from savings, if necessary, with board approval;
- Repairs and Maintenance of Common Areas: includes materials requested by the Trails Committee; snow removal expenses, previously included as a contingency will be drawn from savings, if necessary, with board approval;
- Improvement Projects: road signs and retention pond trash gates to be funded from current budgeted funds; final skirting/weatherizing to support poles on picnic shelter to be funded through this 2024 budget.
- Reserve Fund Contributions: described in the Funding Plan below;
- A dues assessment of \$330 per lot, due on October 1st, 2023.

RCW 64.90.525 mandates that dues and assessments are now part of the budget approval process. The dues amount specified in the bylaws is now superseded by the dues incorporated in the budget process (RCW 64.90.080(2)).

Current Financial Status

Heritage Bank Balances, 8/3/2023

Checking:	\$5,991.65
Savings:	\$23,700.49
Reserve Fund:	<u>\$34,972.37</u>
Total:	\$64,664.51

Reserve Funding Plan

The Board resolution passed in March 2022 set a goal to reach >70% of full funding (considered to be “strong” funding) by 2030. Of the funding options recommended by the Reserve Study consultant, the Board chose to adopt the “Full Funding Within Ten Years” plan as being closest to achieving the Board’s funding goal. The table below from the March 2022 study update shows recommended contributions and upcoming expenses through the year 2030. The need for Make-up Funds is projected to end in the year 2033 if carried out to achieve 100% of full funding. Our Reserve Studies are posted on the [Members](#) page of our website.

TABLE 4.5: RESERVE FUND BALANCE SHEET

	2022	2023	2024	2025	2026	2027	2028	2029	2030
FULL FUNDING WITHIN 10 YEARS									
Beginning Reserve Balance	27,742	34,727	43,187	51,912	60,909	70,187	79,755	58,387	64,209
Full Funding Annual Maintenance Funding	6,452	3,139	3,233	3,330	3,430	3,533	3,639	3,748	3,861
Planned Special Assessments / Make up Funds		4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Annual Total Property Contribution to The Reserve Fund	6,452	7,689	7,783	7,880	7,980	8,083	8,189	8,298	8,411
Average Monthly Contribution to the Reserve Fund per Unit	5.12	5.25	5.32	5.38	5.45	5.52	5.59	5.67	5.74
Annual Capital Expenses	-	-	-	-	-	-	30,924	3,690	10,446
Interest Income	533	771	942	1,117	1,298	1,485	1,368	1,214	1,264
Ending Reserve Balance	34,727	43,187	51,912	60,909	70,187	79,755	58,387	64,209	63,438
Percentage of Full Funding	50.0%	53.5%	60.7%	67.2%	73.2%	78.6%	76.9%	82.9%	87.7%

Yellow Highlighted Cells Represent Make-Up Funds

Reserve Fund Disclosures:

- The Level 3 reserve study dated March 10, 2022, from which, this data was extracted meets the qualification of WA State RCW 64.09.550. An update of this reserve study is expected this fall.

Reserve fund account balance as of 8/3/23 is: \$34,972.37. Compared to the target for the end of calendar year 2022, the Foxhall Community Association is at 50% of full funding. The budgeted contribution of \$7,783, if made by the end of 2023, would bring the fund balance to \$42,755, 53% of full funding. This represents a deficit of \$311 per lot.

**Foxhall Community Association Adopted FY 2024 Budget
Expense Details**

	FY 2023		FY 2024
BUDGET CATEGORIES	Adopted	Actuals	Adopted
	8/2/2022	Proj. to 9/30	8/3/2023
ADMINISTRATIVE AND OPERATING EXPENSES			
County & Federal taxes	800	739	800
State Licenses and Fees	30	65	65
Miscellaneous (ballots, bank charge, etc.)	100	50	100
Postal Mailing Box rent	220	198	220
Treasurer Software & Expenses	500	394	500
Admin. Supplies	150	0	150
Mailings	800	100	800
Web Site & Zoom	500	210	500
Picnic	400	352	400
Insurance - General Liability (BLS)	1,650	2,036	1,800
Insurance - Directors & Officers	2,200	2,444	2,600
Insurance - D&O lawsuit contingency	0	0	0
Insurance - Umbrella Policy (ESO)	1,550	1,465	1,600
<Insurance Sum/Subtotals>	5,400	5,945	6,000
Legal and Professional Fees	2,500	0	0
<<Subtotal, Operating Expenses>>	11,400	8,053	9,535
REPAIRS & MAINTENANCE OF COMMON AREAS			
Park 1 Mowing & Maintenance x13	7,500	2160	3,650
Park 2 Mowing & Maintenance x10	1,500	935	2,850
Retention pond Mowing & Maintenance	2,700	960	2,500
Trail Mowing x5	2,800	1288	2,200
Trail Safety & Maintenance	3,400	3400	4,000
Main Entrance Water & Maintenance	1,000	450	750
Winter Snowplow Roads	100	0	100
<<Subtotal, Repairs/Maintenance>>	19,000	9,193	15,950
IMPROVEMENT PROJECTS			
Picnic Shelter (FY23)	3,000	3000	0
Road Signs (FY23), Trash Gates (FY23), Picnic Shelter (FY24)	1,510	0	1,000
<<Subtotal, Improvements>>	4,510	3000	1,000
RESERVE FUND			
Replenishment of Reserve Fund	7,214	7,214	7,783
TOTAL EXPENSES	\$42,124	\$27,460	\$34,268

**Foxhall Community Association FY 2024 Adopted Budget
Expense, Revenue and Balance Summary**

	FY 2023		FY 2024
BUDGET CATEGORIES	Adopted	Proj. Actuals	Adopted
	8/2/22	Proj. to 9/30	8/3/23
ADMINISTRATIVE AND OPERATING EXPENSES			
<Insurance Sum/Subtotals>	\$5,400	\$5,945	\$6,000
<<Subtotal, Operating Expenses>>	\$11,400	\$8,053	\$9,535
REPAIRS & MAINTENANCE OF COMMON AREAS			
<<Subtotal, Repairs/Maintenance>>	\$19,000	\$9,153	\$15,950
IMPROVEMENT PROJECTS			
<<Subtotal, Improvements>>	\$4,510	\$3,000	\$1,000
RESERVE FUND			
Replenishment of Reserve Fund	\$7,214	\$7,214	\$7,783
TOTAL EXPENSES	\$42,124	\$27,460	\$34,268
TOTAL REVENUE (\$330 dues per lot)	\$40,260	\$40,260	\$40,260
PROJECTED BUDGET BALANCE Surplus or (deficit)	(\$1,864)	\$11,720*	\$5,992

* Actual surplus to be determined through end of fiscal year accounting. Currently held in savings account.