

SUNRISE PLACE HOMEOWNERS ASSOCIATION
ANNUAL MEETING MINUTES

Minutes of: Annual Meeting

Date of Meeting: Wednesday, November 13, 2019

Time of Meeting: 1900

Place of Meeting: Luke Jensen Sports Park

Meeting called to order at 1904 by Roger Nowicki, President.

A. ROLL CALL:

In Attendance/Signed Proxy's: Angel Wu, April Delaney (Secretary, Acting VP and Architectural Review Committee), Barbara Richards, Brian and Dahlia Swearer, Cynthia Nickel, Michelle Gorham, David Kleinschmidt, Heather Hunt, Jennifer Fierro, Joanie Taylor, Juan and Elicita Gamino, Leo Kan, Craig Ellis, Stephanie Crowley, Michelle Martinez, Nina Mortensen, Marge Swearer (Treasurer), Nate Swearer (Bookkeeper), Shaun Parks, Roger Nowicki (President), Kris Nowicki (Architectural Review Committee), Ron and Marty Bremner, Suky Wan, Byron Bocker, Tamara Snyder, Tim Doran, William (Bill) Love.

In Attendance: 28 (including signed proxy's)

Total Homeowners: 48

Percentage: 58%

Quorum Achieved.

B. Proof of Notice of Meeting or Waiver of Notice

The letter of the Annual Association Meeting was dated and sent to homeowners on October 29th, 2019. The Annual Meeting Notice and Proxy Vote Assignment were also included.

C. Reading & Approval of Minutes of Preceding Meeting

The previous meeting minutes dated October 17th, 2019 were read by Secretary April Delaney. Marge Swearer motioned to approve the minutes. Second by Bill Love. Approved unanimously.

D. Report of Officers

1) President's Report: Roger Nowicki, President:

- a) Reserve Study - The reserve study was completed in 2017 by Reserve Study Group. The Association paid the company \$1600.00 to complete the study. An immediate return visit is not available due to the price. However, another study must be completed in 6 years (2023). At present, Nate has developed a long-term projection model that tracks where we stand to meet financial goals every year.

2) Financial Report: Nate Swearer, Bookkeeper

As of October 31, 2019...

a) Profit Loss Statement - Operating income ended in a surplus of \$16,839.

All expenses so far are normal, expected, and within budgeted limits except for landscaping. Three major projects normally covered by reserve funds were paid for by regular operational funds: Fountain and Entrance Stone Replacement (\$750), Tree Pruning (\$2,160), and Bark Dusting (\$1,734). Even with the additional \$4,644 in expenses, projected year-end surplus is \$22,031. The target to cover long term expenses is \$24,188. We are on pace to make 91% of target.

***Year-to-Year trends:**

- Total income is steadily rising due to passage of Reserve Assessment.
- General & Administrative expenses have decreased considerably.
- Sprinkler expenses have decreased considerably.
- Supply expenses have increased slightly and will be monitored next year.

b) Balance Sheet - Total balance for Umpqua Bank accounts stood at \$48,024, \$6,002 Operating and \$42,022 Reserve. All deposits have cleared. Accounts Receivable was -\$1,999 and there were no liabilities.

***Year-to-Year trends:**

- Reserve funds have increased by almost 200% since December 2017.
- Accounts receivable have decreased by \$4,420 since 2016.
- Liabilities continue to remain at \$0.

c) Accounts Receivable Report - Net accounts receivable stood at -\$1,999.66. \$2,937.84 was paid in advance and \$938.18 was overdue. Three accounts were past 90 days and demand letters have been sent. All other accounts are in good standing.

d) Umpqua Bank Statements - QuickBooks ledger balances for operating and reserve funds have been reconciled to match bank statements.

***Questions & motions posed by homeowners:**

What is covered by the association for roof repair, maintenance vs. replacement?
When will roofs be replaced?

Discussion: A letter was sent to all homeowners on May 19, 2019 to explain what is covered by the association and what each homeowner is responsible for. A copy of that letter is included in these minutes for brevity. The Proposed Budget Plan was a 30-year plan to cover Reserve Expenses based off the Reserve Study. If each projected surplus is met annually, there will be enough Reserve Funds to cover 100% of the Reserve Expenses through 2047.

When will gutter and roof cleaning be done next?

Discussion: The Board will contact a new company within the next month and may complete prior to end of the year.

Checks written by the Board & internal controls

Discussion: It was proposed to have two signers on any check written by the Board/HOA over \$1,000.00. These individuals cannot reside within the same household or be related. While the Bylaws are not allowed to be amended without proper notice and consideration, the Board did agree to adopt the practice. Bill Love motioned. Cindy Nickel, second. Approved unanimously. These minutes will be provided to Umpqua Bank.

Transferring Access Operating Funds to Reserve Account

Michelle Gorham motioned to move all but \$2,000.00 from Operating to Reserve. Cindy Nickel, second. Approved Unanimously.

Investing Reserve Funds

It was also discussed to start looking into a money market account or interest bearing to maximize our Reserve funds.

Motion to approve the Financial Report by Joanie Taylor, Michelle Gorham second. Approved Unanimously.

3) Budget for 2020:

Come January 1st, 2020...

- Reserve Assessment will increase by \$5.00 per the Proposed Budget Plan passed in 2018
- Operational Expenses will increase by 3%
- Reserve Expenses will include Roof & Gutter Cleaning

Motion to approve budget by Elicita Gamino, Kris Nowicki second. There was open discussion regarding the importance of increasing the Reserve Assessment as originally passed in the Proposed Budget Plan. Approved Unanimously.

E. Reports of Committees

1) Architectural Review Committee:

- a. Kris Nowicki spoke on behalf of the committee, (Kris Nowicki and April Delaney). Homeowners on the North side of 80th street were notified of their need to paint and to pressure wash their vinyl siding this past year. All but three homes are completed. Two homeowners have been in contact with the Board with their intentions. Only one homeowner, (Ted and Vicki Williams) have yet to contact. A certified letter will be sent to them informing them of the next step in the process and the potential to have a lien eventually placed on their property. Roger Nowicki would like to speak

to them. However, emails are reading "return to sender" and there have been no voice responses either.

- b. Paint color requires prior approval! If you wish to change the color of your house, please contact the Architectural Review Committee. Doors must be repainted as well.
- c. The South side of 80th Street and the four houses on the East side of 81st Circle were selected for painting in 2020. They are being notified via these minutes and will also be notified through direct contact of their need for painting and pressure washing vinyl siding. Official notification will be sent out beginning of 2020.
- d. The Board has a pressure washing extension wand for use. If you would like to borrow it, please contact sunriseplaceHOA@gmail.com.
- e. Several homeowners who recently painted their homes used a company called Petra Home Services. Contact: Peter Mancina at 360-721-5943 or p.mancia@petrahomeservices.com. These homeowners were happy with the results and any repairs that were needed were also included in the pricing.

F. Appointment of Inspectors of Election (In the Event there is an Election)

There was no election.

G. Election of Directors (In the Event there is an Election)

All Board positions were up for election. However, there were no nominations or immediate interest in open positions. The Board requested volunteers. After discussion, Joanie Taylor & Michelle Gorham volunteered.

- Motion to approve April Delaney as President by Kris Nowicki, Cindy Nickel second. No objections. Approved Unanimously.
- Motion to approve Michelle Gorham as Secretary by Elicita Gamino, Bill Love second. No objections. Approved Unanimously.
- Motion to approve Joanie Taylor as Vice President by Michelle Gorham, Bill Love second. No objections. Approved Unanimously.
- Motion for Marge Swearer to remain as Treasurer & Nate Swearer as Bookkeeper (Member At-Large) by Roger Nowicki, Second by Kris Nowicki. No objections. Approved Unanimously.

*We would like to thank all Board Members for their diligent volunteer service. We would especially like to thank Roger Nowicki for his service these past years as President. Roger has volunteered to assist as "Advisor to the President" as well as continue to be employed by the association to maintain the sprinkler system, etc. No objections.

H. Unfinished Business

See "Questions posed by Homeowners" under section D number 2.

I. New Business

Motion to approve the current Board a dinner together with their families by Joanie Taylor, second Michelle Gorham. This is similar to the dinner in 2018 except the homeowners agreed to up the price limit from \$25 each to \$50 each. This is as a "thank you" for the voluntary service for the year. Approved Unanimously.

J. Adjournment

Michelle Gorham motioned to close the meeting. Marge Swearer second. Roger Nowicki thus closed the meeting at 2038.

There will not be an open meeting in December. The Board may meet separately. The next meeting is TBD for January 2020 and ample notice will be given of the date/time/location. All are encouraged and welcome to attend. We thank everyone who attended our annual meeting and sent in their proxy.

April Delaney

Secretary

11/26/19