



Sunlight Waters CC Board Meeting Minutes

Call to order

A meeting of the Sunlight Waters Country Club Organization executive board was held at the meeting room in the clubhouse on October 13, 2018.

Call to order was late, at 10:18, because Jeannine couldn't connect to the office wireless network, which is needed to allow remote attendees. Kym Codomo volunteered her phone as a mobile hotspot. Thank you Kym!

Attendees

Roll call: Jim Moehring (vice president, and chair of the meeting), Val Barschaw (treasurer), Dan Fisher (president, participating remotely via Skype), Kym Codomo (trustee), Jeannine Takaki (secretary)

Guests: Pam Miller (Facilities Manager)

Residents: Steve Glenn, Carl Nelson, Mike Budsche (brother of Val Barschaw)

Members not in attendance

James Ihrke, April Streiff, Chris Feldstadt

(James, Chris, and April all notified the board in advance)

Approval of minutes

Kym moved to approve the minutes of the previous meeting; Val seconded. Approved.

The Board asked that, in future, minutes (and agenda) always be available one week in advance of meetings in future. The Secretary agreed with this, on the condition that minutes would be circulated only by email or via read-only link to a secured share. That is, printed copies will not be provided because of their length. Also, Board members are obligated to review the minutes in advance of the meeting.

The issue of making the agenda available in advance was more difficult, and was discussed later.

Guest session

Because there were guests, we immediately opened the meeting to hear their concerns. Each guest is allowed speaking time of 5 minutes. Then, the guests recused themselves so the Board could discuss the issues in executive session.

(The notes here represent a **summary** of information presented on the open floor and in discussion.)

Val Barschaw wanted to discuss a problem with her property. Val did not receive a written notice of complaint about her property. Generally, she cannot respond in the time frame required by email. She also raised a point of order about executive session.

Val had made a written request to ask for a variance per the bylaws. Val had dropped the letter in the office drop box. She asked for a special variance. When the meeting opened, she took 5 minutes as guest, separate from her role as Treasurer, to explain the issue.

The Facilities Manager had received Val's letter and replied via email to her husband, which is the email that Val had provided for contact, assuming this was a shared email address. However, the Facilities Manager did not issue a written response from the Board per se, feeling that email was a simpler, friendlier way of resolving complaints.

The request was for a temporary variance or relaxation of the rule concerning RVs on a property. The essence of the alleged violation is using a trailer on the property as a full-time or part-time residence. A relative of the property owner is living in the RV. A permit has not been filed, as they are in the process of engineering. The building permit might be filed in the spring. Val felt that temporary habitation was permissible at the discretion of the board, and should be considered given her active involvement in community, and actions to clean up the property. Moreover, she felt it would not set a harmful precedent.

Dan (president) stated that the association cannot grant variances; only Kittitas County can do so. Val clarified that she was not asking for a variance on the building permit, but an exception or approval based on the Sunlight Waters by-laws, to permit temporary residence at the discretion of the board. She asked that we clarify our process to ensure that the Board is fair, respectful, and above board.

Discussion points include:

- Was it the County that raised the complaint, or the Board? The community; the Facilities manager receives complaints and handles them anonymously.
- Kym Codomo asked for elaboration of how complaints are received and processed in general.
- Jeannine asked for elaboration on how we determine whether an alleged violation is in fact a violation.

- Kym asked some specific questions about the site and its status: it already has electricity, water, and septic. Unclear whether the septic is connected to the trailer but someone said it is not.
- Jeannine asked whether the term of residency exceeds that for recreational residency already allowed by the County. There was some disagreement about how much time is allowed for recreational residency – some said 4 weeks per year; other 4 weeks per 6 weeks.

Val previously reviewed letters issued by the Board against 4 properties that were the subject of complaints. She felt that she could not ascertain the substance of the complaints, and that all formal complaint letters should be in writing. Therefore, in her opinion, we do not have standing to proceed with violation letters. However, she recused herself from the discussion of this issue during Executive Session.

Executive session terminated at 11:01.

The guests were invited back in. As acting chair, Jim said that they would send her a letter explaining the results of the Board's conclusion from executive session.

Correspondence

High weeds and insurance rates

Pam reported that one resident had (on 661 Morrison Canyon Lane) had received a letter from their insurance company stating that their rates would be increased if they do not clean up the overgrown brush on the neighboring property. The property owners took the issue up with the owner of the overgrown area, who took action to cut the grass.

Kym Codomo has experience in the insurance industry and explains that the Washington State Fire Rating Bureau determines rates for each address based on multiple factors such as response time. Because rates are set for entire areas, by committees, it is highly unlikely that a rate increase would be targeted at a specific address, no matter what the neighbor's actual condition. Although cleanup is a good practice for fire prevention she believes the insurance hike was initiated for other reasons and brush cited just to support the rate increase.

Dam safety

The community has a dam, between the two lakes. We participate in the dam safety commission for the state, paying an annual fee, and receive their newsletter. Anyone can view this newsletter if they visit the office.

Treasurer's report

Treasurers report: There was a net operating loss for the month of September:

- Total [\$180163.42] in checking and saving. [amt to be verified]
- Liability \$928.99
- Long-term liabilities \$12748.92
- Last month's negative assets are resolved.

Issues raised by Treasurer

- 1) There is some problem with the profit and loss for September: was the negative income something recorded wrong? (Quickbooks: \$2059.28 recorded as bad debt) Pam explained that this was a write-off for collection accounts; Scott is going to fix the way they are entered in Quickbooks to reassign as profits.
- 2) No bank reconciliations have been done in 6 months, due to a technical issue. Now that the issue is corrected, Scott will do the reconciliations. This week he is busy with corporate tax returns so will attend to reconciliation after that.
- 3) Total income for September (net income \$10408.47) is unusual. Most of that is under operating expenses. caretaking home, Dan repairs, wages. All entries are made correctly, but total income for month of September was a loss. Of course that is normal in certain months particularly if there are repairs to roads, dams, etc.

Action items

- Want to know interest rate on the loan payable on the caretaker's home.
- Want to know status of requested loan forgiveness.
- Cleanup and investigation of stated items in Quickbooks.
- Need more granular understanding of finances relating to administration. Pam is still cleaning up after embezzlement and coordinating with Scott to get these things fixed. Pam does not make those adjustments; we are relying on Scott to do this. For example, there are multiple insurance entries – why? Also, why was the debit card used this summer to withdraw cash. Pam (Facilities Manager) explained that this was done with permission to pay fee to place liens, because check signing process wasn't working. Sometimes it is done to buy supplies for parties. If we have an efficient check signing process it wouldn't be necessary.

Postponed

Tabled discussion of insurance issue to next meeting, when Kym and Val will present their results.

Kym moved to approve the treasurers report at 11:46.

New business

Various citations

The Williams property (at the top of Highline Loop) has lots of construction equipment and some feel it is unsightly. The owner, Shane, is putting together a plan for cleanup and fencing. He will have this plan by the next meeting.

Dan explained that the cleanup was delayed because the property owner had to first deal with replacement of the septic system on his property.

More domestic animals

Steve Howard, on Morrison Canyon, has goats in a cyclone fence area. This is clearly not a domestic animal, and so people have asked/complained about them.

One option proposed by the President is to allow Steve a special exemption for the goats, on the condition that he used the goats to eliminate brush in hazardous fire areas.

Steve did receive a violation letter and contacted the president, Dan, with this proposal.

Owing to lack of time, the discussion was tabled to next month's (November) meeting. Because the issue could not be addressed in a timely fashion, the period for response stipulated in the violation letter was also continued for one month, by request of the Board.

Whether the Board should do this for all complaints was briefly discussed but continued to next meeting.

Aerator in lake

Some people have noticed a new aerator installed in the (lower?) lake by residents. This action was taken in response to a particularly bad algae bloom this summer. The aerator breaks up strata of water, and adds oxygen to the water, making the lake healthier.

However, we don't yet have data on how successful it was, or how much it cost. Dave Korpi is scheduled to present a report on the aerators, including cost, how it works, and what it did, early next year.

The aerator will be removed from the lake for the winter, when the water freezes.

Newsletter

We need a volunteer to take charge so that newsletter is sent out more often, or at least regularly. Currently Pam has to do this in addition to everything else.

We are looking for an editor, as well as some guidelines about what goes in the newsletter.

Questions from the Board:

- What is the cost of mailing it? Can we have people opt out of the mailing?
- Jim asked what information needs to be disseminated specifically? Do we follow past precedent?
- What are the requirements for a newsletter?

Content suggestions include

- current events
- quick financial snapshot
- explain policies
- explain commitment to plowing committee
- quarterly publication

Note that we do not have a bulk mailing permit because we don't meet the minimum number. Further discussion of newsletter tabled till next meeting.

Bazaar

The Facilities Manager, Pam Miller, took the initiative to plan a community craft show. ***The date is Nov 17 from 10-4, in the clubhouse.***

The goal is to see how many people in this community make arts and crafts or have small home business. For example, someone sells Wild Tree spice blends, someone else makes smoked garlic, and someone else decorates horseshoes. By holding the fair, we can get better exposure for businesses in the community.

However, because we didn't have enough people to fill the hall, Linda reached out to people in the community who do crafting, so they will join us.

For this first fair, no booth fee will be charged to anyone. In future, residents might not pay booth fee and outsiders would. The basic goal is for people to meet each other.

Anyone who wants to participate must check in through Pam to make sure there aren't multiple of same vendors. Business owners should provide a copy of the declaration page of their business insurance policy, or other proof of vendor insurance.

Unfinished business

TV for clubhouse

It was proposed at an earlier Board meeting that the community purchase a big screen TV for the clubhouse. This way people could get together to watch games or movies and have fun. It would be a great community resource.

Pam took an action from a previous meeting to price TVs at local suppliers such as Fred Meyer or Costco. A 50-inch TV can be had for \$500, but there are also frequent sales at Fred Meyer. We could add a DVD player for movies. Additional costs would be required for Dish network or other provider for sports events. action:

Kym will check satellite providers.

Truck for plowing and maintenance

The current truck in the Baker Building cannot be used for plowing, for reasons described in a previous meeting. Our CPA, Scott Purna, thought purchase of a dedicated truck was most cost efficient. The truck could also be used to store and transport tools used for community maintenance activities, assuming the truck had a box on it.

The President would like to shop for a serviceable truck but cannot, until we get Board permission. In the meantime, he signed the contract for plowing this winter (using the same provider as last year), to ensure that we wouldn't be at the bottom of their list for service this winter.

The estimated truck cost is \$16-25,000, with payment of about \$400 a month, and insurance of about \$1200 a year.

Val (Treasurer) asked that we not rush into the decision, since a purchasing a truck converts assets to a debt (liability). We need to exercise due diligence about whether it works. She commended the President for getting the plowing contract in place.

Discussion ensued of whether a pickup with a plow attachment functions well. Historically, those are the plow trucks used on our roads. We have never had damage from these trucks.

The related issue is how to dispose of the existing vehicle. The current vehicle is a 92 and is a half-ton pickup. Currently it is inoperable. The Board will have the current truck assessed since it cannot function as a plow vehicle.

Val lined up a mechanic to review the truck for free but her email was lost in the presidents junk mail folder. They resolved to contact the mechanic, Mike Bledshaw, to get his assessment of what would be required to restore the truck to running condition so it can be sold. Pam or Ted will be available to let the mechanic into the Baker Bldg to view the current truck.

Val moved that the Board prepare a list of the truck requirements that the proposed vehicle asset would have. Kym volunteered her husband, Steve Codomo, to form nucleus of committee

to assess potential purchases. There are lots of other people in the committee with experience in this area - Dan and Ted will also advise.

The committee will return a list of requirements before the next meeting.

Getting meeting agenda in advance

The Board discussed the question of when and how the agenda is prepared, and if it can be released prior to the meeting. In general, items for the agenda are submitted as late as Thursday before the meeting so it has not been possible to circulate an agenda in advance. Further discussion was tabled.

Publishing financial information

What kind of financial information is posted on the official website, and what kind of information is required? Scott Perna said that financial information required for our formation is available as required. Anyone can go online and find the 990EZ for the nonprofit corporation.

There was a difference of opinion as to whether detailed financial statements are required for our category of nonprofit organization. Val clarified that we are not a HOA; we fall under the non profit corporations act. However, our by-laws cross-reference both statutes. RCW 64038025.

Pam asked that we clarify what specifically should be posted, and where. For example, what do you want posted on the web site, vs. information distributed via mass mailings. discuss at next meeting.

Kym moved that we examine the legalities of what we need to publish, and when we need to publish it. (I don't recall whether this was acted on.)

A separate issue is how the budget should be provided to members, following Article 7 in the by-laws, under Budget Ratification. The complete budget should be available within 30 days of adoption of any regular or special budget after mailing the summary. Currently the budget is available at the office, but Jim suggest that a mailing is possible. The summary budget was compiled before the annual meeting per requirements but corrections and details were not sent out.

Tabling action till the next meeting.

Caretaker's place

The house used by the caretaker has been cleaned up, after he departed leaving it in an extremely poor state. Now it is in much better condition.

Current status is that **Linda Lendon is living there temporarily, to maintain the property, until it can be sold.**

We ran out of time and tabled this discussion next meeting.

Open floor

The floor was opened after agenda business was concluded for free-form statements by non-Board attendees or guests.

How to become a board member

Carl had a question about the process for becoming a board member or alternate. Jeannine suggested that James Ihrke has studied the issue so we should discuss it when he gets back.

Board member absences

A Board member asked whether Board members should be removed if they do not attend meetings. At least we should clarify the process for missing meetings. For example, what is the expected action if a member is absent and the board has **not** excused the absence?

Generally, Board members must request to be excused from their responsibilities. The Facilities Manager announced the meeting date via email and asks Board members to state via email whether or not they will be in attendance.

For example, at this meeting, Chris, James, and April all were absent for work or family reasons, and all notified the Board of the problem in advance.

Conclusion: During roll call we should state whether someone is excused or not.

Clarify action re new DCRS taken at annual meeting

In the notes for a previous Board meeting there was a reference to “recording of new DCRs.” Carl asked when these new DCRS had been voted on and asked Pam for a copy of the minutes of the annual meeting.

When he reviewed the minutes of the annual meeting in May 17 (77 lot owners in total, he saw that the issue of covenant amendments was **not** presented during the meeting due to lack of simple majority representation. Later, after the break, a speaker was allowed time to present a proposal to amend the DCRs. The Chair of the annual meeting refused to allow the matter to a vote; however, the Chair was removed by a majority vote. At that point the proposal was voted on by the people who remained after the break (~45 people present). The motion was approved.

The primary concern is that changing the covenants affects the deeds to everyone’s properties and therefore changing them is a serious issue. Moreover, changes were made outside the regular agenda and after the break when a lot of people left.

He asked that a discussion of what happened and why be added to the next meeting. It is important to clarify for the community why the issue was even addressed outside the regular meeting, and without proper representation. He also felt it is important to start a discussion

within the community about any DCRs that might need changing, even if it takes more time to build consensus.

The Board asked that, in response to this complaint, Jerry Ihrke, who submitted the proposal, should prepare a summary of the changes that he proposed and why it was done outside the agenda.

Before the summary is released, all members of the Board will review his summary and prepare an explanation (akin to a voter information pamphlet) explaining both sides of the issue.

The action was postponed to the next meeting.

Announcements

None

Adjournment and approval

Meeting adjourned at 12:21

Revision History

10/29/2018	Src document created
12/9/2018	Corrections from various Board members; see Comments. Highlighting indicates items that need to be verified or updated.
1/23/2019	Accepted spelling changes and name corrections from Pam Miller
1/23/2019	Convert to PDF
2/4/2019	Removed comments and corrected personal names at request of Webmaster