

Sunrise Master Association
2015 Annual Meeting Minutes
Emerald Ridge High School Commons
Thursday - March 25, 2015

7:00 – 7:30 p.m. Registration, Information, Refreshments and Vendor Tables

Sunrise vendors in attendance:

- DoTerra Pure Therapeutic Oils – Sylvia Snow, Independent Consultant
- Windermere Real Estate – Fred Goehler
- Mortgage Masters – Mike Dorman
- Ford Motor Company – Troy Dunlap
- Facebook Resident Page/Sunrise – Marlo DeRosia
- Greg Gustafson Insurance – Kara Lane
- Earth Tech Industries – Bobbie Jo Tarnecki
- Sportsman Warehouse – Howard Spero
- Krafts by KB – Kayla Bentley
- Javita – Josh Ferris
- American Family Insurance – Eric O’Connell
- Beverly Homes (The Arbors) – DeAnna Franklin

I. Call to Order – The meeting was called to order at 7:35 p.m. by moderator Kathy Berrens

II. Introductions – By Kathy Berrens

Board of Directors

Sloan Clack, President	Representing Sunrise Development Corporation
Eric Corliss, Vice President	Representing Sunrise Development Corporation
Monica Gildea, Secretary/Treasurer	Representing Sunrise Development Corporation
Fred Goehler, Elected Director at Large	Representing Class A Single Family membership
Tim Stephens, Appointed Director at Large	Representing Class B Multi-family membership

TMT Management and Site Staff

Angie Orr, Senior Director, Large Scale Management
Ginelle Holyoak, Community Association Manager
Julie Deitrich, Administrative Assistant

III. Parliamentary Authority – Kathy Berrens reviewed Robert’s Rules of Order on how the meeting will be conducted.

IV. Proof of Notice of Meeting – Kathy Berrens noted for the record that notice of this meeting was mailed to owners on **March 9, 2015**, and was emailed to owners with a signed consent form on file on **March 9, 2015**. An Affidavit of Mailing with all owners and their addresses is on file with the Association’s meeting records. *(A Declaration of Mailing, which Ginelle has signed and had notarized, has been completed for the Association records.)*

V. Confirmation of Quorum – Our governing documents specify that a quorum of 30% in person or by proxy is required to constitute a quorum at our Homeowners Association Meeting. We will have **3 votes** tonight that require 50%, respectively, of the membership to be represented in person or by proxy.

We currently have 68.8% of quorum to conduct the meeting and 68.8% of quorum to vote on any Association matters.

VI. Old Business

Approval of 2014 Annual Meeting Minutes

Copies of the 2014 Annual Meeting Minutes were mailed or emailed to homeowners and distributed in the packet received at the annual meeting.

Tanya Manley stated that under New Business item # d) should be corrected to state, "to perform full audit of 2013 books"; the audit was not waived.

Motion was made and seconded to approve the 2014 Annual Meeting minutes with item #d under New Business modified to reflect that a full audit be performed for the 2013 books.

Kathy Berrens called for a vote by a show of hands. The motion was passed by majority vote.

VII. New Business

a) Class A Board Member Election

The Class A single family homeowners will be electing a board member this year.

This position is currently held by Fred Goehler who was elected at the March 2013 Annual Meeting.

Motion was made to Elect Fred Goehler as the Class A single family homeowner board member for 2015/2016 was made by Tanya Manley; Seconded Kyle Bullion. Motion passes by a show of hands.

b) Class B Board Member Election

The Class B Multi-Family homeowners will be electing a board member this year.

This position is currently being held by Tim Stephens.

The class B members have exercised their option to elect a representative member to the Board this year.

The Class B Multi Family Homeowners have elected Brenda Pearson as the Class B Multi Family Homeowner Board representative for the 2015 year.

We would like to welcome Brenda Pearson to the Board.

c) 2014 Audit Election

Washington State Statute requires associations with annual assessments in excess of \$50,000 to perform an annual audit by an independent certified public accountant unless 67% or more of the owners elect to waive the annual audit.

Discussion:

Question: Can we have a review only?

Answer: No, There is either no audit or a full audit.

Question: Have the bids been budgeted?

Answer: \$2,300 has been budgeted for the 2014 audit.

Question: What has changed since 2013 vs 2014, where we would want to request a full audit if necessary.

Answer: The largest change was the landscaping contract for 2014 and everyone is always welcome to ask to see the year end financials at the office.

Motion by Steve Johnson to waive the audit for 2014 books; Tanya Manley seconded.

Kathy Berrens called for a vote by a show of hands. The motion was passed by majority vote.

d) Reports

1. Community

a) 2014 Accomplishments – Kathy Berrens gave an overview of the accomplishments within the community in 2014:

- Replaced common area fences at both Deer Ridge and Cambria
- Began Sunrise “In The Know” newsletter for better communication with all of you
- Initiated an ongoing maintenance plan for our 3 ponds
- Hired Earth Tech as our new landscape contractor
- Replaced office and park signs – they look wonderful!
- Power washed and clean all monuments in Sunrise
- New pet station installed at Emerald Pointe park
- Replaced and repaired play set pieces and swing at Tanglewood and Emerald Pointe parks
- Power washed the concrete at the Sunrise office
- Replaced damaged trees in the common areas
- 7th Annual National Night Out with an estimated 600 guests in attendance
- Update of the Reserve Study for common area replacements and repairs

b) 2014 Financial Recap – At year end, the Association continued to be financially sound.

Income was \$960,080 and was over YTD budget by \$150,382 due to:

- Assessments and Late Charges for Undeveloped Lots were accrued as income, but not budgeted for 2014.

Expenses were \$829,009 and over the YTD budget by \$19,411 due to:

- Legal Attorney Fees were more than anticipated for 2014.
- Landscaping fees were more than budgeted because of new common areas added to the maintenance contract.
- Management Fees were more than budgeted due to more homes being added and the Admin Assistant position going to full time.
- Irrigation Water costs were higher than budgeted due to new common areas being added in 2014.

Assessments Receivable:

- There was \$379,429 in delinquent accounts on 12/31/2014, versus \$283,164 on 12/31/2013, up \$96,265 due to the delinquent accounts of Undeveloped Lots.
- 399 homeowners were delinquent at the end of December 2014, versus 324 at the end of December 2013; an increase of 75, primarily due to the addition of more Undeveloped lots.

Discussion:

Question: What is happening with the lawsuit with Emerald Pointe?

Answer: We are in litigation, we cannot further update.

Question: What are we doing regarding the late fees of the homeowners?

Answer: TMT is continuing to work with a collection agency with accounts that owe more than \$500. Letters are being sent out and liens and judgments are being filed.

c) 2015 Goals – The following goals were stated for 2015:

- Keep the HOA on budget as approved by the Board of Directors
- Actively and responsibly address foreclosures, bankruptcies and delinquencies
- Record the final draft of the rewriting of the Governing Documents

- Replace portions of the Savannah Ridge, South Point, Tanglewood, and The Meadows common area fences
- Create a separate Rules and Regulations document for the community
- Establish and maintain Committee and Board member communications
- Create new and fill standing committees within the SMA
- Collaborate with the Washington Patrol Division to improve community safety

d) Community Safety with Washington Patrol Division:

Jason LaZarte with Washington Patrol Division talked about security in the community. Jason discussed how they are going to make everyone aware of their presence and they will report to the HOA with any criminal activity monthly.

e) Development Activity

- Regional Park – in discussion with the county regarding a better design and new location. This will take approximately 6-9 months.
- The Arbors - Has 33 lots. The homes sale price average is \$496,000. To date we have 9 sales.
- The Retreat – Has 49 lots at 8500 sq ft lots. We are hoping to have them available by fall 2016.

f) Landscape Update

- Bobbie Jo Tarnecki gave an update on the landscaping. Earthtech will be working on the new monument landscaping at the entrance of Sunrise. The trees and shrubs that will be taken out will be placed in different areas of Sunrise.

2. Committees

- General Committee Information – Kathy Berrens invited all homeowners to learn about Sunrise committees. One of our on-going goals for 2015 is to work on getting more community participation in committees.
- Volunteer Recognition- Volunteers from all the active committees where listed by name. Certificates of recognition were distributed and/or mailed to all those named.

VIII. Voting and Election Results

- Class A Single Family – As previously stated, the Class A members have elected Fred Goehler to the Class A Board Member position for 2015-2016.
- Class B Multi Family – As previously stated, the Class B members have elected Brenda Pearson as the Class B Board Member.

Kathy Berrens presented the Sunrise Board for 2015:

Class A – Fred Goehler

Class B – Brenda Pearson

Class C – Sloan Clack, Eric Corliss and Monica Gildea

IX. Questions and Answer Session - None

X. Adjournment

In the absence of any further business and if there are no objections, I would like a motion to adjourn. Kyle Bullion motioned to adjourn; seconded by Marlo DeRosia.

Meeting adjourned at 9:07 p.m.