

## **BOARD MEETING MINUTES**

### **SUNSHINE ACRES PROPERTY OWNERS ASSOCIATION**

**Saturday, March 13, 2021**

The Zoom meeting was called to order at 10:09am. CenturyLink had a major outage, so internet connections were unstable. Board members Bob Salisbury, Christine Stallard, Loren Erpelding, Diana Grunow, and Kathleen Keehn were present. Members in attendance: Bruce Ellis, David Linton, Jeff Hughes, Marilyn Hryciw, Collette Miller, Shirley Leckman, Kim Salisbury, and Kathleen Montalbano.

#### **ACKNOWLEDGE WRITTEN QUESTIONS/COMMENTS:**

Christine received a request from a member who wanted access to the Zoom recordings. She will research the question, including any relevant RCWs and bring a recommendation to the April BOD meeting.

#### **APPROVAL OF MINUTES:**

The board approved the February 2021 minutes with no changes. Christine will post the final minutes to the website. Kathleen moved to approve the minutes; and it was unanimously approved.

#### **ADDITIONS TO THE AGENDA:**

Christine asked to say something on the record. She stated that there was a lot of confusion over the separation of duties with the two Secretary positions. This board inherited this, and it was intended to more evenly share responsibilities. The Recording Secretary was to record the minutes, and the Corresponding Secretary was responsible for the membership database, newsletters and correspondence with the membership. But, the confusion began with the mailing/receipt of the Recall Petition. "Diana has the timeline, but in short, I received notice to pick it up and sign for it at the post office on February 17. On February 19, at 9:30am, the sender retrieved the packet from the post office and delivered it to Kathleen as Recording Secretary. Frustration and confusion have continued to escalate the matter, resulting in a threatening text message being sent to me a couple of nights ago. I volunteered to serve this membership, not be subjected to character attacks and threats," she said. While the board a couple of years ago had separated secretarial duties into corresponding and recording to share the responsibilities and not overburden volunteers, her solution was to go back to the past practice of one secretary as stated in the Bylaws and combine the Corresponding Secretary and Recording Secretary duties and responsibilities. She further reported that the membership database duties and responsibilities had shifted to the Treasurer and now combining the secretarial responsibilities was more manageable. Bob started the discussion by stating that, "Nobody should be getting threats or character attacks." After discussion, including input from Member Hughes, and clarification of board authority in the Bylaws, Bob moved to combine the secretarial duties as originally stated in the Bylaws and Christine will be the Secretary, Loren will be the Vice-President, Diana Treasurer, Bob as President and Kathleen will be a member-at-large. Diana seconded it; and it passed unanimously.

## **TREASURER'S REPORT:**

Bob reported that there's not much to talk about. SAPOA has roughly \$64,000 in the Reserve Account for Mussel Beach and \$64,000 in the General Fund.

## **OLD BUSINESS:**

Bob asked Jeff Hughes if he got his questions answered regarding relationship between DPAA and SAPOA property owners. We posted a letter from our attorney on our website and also gave the DPAA board a copy of the letter. Kathleen will email Jeff with the information as well.

Mussel Beach: Loren reported that the huge storms we had this winter resulted in lots of debris and wood deposited on the beach and boat ramp; and we need to get a volunteer group together to clean up the area at the bottom. Kathleen's equipment will be in for maintenance for 10 days, so we'll schedule the job for later in the month when she gets her tractor back. In the meantime, Sandy Eliel purchased the baking soda for us, and Kathleen will get it spread on the moss and seek reimbursement for the cost. Kathleen will coordinate work with Loren. Mussel Beach Road will not open until April 15<sup>th</sup>. Loren will put that on the reader board sign.

Bob had an insurance update. He had a lengthy discussion with them about what we can and cannot do relevant to being covered by insurance. One area where you can foresee someone being injured is the road itself, so the board worked out a way we could spread the baking soda and ensure no one would be injured. Regarding the beach and grass areas, as long as people exercise good judgement, we're okay to use volunteers. But, the road, culverts, etc. are off limits for volunteers. It's just something we need to keep in mind, but we have a satisfactory solution that meets the insurance requirements and controlling costs relative to maintenance for this work. Christine mentioned that the insurance policy states that any work should be under the direction of the board, so good job to Loren for suggesting that the entire board go on site to discuss and thank you to Kathleen for the use of her tractor. Christine mentioned that we had money in the proposed budget for a new key system or possibly a combination lock, but because that didn't pass we are stuck with the two-lock system for this year. We will be posting signs on the gate and our website with instructions on how to lock the gate because it has been an issue in the past.

DPAA. Tabled until next week's meeting.

## **NEW BUSINESS:**

Member Newsletter: Christine will be putting together a newsletter after the workshop next Saturday. We'll put some pictures of the condition of Mussel Beach in the newsletter.

New Committee/DP Transportation: We have a couple of members who are concerned about the lack of transportation from Diamond Point to medical facilities in Sequim. Christine thought it would be a positive thing to form a committee to discuss better transportation. She would be willing to Chair the committee but needs volunteers. Kathleen agreed it was a good issue for SAPOA to take the lead on for the entire Diamond Point community and offered to volunteer. The board supported Christine's idea to draft a short article for the newsletter asking for volunteers.

Email Server: Diana mentioned that we are going through Olypen right now at \$150/year and she suggested we switch our email to our domain through GoDaddy. Christine clarified that this would be seamless to users; it's just a new email address and members could contact us through the Contact Us button on the website or send an email directly to our new email address. Bob made a motion to research the refund question for Olypen before moving forward, and Diana seconded. After discussion, the motion passed.

FreshBooks: Tabled until next week's workshop.

Website: Bob said there has been some criticism in updating our website. Christine gave some history. Our old website had been hosted on a Classic Google site platform, that was old technology with security issues. As of November 2020, Google would start phasing it out and they would no longer support it as they were moving to a completely different platform. We had security issues of our own. We had one person that had access to the website and was using a personal userid and password. The person that was the original administrator of the website did not have access. We elected to rebuild the website in WordPress. We've received criticism for not seeking a volunteer to rebuild the website for us, but Christine offered that professionals who were in the business of building websites weren't likely to just volunteer their services. Bob added that with the security being compromised, we didn't want members downloading viruses or malware by accessing information on our website. Now that it's built, we can maintain it as volunteers. We can also do enhancements like online invoicing and online payments through the website. That's what FreshBooks can do for us.

Rules and Regulations: Christine mentioned that the last Rules and Regulations she could find were from 2008, and she used the ones from 2008 as the basis for this update. She reminded the board that the Rules and Regulations were the only guiding document that could be amended by the board of directors. The major changes are below:

1. Section 1.1. This section is extremely convoluted and is really mixing apples and oranges. The only ballot mailing process that requires Bylaws Section 5.2. Balloting Instructions is for the election of Board of Directors. Recall, Budget and Bylaws amendment balloting only require compliance with Article V, Section 5.1. which does not have Balloting Instructions. So, according to the Bylaws, we aren't required to send balloting instructions, return envelopes, etc. for Recall, Budget and Bylaws ballots, but under the Rules and Regulations, we outline a process to handle all return ballots the same way we are required to do for board elections. Christine suggested leaving this section in so we have a process to use, even if it means going above and beyond what is required in the Bylaws. The major change was to clarify that the ballots will be opened and counted under the Supervision of the Election Committee for elections of the Board of Directors and the SAPOA Board of Directors for all other ballot initiatives.
2. Section 1.2. stated that new board members would take office at the first January Board of Directors meeting to be set no later than January 10<sup>th</sup>. The Bylaws say the first January Board of Directors meeting, but do not stipulate January 10<sup>th</sup>. Christine recommended mirroring the Bylaws.
3. Section 1.2.1. stated that any tie would be decided by a "flip of a coin" and Christine recommended it be made between the candidates by the "majority vote of Board Members not running for election."
4. In the draft presented to the board for discussion, Christine had separated the duties of the Recording Secretary and Corresponding Secretary to clarify roles and responsibilities but recommended the two be combined based on earlier discussion.

5. Section 2.5.3. in Duties of Treasurer, Bob added a “Yearly audit will be done by an independent third party.” Christine recommended changing “conventional bookkeeping methods” to “Generally Accepted Accounting Principles.” A discussion ensued regarding the need for an independent audit after Kathleen raised the question. Bob responded that we paid \$2,400 for bookkeeping services in the past. Now we are doing that as volunteers, but for a fraction of that \$2,400 bookkeeping service fee, we could have a professional perform the audit according to Generally Accepted Accounting Principles. In addition, having an audit performed by a professional means we are creating a paper trail for insurance purposes should we have any issues. Another example is a CPA firm has the ability to go to the IRS and determine what tax returns have been filed. For SAPOA, the CPA found that 2015 was the last year tax returns were filed. Bob reiterated that the board is not accusing anyone. The returns may have been prepared and handed off to be filed, but the bottom line is we needed the CPA to get the information from the IRS so we know where we are and what we need to do. Finally, under Duties of Treasurer, we added the responsibility of maintaining SAPOA’s dues database and aging.
6. Under Duties of the Board of Directors, Christine recommended seeking written membership opinions and input regarding significant questions generated by members “according to established Bylaws.”
7. Christine mentioned that one of the Duties of the Board of Directors was to “Communicate the existence of Sunshine Acres Bylaws and Plat covenants to new property owners,” but this was now being done by the title companies at closing. Christine suggested that at some point we create a New Member Packet and ask the title companies to give it to new SAPOA property owners at closing.
8. The Rules and Regulations state that the board will “Issue two (2) newsletters per annum and any other as needed,” but past practice has been to do one. The board agreed to leave it at a minimum of two (2) per year.
9. To be consistent with legal opinion, the section referring to appointing a SAPOA Architectural Representative and maintaining the files of Architectural Records for all plats was removed. SAPOA does not have the authority to represent Plats. Bob suggested taking it out entirely until such time as the Bylaws are changed to grant SAPOA this authority. The Rules and Regulations have to have a genesis in the Bylaws.
10. Under Public Records, Christine recommended adding “written” request “from Eligible Members;” deleting reference to “unlisted” phone numbers (leaving phone numbers); and adding email addresses, Board of Directors Executive Session discussions, and reference to other private information as deemed confidential by the Board of Directors or in accordance with privacy laws.” Christine also recommended the board revisit this section after research on Zoom recordings has been completed and a decision made.

After recapping the changes, Bob moved to approve the Rules and Regulations with changes discussed. Diana seconded. The motion passed with a dissenting vote from Kathleen who stated we need to get input from members. Bob reiterated that the Board has the authority to change the Rules and Regulations, and asked which areas were problematic. Kathleen needed time to prepare her thoughts and will bring them to the next board meeting.

Recall: Diana reported that she and Christine met at Christine’s house with laptops at 10am on March 12<sup>th</sup> to validate the signatures on the petition with the database. We have 420 voting members, and 20%, or 84

signatures are needed for a quorum. Upon validation, 88 votes were received, 46 were not valid and 1 was a duplicate.

Christine outlined the next steps for the Recall and Timeline, working backward from the deadline for mailing ballots to the membership.

- March 24 One-page statement from Recall Initiation Group stating the reason/s for the recall due
- April 5 One-page defense statement from the board member being recalled due
- April 12 Deadline for mailing ballots
- May 14 Ballots due back
- May 22-24 Count Ballots
- May 24 Ballot Count Deadline

Since there was no contact person for the Recall effort, Christine will contact the person who sent the Priority Mail package with the signatures to initiate the one-page statement. The one-page statements should be returned to Christine by the deadline. The one-page statements are to be front-side only on an 8 ½" x 11" paper. Font size should be no less than 10 pt. using 1" margins. If we receive more than one page, we will only include the first page in the mail out packet.

Christine noted that Bob is being recalled for decisions the entire board last year made—unanimously. One of the criticisms is that Bob spent money that was not in the budget. Christine pointed out that this Recall process is not a budgeted item but an example of certain things an organization has to do regardless of the budget. The Recall ballot will cost the membership approximately \$1,000, not including volunteer labor to prepare and mail the packet.

**FINAL QUESTIONS:**

The board thanked Member Linton for a suggestion to add a phone number for the Zoom meetings in case we have internet issues like we experienced today.

**EXECUTIVE SESSION:**

Next Board meeting will be Saturday, March 20, 2021 at 10am via Zoom. The agenda will be posted 2 days prior.

The meeting was adjourned at 12:04pm.

Respectfully Submitted: \_\_\_\_\_ Minutes Approved By: \_\_\_\_\_

Christine Stallard, Secretary Date

Bob Salisbury, President Date