

**LATITUDE 49 RESORT PARK**  
**BOARD OF DIRECTORS MEETING MINUTES**

**DATE:** April 16, 2009  
**PLACE:** Latitude 49 - Office  
**TIME:** 9:30 AM

**PRESENT:**

President:	Denny Beaudin	Treasurer:	Ann Archer
Vice Pres:	Ina Danielson	Director:	Jim Johnson
Secretary:	Donald Schleuse	Director:	Charlie Jenkins

Integra Representative: Cindyrae Mehler, Property Manager

**Board Members not in attendance:**

Director: Larry DaShiell

Review of Minutes from the March 20, 2009, meeting of the Board of Directors. Motion by Jim Johnson, 2<sup>nd</sup> by Ina Danielson to approve the Minutes of March 20, 2009, motion carried.

**Integra Management Report & Treasurer's Report:**

The Board reviewed the *Aging Summary* reflecting payment records of owner's dues assessments. Collection of owners' monthly dues assessments for individual lots continues to be outstanding and our owner accounts are remaining solid. One lot is seriously in arrears, a lien was previously placed on the lot. It is recommended that a Litigation Guarantee be ordered from the title company. Motion by Don Schleuse to order the document, 2<sup>nd</sup> by Jim Johnson, motion carried.

An inspection of the park will be accomplished on Friday

Cindyrae will contact the auditor and obtain a status of the annual audit.

**Treasurer's Report**

Ann Archer reports that she worked with INTEGRA to prepare the 2010 budget. It is proposed to raise dues to \$80 per month. This increase is due to a line item being added for snow removal, added summer hire, street repair, and an increase in utilities expense. The increase will also keep the Association in line with the Reserve Study.

The E. Jones reserve account balance is \$130,564 and \$21,266 in the Whidbey Island reserve account. Motion by Ann Archer, 2<sup>nd</sup> by Charlie Jenkins, to transfer \$20,000 from Whidbey Island to E. Jones for further investment, motion carried.

## **Committee Reports**

### **Architectural**

Director Jim Johnson reported that improvement forms had been processed for lots 265,245, and 101

### **Grounds & Maintenance**

Director Jim Johnson said he had received complaints that the Association property was not being mowed. It should be noted that this past week has been the nicest weather all winter and that mowing was commenced and all property has been mowed. Mowing is only done when the grounds are dry enough and the weather permits.

A contract has been accepted for aeration of the grounds and will be completed ASAP weather permitting.

The interior of the Clubhouse and Activity buildings have been treated.

It is not known if our past summer hire, Brian, will be returning this summer.

### **Activities**

Vice President Ina Danielson reported that winter activities were well attended. Julie Hillman has done an excellent job as chairperson of the committee. Ina will ask Julie if she will remain chairperson for the summer months.

### **Old/ Unfinished Business**

◆ Status of Dryer installation in the Laundry Room: Jim Johnson reported that the cost of a good commercial style dryer is more than originally thought. Three bids have been obtained ranging from \$3488 to \$3644, installation not included. Motion by Don Schleuse to amend a motion made 2-20-09 allowing an expenditure of \$1000 to reflect an increase to \$4000. Motion 2<sup>nd</sup> by Jim Johnson, motion carried.

Jim Johnson is still researching a commercial washer. Some washers would require a cement pad be constructed under the building in order to properly support the washer.

◆ Maintenance Building Paint/Stain project: Work will be done as soon as possible - contingent on weather conditions. We must be dry and above freezing to complete this project.

◆ Barbeque Cover replacement: Gail Oldow has completed the cover and has been asked for an invoice so she may be reimbursed.

◆ BBWARM Fee: Jim Johnson and Don Schleuse worked with the county on this issue. The county has reassessed the lots within the Association as small residential and has lowered the fee accordingly. Any further questions should be addressed to the county.

◆ Open Meeting With Hugh Lewis: Meeting date will be Thursday, May 7, 2009 at 4:30pm in the Clubhouse.

### Correspondence -

1. Maureen Dwyer - Lot 63.
2. David & Ella Swetalla - Lot 96.

### New Business

◆ Spring/Summer Office Hours: Office hours will be Tuesdays 10 to 1, and Fridays 10:30 to 12:30, holidays excluded.

◆ Property Management Contract: The President presented a report to the Board comparing on site management costs versus an off site management company, report attached. Integra presented a new contract reflecting an increase to \$9 per lot to replace the current one which expires at the end of June. Motion by Ina Danielson, 2<sup>nd</sup> by Ann Archer to award management contract to Integra which will run through June 20,2010 with a renewable provision, motion carried.

◆ Common Area Internet: The Board is taking under consideration, the installation of wireless internet service in the Office building. Equipment prices will be investigated.

◆ Infrared Camera Installation: The Board is taking under consideration the installation of infrared lighting for the surveillance cameras which would enhance nighttime filming. Equipment pricing will be obtained.

◆ 2009 AGM and Candidates' Forum: The 2009 AGM will be held on Saturday, June 20, 2009 at 10:00am. Registration will commence at 8:30. The candidates' forum will be held on Saturday, June 13, 2009 at 10:00am.

The meeting adjourned at 1:30pm with the next meeting scheduled for 9:30 on May 11, 2009.

Donald L. Schleuse  
Secretary

**Latitude 49 Resort Park Association**

PRESIDENT's REPORT

Re: Professional Management Review

In the fall of 2008, I indicated to the owners that I would do a review of the management options regarding the management operation of our park.

As you know, our park is being professionally managed by Integra Condominium Association Management, Inc. Integra is the company that took over from the PMP/Landmark transfer when Landmark purchased PMP without giving any notification to us until the transaction was complete. At that time we had very little time to obtain a company that would be willing to take over the management of our park on such a short notice at a reasonable cost. INTEGRA was willing to sign a short term contract expiring the end of June 2009 giving the Board time to consider options for the future management of the park. Integra handled the transfer from the recalcitrant Landmark/PMP in a very professional manner and they are commended for it

Outside of that, we have had very few problems reported to us in the past six months and those that have been reported were handled by Integra in a very professional manner. Even with the reduced on-site office staffing hours during the fall/winter season, there were only two or three visitors to the office each day and those matters could have been resolved by a phone call to the Integra management office in Bellingham.

Our current cost for the professional management company is approximately \$40,000 a year, contingent on the number of on-site hours we use. This price includes services to the Association, including but not limited to: collection of dues, budget preparation, payroll services, correspondence, bulk mailings, and quarterly reports [with the exception of the required Annual Audit Report done by an independent CPA].

When the Association had a full-time management person on-site, which was almost 3-years ago, it was costing us approximately \$55,000 per year. (There was some additional office help provided for the on-site manager and those costs are not even included in the above figure.).

Management companies that were contacted over the past year offered management services similar to what we have now, but for costs ranging from \$13.00 per unit per month up to \$20.00 per unit and higher, compared to our current contract cost which is \$8.50 per unit.

I contacted a firm that carries out searches to hire various management staff or who could also provide an on-site manager to manage our Association. I spoke with the firm a number of times and met with them along with Ina Danielson, our Vice President. If we were to take such an approach, there would be a finder's fee which we would have to pay if we hired their candidate. The cost of a full-time professional on-site manager would be in the range of \$55,000 to \$70,000, PLUS benefits. We could retain a management consulting firm at a cost to look into this subject in much more detail, however, I do not

believe they would come up with a much different result and I doubt that this is a worthwhile task.

Integra is providing our Association with excellent professional services and 24-hour emergency maintenance service. It is my recommendation to the Board and the Association that we continue our services with Integra Condominium Association Management, Inc., with Cindyrae Mehler as our primary Property Manager, and renew our management contract.

Respectfully submitted,

Denny Beaudin  
President