



**Board of Director's Regular Meeting Agenda
6:30 PM on November 30th, 2023 - WebEx**

Join from the meeting link

<https://shadowrunatcanyonlakeshoa-850.my.webex.com/shadowrunatcanyonlakeshoa-850.my/j.php?MTID=m7e2f43abc9cdd4b05dc0d430371b4b75>

Join by meeting number

Meeting number (access code): 2631 500 2177

Meeting password: B27eHHDP3Rw (22734437 from phones and video systems)

Tap to join from a mobile device (attendees only)

+1-650-479-3208,,26315002177#22734437# United States Toll

Some mobile devices may ask attendees to enter a numeric password.

Join by phone

+1-650-479-3208

Call to order: 6:33 PM

Guest(s): Stephanie Allen-Dunn, Dirk Weiler, Einar Offerdahl, Robert Hooper, Shannon Turping, Heidi Weiler

Absent: Morgan, Richard

Call for Ad-Hoc Agenda Items (Will be added to the end of the planned Agenda) - No additional Agenda items were presented

Secretary's report:

- Approval of regular minutes on these dates: 10/26/2023 Regular Meeting. Motion approved. 4 votes for, 0 against, with 1 absent.

Treasurer's report:

- Presented financials for the month, liens/delinquencies update. Approx. 7 homeowners now have two outstanding assessments and will be forwarded to Pody McDonald.
- Annual Audit - Completed - successfully. There was a letter stating that supporting documentation was missing for 2 or 3 items, those items are on file, were distributed to the Auditor, and Auditor confirmed that this satisfied all information requests. All items are on file with the HOA and the Annual Audit will be forwarded to the communications committee to post to the HOA website.

Old Business:

- On-line payments - still researching
- Request for more lighting at mailboxes - Einar still working on quotes, \$1,250 line item is proposed for the 2024 budget for mailbox lighting
- Dead trees replanting status - Dirk has received some quotes, waiting for additional quotes (Spring)

New Business:

- Annual Meeting Update - Jan 22nd for Budget Ratification and Initial Annual Meeting, and Jan 29th for any necessary Annual Meeting adjournment. Reviewed attached draft mailers which will be sent out on or around December 6th after the board adopts a 2024 budget.

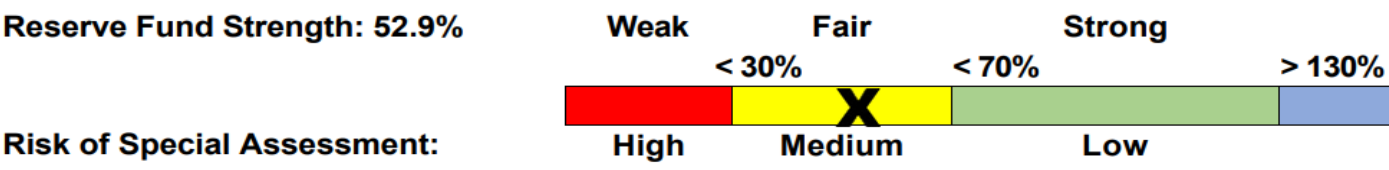
- Einar noted that the laptop hard drive went bad last summer and the laptop is currently at risk of failing - it takes 6 minutes to log into windows, and windows can no longer apply security updates. Getting QuickBooks backup files off the laptop is getting difficult. Einar urged the board to help come up with a plan and take action to get a working laptop and/or to move towards QuickBooks on-line which has been discussed in detail in previous meetings.
- Motion on the floor by Robert: To replace the laptop at \$1000 or less, and spend \$90/month for quickbooks on-line subscription, both to be purchased as soon as possible. Vote passed 4 for - 0 against with 1 absent.
- Budget discussion was held and a and budget adoption vote was made.
- General budget Notes:
 - Website Maint. line item is a computer expense catchall
 - The following subscriptions are active:
 - \$324/yr - Wix - Website hosting
 - \$156.53/yr - WebEx - for Virtual Meetings - up to 200 attendees
 - \$65/yr - MultCloud - Weekly file backups from Drive to DropBox
 - \$120/yr - DropBox - to host backup files - smallest plan available for 2,000 GB
 - \$20/yr Google drive - to host primary files - for 100 GB of storage
 - \$685.53/yr total with 2023 budget set at \$1,000
 - Wix is already paid for 2024, so projected spend for 2024 for Website Maint is \$361.53
 - \$1,250 common area improvements for mailbox lighting
 - 2023 Reserve Study recommendation is as follows:

Reserve Study Executive Summary **No-Site-Visit**

Shadow Run at Canyon Lakes - Common Areas Report #: **33951-2**
 Kennewick, WA # of Units: 197
 Level of Service: **Update "No-Site-Visit"** **January 1, 2024 through December 31, 2024**

Findings & Recommendations as of January 1, 2024

Starting Reserve Balance	\$92,864
Current Fully Funded Reserve Balance	\$175,598
Percent Funded	52.9 %
Average Reserve (Deficit) or Surplus Per Unit	(\$420)
Recommended 2024 100% Annual "Full Funding" Contributions	\$19,410
Recommended 2024 70% Annual "Threshold Funding" Contributions	\$17,350
2024 "Baseline Funding" minimum to keep Reserves above \$0	\$15,850
Most Recent Budgeted Contribution Rate	\$15,588



Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.00 %

- The board starts with the Budget "Plan A" proposal which is attached to tonight's meeting packet, and proposes the following modifications:
 - Increase the proposed budget for CPA Audit from \$2,000 to \$2,500.
 - Decrease the proposed Postage budget from \$400 to \$300.

- Increase the proposed budget for Property taxes from \$200 to \$300.
- Decrease the proposed Telephone Expense budget from \$525 to \$330.
- Propose a new expense category for Quickbooks Software (Leave the Website Main. item there), reduce Website Maintenance budget from \$1000 to \$700, and establish the Quickbooks Software budget at \$300.
- Einar motioned as follows: I move that the board adopts the 2024 proposed budget that was attached to the meeting packet, with the above list of modifications, and contribute the remaining excess calculated at \$16,723 (instead of \$17,028) to the reserve fund. Motion passes with a vote of 4 to 0 with 1 absent. The final tallied and updated budget sheet, based upon the above vote and modifications, will be made and distributed to the board for their review, and any subsequent changes or modifications - however slight - will require a new vote and documentation of said vote with meeting minutes.
- Landscaping bids for 2024 - Dirk gave a summary of all the bids we've received for the annual maintenance as well as bids for the tree replacement, he is tabulating a bid evaluation form for review. There are two bids around \$25,000; there is a very low bidder at \$17,000 but we are concerned the bidder would abandon the contract or have excess change orders. Jesse's had some issues in 2023 and Jesse's. Dirk discussed accountability with Jesse's in a phone call and did not receive a positive response from Jesse's with regards to improving on performance in 2024. No vote tonight, we'll likely be ready for a vote at the December meeting.

Close Session if needed

Motion for Executive Session, Pursuant to RCW 64.38.035. "I move that the Board enters a closed session to discuss the following item or items...":

- Liens and Delinquencies and Legal Correspondence if needed (None needed tonight)

Re-Open Session

Board Actions:

- 2024 Budget Vote - Motion passed 4 to 0 with 1 absent, see above notes.
- 2024 Landscaping Bids Vote - no vote tonight, will have a vote at December's meeting
- Quickbooks On-line Vote - Motion passed 4 to 0 with 1 absent, Board approved up to \$1000 for a new laptop to replace the failed laptop and up to \$90/month to move to Quickbooks On-line, see above notes.
- Board directed the Treasurer to proceed with collections policy as written and to forward the +-7 homeowners who are now delinquent on two assessments to Pody McDonald for collections

Ad-Hoc Agenda Items:

Adjourn Meeting

Next Regular Meeting: Will be held Dec_19th __, 2023 at ___6:30PM_____ on WebEx (virtual only).

Submitted respectfully by Board President Einar Offerdahl in Secretary Morgan Grossman's absence

Shadow Run Homeowners Assn. Profit & Loss Budget vs. Actual

January through December 2023

Cash Basis

	Jan - Dec 23	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Fines	809.72	0.00	809.72
Interest	-269.13	0.00	-269.13
LATE CHARGES	672.34	0.00	672.34
Lien Expense Reimbursement	1,774.55	0.00	1,774.55
Membership Assessments	68,557.36	66,980.00	1,577.36
Transfer Fees	275.00	0.00	275.00
Uncategorized Income	164.50		
Total Income	71,984.34	66,980.00	5,004.34
Gross Profit	71,984.34	66,980.00	5,004.34
Expense			
Bank Charges	31.80		
Committee Expenses	164.62	500.00	-335.38
Common Area Improvements	0.00	0.00	0.00
Continuing Education	0.00	250.00	-250.00
CPA Audit	0.00	2,000.00	-2,000.00
Electricity	400.57	530.00	-129.43
Income Taxes	0.00	0.00	0.00
Insurance	3,724.00	4,000.00	-276.00
Landscaping Maint. & Repair	27,730.84	33,000.00	-5,269.16
Legal Fees			
Association Incurred	1,690.40	2,000.00	-309.60
Homeowner Incurred	3,572.94	0.00	3,572.94
Total Legal Fees	5,263.34	2,000.00	3,263.34
Licenses	41.73	30.00	11.73
Meeting Expenses(Annual Mtg)	670.10	350.00	320.10
Memberships	0.00	0.00	0.00
NSF Check	0.00	0.00	0.00
Office Supplies	279.00	300.00	-21.00
PO Box Rent	232.00	232.00	0.00
Postage	88.20	300.00	-211.80
Property Management	1,400.00	1,400.00	0.00
Property Taxes	186.71	200.00	-13.29
Reconciliation Discrepancies	-0.41		
Reserve Account	0.00	15,588.00	-15,588.00
RESERVE STUDY	800.00	800.00	0.00
Tax Preparation	150.00	300.00	-150.00
Telephone Expense	230.00	300.00	-70.00
Water (KID)	3,826.89	3,900.00	-73.11
Website Main.	576.06	1,000.00	-423.94
Total Expense	45,795.45	66,980.00	-21,184.55
Net Ordinary Income	26,188.89	0.00	26,188.89
Other Income/Expense			
Other Income			
Bank Interest	58.22	0.00	58.22
Total Other Income	58.22	0.00	58.22
Other Expense			
Reserve Account Expenditures	0.00	0.00	0.00
VOID	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00
Net Other Income	58.22	0.00	58.22
Net Income	26,247.11	0.00	26,247.11

Shadow Run Homeowners Assn.

Checking/Savings

As of October 31, 2023

ASSETS

Current Assets

Checking Account #85	\$40,975.39
Money Market Reserve #84	\$80,642.57
Savings Account #80	<u>\$8,910.38</u>

Deposited \$1120.99 so far in November from home owner dues and fees

9:59 PM

11/29/23

Shadow Run Homeowners Assn.

Check Detail

October 26 through November 29, 2023

Type	Num	Date	Name	Memo	Account	Paid Amount	Original Amount
Bill Pmt -Check	1373	11/01/2023	JESSE'S LAWN...	Invoice #1099104	Checking Acco...		-2,181.33
Bill		11/01/2023		Invoice #1099104 - Regular Maintenance	Landscaping Ma...	-2,181.33	2,181.33
TOTAL						-2,181.33	2,181.33

Shadow Run Homeowners Assn.
Delinquent Homeowner Summary
All Transactions

	<u>November 29,2023</u>	Status
1	10.40	
2	182.11	
3	1.81	
4	2,479.04	Lien
5	1,432.34	Lien
6	182.11	
7	2,009.64	Lien
8	364.36	
9	233.62	
10	133.58	
11	182.11	
12	353.32	
13	1.81	
14	2,055.92	Lien
15	182.11	
16	181.68	
17	1,535.41	Lien
18	1.17	
19	49.43	
20	364.36	
21	182.11	
22	364.32	
23	0.41	
24	366.63	
25	364.36	
26	364.36	
27	5.31	
28	0.15	
29	1,592.38	Lien
30	182.11	
31	50.05	

TOTAL 15,408.52

Shadow Run Homeowners Assn.
Profit & Loss Budget vs. Actual
 January 1 through November 28, 2023

	Jan 1 - Nov 28, 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Fines	809.72	0.00	809.72	100.0%
Interest	-269.13	0.00	-269.13	100.0%
Interest on Assessments	0.00	0.00	0.00	0.0%
LATE CHARGES	672.34	0.00	672.34	100.0%
Lien Expense Reimbursement	1,774.55	0.00	1,774.55	100.0%
Liquidated Damages	0.00	0.00	0.00	0.0%
Membership Assessments	68,557.36	66,980.00	1,577.36	102.4%
Transfer Fees	275.00	0.00	275.00	100.0%
Uncategorized Income	164.50	0.00	164.50	100.0%
Total Income	71,984.34	66,980.00	5,004.34	107.5%
Cost of Goods Sold				
Cost of Goods Sold	0.00	0.00	0.00	0.0%
Total COGS	0.00	0.00	0.00	0.0%
Gross Profit	71,984.34	66,980.00	5,004.34	107.5%
Expense				
Accounting Services	0.00	0.00	0.00	0.0%
Assessment - Returned Check	0.00	0.00	0.00	0.0%
Bad Debt - Delinquences	0.00	0.00	0.00	0.0%
Bank Charges	31.80	0.00	31.80	100.0%
Bank Service Charges	0.00	0.00	0.00	0.0%
Billing Error Reimbursement	0.00	0.00	0.00	0.0%
Committee Expenses				
Activities Comm.	0.00	0.00	0.00	0.0%
Architectural Control Comm	0.00	0.00	0.00	0.0%
Community Enhancement Comm	0.00	0.00	0.00	0.0%
Rules & Regs Comm	0.00	0.00	0.00	0.0%
Welcoming Comm	0.00	0.00	0.00	0.0%
Committee Expenses - Other	164.62	500.00	-335.38	32.9%
Total Committee Expenses	164.62	500.00	-335.38	32.9%
Common Area Improvements	0.00	0.00	0.00	0.0%
Computer Update	0.00	0.00	0.00	0.0%
Continuing Education	0.00	250.00	-250.00	0.0%
CPA Audit	0.00	2,000.00	-2,000.00	0.0%
Electricity	359.71	530.00	-170.29	67.9%
Income Taxes	0.00	0.00	0.00	0.0%
Insurance	3,724.00	4,000.00	-276.00	93.1%
Landscaping Maint. & Repair	27,730.84	33,000.00	-5,269.16	84.0%
Legal Fees				
Association Incurred	1,690.40	2,000.00	-309.60	84.5%
Homeowner Incurred	3,572.94	0.00	3,572.94	100.0%
Legal Fees - Other	0.00	0.00	0.00	0.0%
Total Legal Fees	5,263.34	2,000.00	3,263.34	263.2%
Licenses	21.73	30.00	-8.27	72.4%
Meals (out of town)	0.00	0.00	0.00	0.0%
Meeting Expenses(Annual Mtg)	670.10	350.00	320.10	191.5%
Memberships	0.00	0.00	0.00	0.0%
Misc. Expense Savings	0.00	0.00	0.00	0.0%
NSF Check	0.00	0.00	0.00	0.0%
Office Supplies	279.00	300.00	-21.00	93.0%
Payroll Expenses	0.00	0.00	0.00	0.0%
PO Box Rent	232.00	232.00	0.00	100.0%
Postage	88.20	300.00	-211.80	29.4%
Property Management	1,400.00	1,400.00	0.00	100.0%
Property Taxes	186.71	200.00	-13.29	93.4%
Reconciliation Discrepancies	-0.41	0.00	-0.41	100.0%

Shadow Run Homeowners Assn.
Profit & Loss Budget vs. Actual
 January 1 through November 28, 2023

	Jan 1 - Nov 28, 23	Budget	\$ Over Budget	% of Budget
Repairs				
Fence Repair	0.00	0.00	0.00	0.0%
Irrigation Repair	0.00	0.00	0.00	0.0%
Park Equip Repair	0.00	0.00	0.00	0.0%
Sign Repair	0.00	0.00	0.00	0.0%
Repairs - Other	0.00	0.00	0.00	0.0%
Total Repairs	0.00	0.00	0.00	0.0%
Reserve Account	0.00	15,588.00	-15,588.00	0.0%
RESERVE STUDY	800.00	800.00	0.00	100.0%
Return Overpayment to Escrow	0.00	0.00	0.00	0.0%
Secretary Services	0.00	0.00	0.00	0.0%
Tax Preparation	150.00	300.00	-150.00	50.0%
Telephone Expense	205.00	300.00	-95.00	68.3%
Treas Reimbursement	0.00	0.00	0.00	0.0%
Treasurer Reimbursement	0.00	0.00	0.00	0.0%
Tree & Plant Rem/Rep	0.00	0.00	0.00	0.0%
VISA	0.00	0.00	0.00	0.0%
Water (KID)	3,826.89	3,900.00	-73.11	98.1%
Website Main.	576.06	1,000.00	-423.94	57.6%
Total Expense	45,709.59	66,980.00	-21,270.41	68.2%
Net Ordinary Income	26,274.75	0.00	26,274.75	100.0%
Other Income/Expense				
Other Income				
Bank Interest	58.22	0.00	58.22	100.0%
Reserve Account*	0.00	0.00	0.00	0.0%
Total Other Income	58.22	0.00	58.22	100.0%
Other Expense				
Money Market Expenditures	0.00	0.00	0.00	0.0%
Reserve account expenditure	0.00	0.00	0.00	0.0%
Reserve Account Expenditures	0.00	0.00	0.00	0.0%
VOID	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	58.22	0.00	58.22	100.0%
Net Income	26,332.97	0.00	26,332.97	100.0%

Shadow Run Homeowners Assn. Profit & Loss Budget Overview January through December 2024

	Jan - Dec 24
Ordinary Income/Expense	
Income	
Fines	0.00
Interest	0.00
LATE CHARGES	0.00
Lien Expense Reimbursement	0.00
Membership Assessments	68,950.00
Transfer Fees	0.00
Total Income	68,950.00
Gross Profit	68,950.00
Expense	
Bank Charges	0.00
Committee Expenses	
Activities Comm.	0.00
Committee Expenses - Other	250.00
Total Committee Expenses	250.00
Common Area Improvements	1,250.00
Continuing Education	250.00
CPA Audit	2,000.00
Electricity	600.00
Insurance	4,000.00
Landscaping Maint. & Repair	33,000.00
Legal Fees	
Association Incurred	2,000.00
Homeowner Incurred	0.00
Total Legal Fees	2,000.00
Licenses	40.00
Meeting Expenses(Annual Mtg)	350.00
Memberships	325.00
NSF Check	0.00
Office Supplies	400.00
PO Box Rent	232.00
Postage	400.00
Property Management	0.00
Property Taxes	200.00
Reconciliation Discrepancies	0.00
Repairs	
Fence Repair	0.00
Total Repairs	0.00
Reserve Account	17,028.00
RESERVE STUDY	800.00
Tax Preparation	300.00
Telephone Expense	525.00
Water (KID)	4,000.00
Website Main.	1,000.00
Total Expense	68,950.00
Net Ordinary Income	0.00
Other Income/Expense	
Other Income	
Bank Interest	0.00
Total Other Income	0.00
Net Other Income	0.00
Net Income	0.00

**Shadow Run at Canyon Lakes Homeowners
2024 Budget Ratification Meeting Notice &
2024 Annual Meeting Notice**

The 2024 Annual Meeting and the 2024 Budget Ratification Meeting are two separate meetings. We have attempted to schedule them on the same evening for the convenience of the residents. Please read the following descriptions of the meetings carefully, as the Annual Meeting notice includes both a primary meeting date and time and an alternate meeting date and time. Both Annual Meetings and the Budget Ratification meeting will be held at:

Kennewick Public Library Union St. Branch
1620 S. Union St., Kennewick, WA 99338

2024 Budget Ratification Meeting Notice
Monday, January 22nd, 6:30pm

Budget Ratification Meeting: On **November 30th, 2023** the Board voted and approved a budget for the 2024 fiscal year. There is no proposed increase in assessments for 2024. The assessments would stay at \$350 per year. **A quorum is *not* required for a successful Budget Ratification meeting.** Therefore, there is one, and only one Budget Ratification meeting, and it will be held on January 22nd, 2024, at the Kennewick Library Union St. branch at 6:30 PM. For additional Budget Ratification Meeting requirements please refer to RCW 64.38.025, #3.

2024 Annual Meeting Notice
First Meeting: Monday, January 22nd, 7:00 PM
Alternate Meeting: Monday, January 29th, 6:30 PM

2024 Annual Meeting: The purpose of this meeting is to elect 2 new Board members. **A quorum *is* required for this meeting (RCW 24.03A.440).** Therefore, if we do not have 2/3 of our voting members present or by proxy at the First Meeting on January 22nd, we will **re-schedule** the 2023 Annual Meeting to the Alternate Meeting on January 29th.

Voting Instructions

Budget Ratification voting instructions: A copy of the 2024 budget approved by the board is enclosed in this letter. You may vote to Approve or Reject this budget in one of three ways. **Choose one:** 1.) attend the Budget Ratification meeting and cast your vote in-person. 2.) fill out and return the attached mail-in Budget Ratification ballot. 3.) Fill out a Proxy form and ask your Proxy representative to attend the Budget Ratification meeting to vote on your behalf.

Annual Meeting voting instructions: You may vote for new Board members at the Annual Meeting in one of two ways. **Choose one:** 1.) attend the Annual Meeting and cast your vote in-person. 2.) Fill out a Proxy form and ask your Proxy representative to attend the Annual Meeting to vote on your behalf.

Proxy forms and/or budget ratification ballots shall and must be copied to the HOA using either method below:

1. Postmark the letter no later than January 17th, 2023 and mail to:
Shadow Run HOA
PO Box 6388
Kennewick, WA 99336
2. Take a picture or scan your form and send via email by January 22nd, 2023 by 12:00pm to:
Shadow.Run.HOA.99337@gmail.com

Please note: According to Shadow Run HOA ByLaw 10.2 the registered owner(s) are the only members with voting rights. The registered owner(s) are those listed on the mailing label located on the envelope this notice was sent in. All non-members' votes will not count. Each member is entitled to one vote for each Lot owned (CC&R 3.4.1).



Shadow Run at Canyon Lakes

Homeowners Association

Budget Ratification Meeting Agenda

January 29, 2023 – 6:30 PM

Kennewick Library Union St. Branch

Introduction of 2024 Board and opening remarks by Einar Offerdahl

- President - Einar Offerdahl
- Vice President - Dirk Weiler
- Stephanie Allen-Dunn -
- Richard Cox -
- Robert Hooper -
- Secretary - Morgan Grossman
- Treasurer - Shannon Turping

2024 Budget Ratification Meeting-

- Budget Presentation
 - Q & A
 - Vote on 2024 Board accepted proposed budget
 - Adjourn 2024 Budget Ratification Meeting
-

Annual Meeting Agenda

First: January 22, 2023 – 6:30 PM

Alternate: January 29, 2023 - 7:00 PM

Kennewick Library Union St. Branch

- Establish Membership Quorum
- Present 2023 Financials
- 2023 Financials Q & A
- 2 board positions available
- Accept nominations for Board Positions
- Vote for board members
- Adjourn Shadow Run at Canyon Lakes HOA Annual Meeting



PROXY FORM

Date: _____

I, _____, owner of _____,
(Name of Homeowner) (Shadow Run Address)

am a voting member of the Shadow Run at Canyon Lakes Homeowners Association, hereby appoint:

(Name of Proxy: First & Last Name)

who is another voting member of the association, to serve as my proxy holder to attend the ***Shadow Run at Canyon Lakes Annual Meeting*** to be held in-person on ***January 22nd, 2024***, at ***6:30*** p.m., or at any continuation of the meeting. I am authorizing the proxyholder named above to vote and act on my behalf to the extent that I would be personally present.

The appointment of proxy shall only be effective during the *Annual Meeting* of the Shadow Run at Canyon Lakes Homeowners Association on ***January 22nd, 2024*** and at any continuation of said meeting.

Signature (Homeowner):

Date: _____

Name of Homeowner (print):

<<< CUT HERE >>>

2024 Budget Ratification Ballot

Enclosed in this mailing is a proposed Operating Budget for Shadow Run at Canyon Lakes Homeowners Association for the calendar year 2024. Put a check mark (✓) on the blank to Accept or Repeal the proposed 2024 Operating Budget.

____ ACCEPT

____ REPEAL

Signature (Homeowner):

Shadow Run Address:

Name of Homeowner (Print):

DATE: