

Minutes of Annual Board of Directors Meeting 2019
CORDATA BUSINESS PARK ASSOCIATION

The annual meeting of the Board of Directors was held on **Thursday, February 21 2019** at 333 Calluna Court, Suite 201C Bellingham, WA 98226

Members

<u>Present:</u>	<u>Name</u>	<u>Entity</u>
	John Getchell	Cordata Park Place Condo Assoc.
	Carrie Veldman	The RJ Group
	Brian Keeley	Whatcom Community College
	Steve Crooks	Reserve at Cordata
	Ken Reinschmidt	Saratoga Commercial Real Estate, Manager
	Luke Reardon	Saratoga Commercial Real Estate, Asset Manager

1. Call to order

The meeting was called to order at 3:38 p.m. by Association President, John Getchell. And a Quorum was verified.

2. Approve Minutes John Getchell motioned to waive the review and reading of the 2018 Members Meeting Minutes and accept them as presented. This motion was voted upon and passed unanimously.

3. Review 2018 Financials

Ken and Luke reviewed 2018 financials. The highlights were:

- The total expenses came out right on track with the budget for the year despite significant overages in repairs and maintenance for the grounds as well as legal fees.
- Repairs and maintenance for the grounds was over budget due to major repairs to three of the associations backflow devices. There was also a valve replacement done for one of the irrigation areas.
- Water use was very far under budget due to the irrigation being turned off for a majority of the year. This is because the backflows needed to be repaired before turning the main line back on.
- Legal expenses were over budget due to the transfer of the open space parcels to the City of Bellingham for the new community park that will be developed. It was requested that the invoice from Belcher Swanson, the Associations attorney, be sent to the City of Bellingham for payment. Ken will follow up with the City regarding this.
- We reviewed the small amount of owners that still owe for past year assessments. These owners have been contacted and we will do what we can to collect the remaining balance.
- We reviewed the 2018 balance sheet and commented on the fact that we have already begun receiving 2019 assessments.

4. 2019 Budget

The 2019 Budget has already been approved and the assessments have been sent out to owners for the year. The board did not need to discuss the 2019 budget in great detail as this had already been reviewed and approved upon at the previous meeting. Overall, the assessment rate per acre slightly decreased compared to last year although the budget for 2019 very closely mirrors the 2018 budget.

5. Tax Discussion

Ken explained why there were taxes paid in 2018. Typically, the unused income could be transferred into the following year's budget to avoid taxes on the income. We had done this for 2018, but apparently this can only be done every other year. Because of this, we did not have to pay taxes in 2017 but were required to for 2018. This explains why there was an overage in the taxes line item. John Getchell made a motion to continue to engage Newman and Associates for future tax services. The motion was unanimously approved.

6. Parcel Transfer to City of Bellingham

Carrie Veldman verified that all documents are signed and recorded concerning the parcel transfer to the City of Bellingham. Carrie will send the documents to Ken to be kept in a file for the Cordata Business Park Association.

7. Irrigation and General Maintenance

Ken and Luke discussed the current condition of the irrigation lines. In short, the system is very old and is showing serious signs of needed repairs. Saratoga has begun the conversation with Proscapes, the landscaping company that oversees the irrigation system and operations. Luke will work with the landscaping company to get hard bids for this work so we can begin discussion to implement an irrigation improvement plan going forward. We believe it could cost close to \$10,000 to replace each line of irrigation and there would need to be 3 lines replaced. Luke will also obtain a letter from Proscapes that will identify the condition of the trees along the road as well as confirm with the City which trees will be impacted by the new park. On a separate note, Ken will connect with Darcy regarding the replacement of the reserve structures.

8. Parcel Audit

Ken discussed the parcel audit that Saratoga did in 2018. The audit verified owner contact information, parcel numbers, and acreage. Overall the acreage did not change too significantly, but there was some owner contact information that was corrected. The acreage only slightly increased as a whole, which will bring the assessment rate per acre down.

9. THE MEETING WAS ADJOURNED AT 4:34 PM