

R.I.I.A. BOARD MEETING  
April 17, 2017 7:00  
All Saints Center, Raft Island

Present: Board – Crain, Swenson, Scea, West, Williams, Hurley, Hirko, VanDorn, Cushing. Absent: Burnett

Members – Mike Neal

Request to Add Agenda Items - none

Member's Request to Address Board - none

Approval of minutes - approved with corrections

Treasurer's Report – Audit Engagement Letter: Treasurer Scea submitted a proposal from Cagianut & Co. to audit RIIA's books. The fee is same as last year, \$4200. USDA Loan requires annual audits. Moved and seconded: to hire Cagianut & Co., CPAs to audit RIIA's books. Unanimously approved.

Manager's Report – Getty #209 & #211, not paying (again). Board agreed to send a letter and inform Getty that if he doesn't pay his dues, RIIA will foreclose.

Shultz #83 – not paying (again), and don't respond to calls from Island Manager. Board agreed to send a letter informing them if back payments are not received by May 15<sup>th</sup> RIIA will foreclose.

New Owners - Chris and Haley Berglund - #78

#### Committee Reports

1. Parks and Recreation – Mike Neal, chair:
  - Work party to replace dock and boards on walkway and dock itself after the weather improves. Not really sure of the entire condition until they start pulling it apart and fixing it. Might need to replace some floats.
  - Trees off Island but on Island property, bordering Goerig's property, near the school bus parking. Some scraggy trees that look like they're going to fall. Mike Neal proposes we have a work party and cut them down and offer the wood to anyone who wants it. Approved unanimously.
  - There followed a discussion of trees that need to come down and getting an arborist's assessment. Swenson will contact an arborist.
  - Tennis courts need power washing. Will ask Island Manager to send out an e-mail asking for volunteers to help power wash. Board approved offering to pay Alford's water bill for the month if they will allow use of their water for this project.
  - Concrete steps to North Beach are slippery with sea weed. Neal will look at putting in a hand rail as there is nothing to be done about sea weed because the steps are underwater at high tide.

## 2. Roads –

- Swenson met with Morris regarding the erosion from the new ditch noted at the last meeting. Road Consultant Richard Day responded to Morris directly.
- Water running across the road in front of Gato, #176 wasn't addressed when the contractors were doing ditching and drains.
- Road project is planned to start at end of May, weather permitting.
- Alder – regarding Steve Brown's proposal to install additional drainage basins: Day looked at it and believes it's a ditch maintenance issue and a matter of keeping the existing culvert & catch basin clear.
- Speed bumps – Swenson said that the existing contract calls for speed humps based on a design used in Tacoma and used as part of the Survey RIIA did last summer. The speed humps are posted for 25 MPH speeds when traveling over the humps. There followed a discussion regarding having the road contractor install humps which will not be effective in slowing down traffic to the safe 15 mph Island limit. All agreed that traffic speed is a problem on the Island for both pedestrians and for other vehicles. Motion was made and seconded to put in bumps like the new bump installed on the road below lots 2 & 4 when the approach to the bridge was repaved. Passed unanimously but for 1 abstention: Swenson

2. Emergency Preparedness – no report

3. Security – security camera policy is on ballot. There was a report of mail theft (package from mail box).

4. Communication – next newsletter will be after the roads are finished.

5. Investment – Committee met April 13<sup>th</sup>, BRF almost \$200,000, USDA reserve \$4000 ahead, \$806K in General fund of that \$579K in money market fund. Sent out list of various balances and recommendation as to where money should come from for roads: Money Market AAB \$185,500, regular money market \$17,441, brokerage \$561,900. Committee recommended \$63K from each mutual fund which gets us close to \$890,867 for new roads. \$192K left in general fund and BRF untouched. Vote to approve the committee recommendation: moved and seconded to accept the recommendation of the Investment committee. Unanimously approved.

## Old Business

Collections policy – There was a discussion regarding changes to the collections policy to make it more effective and efficient. Hirko will redline the current policy with suggested changes.

Adjourned 8:44

Next meeting May 15 – annual meeting



Gayle L. Cagianut, CPA  
Catherine L. Kuhn, CPA

April 4, 2017

Board of Directors  
Raft Island Improvement Association  
c/o HOA Community Solutions  
Via email

Dear Board of Directors:

We appreciate the opportunity to submit a proposal to perform the audit of your association's financial statements as of **June 30, 2017** and for the year then ended. A management memo and/or Report of Internal Control may also be issued.

***Scope of the Engagement***

We will audit the balance sheet of the Association as of June 30, 2017 and the related statements of revenues and expenses, changes in fund balance, and cash flows ("financial statements") for the year then ended. The document we submit to you will include required supplementary information about future major repairs and replacements, assuming the Association provided us with the information. Such information is required by the Financial Accounting Standards Board. Although we will apply certain limited procedures with respect to the required supplementary information, we will not audit the information and will not express an opinion on it. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. If the required supplementary information is presented, we will require representations at the conclusion of the audit that the Board of Directors acknowledges its responsibility for the required supplementary information, that the information is measured and presented in accordance with prescribed guidelines, about whether methods of measurement or presentation have changed from those used in the prior period and, if so, the reasons for such changes and about any significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts as we deem necessary. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We may request written representations from your attorneys as part of the engagement, and they may bill you for responding to that inquiry. We will contact the prior accountant as applicable. We will assume that we have your permission to contact the predecessor accountant unless otherwise advised. Acceptance of this proposal cannot be finalized until that communication has been evaluated.

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Gayle L. Cagianut, CPA  
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