

DECEPTION PARK VIEW ASSOCIATION

P.O. Box 2446, OAK HARBOR, WA 98277

MINUTES OF THE ASSOCIATION BOARD MEETING, NOVEMBER 10, 2015

1. CALL TO ORDER

Greg Johnson called the meeting to order promptly at 6 pm with the following Association Board members present: Greg Johnson, President; Bob Van Dyk, Vice President; Kathleen Johnson, Treasurer; Karen Barta, Secretary; Scott Pyke and Jack Smith, Water Managers; and Bridget Lee, Special Projects Coordinator. Darla Pyke was also in attendance. Mark Maris was not present.

2. REVIEW AND APPROVE ANNUAL MEETING MINUTES OF OCTOBER 13, 2015

The minutes of the Annual Association Meeting on October 13, 2015, were reviewed. [Name] motioned we approve the minutes as written and seconded by [Name]. Motion carried.

3. FINANCIAL REPORT

A. ANNUAL REPORT FOR 6-01-14 TO 5-31-15

Since no past fiscal year report was submitted at the Annual Association Meeting, Kathleen submitted the Financial Report for 06-01-14 to 05-31-15 for approval with the Water Account ending balance as \$15,018.87 and Community Account ending balance as \$9,806.88 (attached). There was discussion about the new format, which helps understand deposits and expenditures more clearly. Scott motioned we approve the Financial Report for 06-01-14 to 05-31-15 as written and seconded by Jack. Motion carried.

B. CURRENT STATUS FOR 6-01-15 TO 11-10-15

Kathleen gave a status of the Association's current financial situation with the following account balances as of November 10, 2015 (attached): Water Account, \$20,165.13 and the Community Account, \$9,087.88. There are several pending bills (attached): \$6,798.35 total for the Water Account and \$65 for the Community Account.

The following items were discussed:

- Kathleen discovered that the Association often made late payments to KWC and Puget Sound Energy (PSE) without incurring late fees. However, the Washington Secretary of State Nonprofit Corporation Annual Report (which renews our tax-exempt status) was either late or incomplete the last five years, which cost the Association \$45 for re-instatement instead the low annual renewal cost of \$10.
- The Association has one to two resident water payment checks per year returned due to insufficient funds. KWC instructed Kathleen to inform them of any returned checks plus the cost and this will be added to that resident's next water bill.
- Bob asked how often and how much it is costing the Association to have KWC come and trim the grass on the water property. Kathleen reported that according to the financial report we are paying Keith Matthews \$60 every time he comes to mow.
- Bridget inquired if a new light could be installed where it is darkest around the circle. Jack stated we need to find out who owns the existing light posts: PSE or us. A new light could be very costly and needs further study and discussion. Kathleen took this for action.

C. USDA LOAN BALANCE: \$7778

Kathleen spoke with Darla from USDA and reported our current loan balance is \$7778. This does not include the pending payment that will be automatically deducted in November. It was also noted that the required USDA reports have not been submitted correctly for the last three fiscal years.

D. PAST DUE ANNUAL ASSOCIATION DUES REPORT

Kathleen is obligated to report to the Board any past due annual Association dues according to the By-Law Article XI, Section 4: "Any dues not paid by the 31st of October, shall thereafter be delinquent with interest at the highest rate allowed by year per annum." A list of 13 members who have not paid was provided to Karen who will send reminders to them. It was noted that these are just the members who receive water statements, which is efficient because KWC keeps records of dues paid, making it easy to transfer the funds into the community account.

Karen inquired about Association members who own lots but do not get water statements, were they billed and/or did they pay dues? Kathleen reported there is no system in place to determine this. Karen suspects they were not sent separate billing, as was done in the past and agreed to also send them reminders. [Note: Brenda at KWC said she could open accounts for empty lot owners and bill them for dues once a year.]

Karen expressed concern over the money designated for the Capital Improvement Plan (CIP), the additional bi-monthly \$20 paid, established in 2000. A \$30,000.00 CD was purchased; however, the CD monies were withdrawn and used to lower the principle of the USDA loan in Fall 2013. Since then no money has been set aside for CIP. The question of whether it would be better to set up a separate account explicitly for CIP funds or simply have the funds accounted for within Kathleen's Excel spreadsheet was left unsettled.

4. WATER MANAGEMENT REPORT

Scott reported he spoke with KWC regarding his relationship to them as a Water Manager. Scott provided them his cell phone number to call when they needed authorization for emergency repairs. Scott inquired about the community generator. It was reported that some years ago the Association Board decided to purchase a generator to keep our water pumps pumping when power went out. Jack explained that the Association has a maintenance contract with someone who is scheduled to service it every 3 months, at a charge of \$45 per visit. Karen noted that the generator company insisted when it was installed that it had to be serviced by one of its own certified agents to secure the warranty on it. Kathleen was unsure if the Brandon Chambers expense was for this service and stated she would look into this.

5. SPECIAL PROJECTS REPORT

Bridget stated there are currently no special projects and would like to organize something in the spring. Scott asked if she would distribute the fliers he created promoting the new Association Facebook page. Bridget volunteered and agreed to also ask people to fill out forms giving their telephone numbers and email addresses.

6. OLD BUSINESS

Greg noted that there was no known old business to discuss.

7. NEW BUSINESS

A. FACEBOOK PAGE AND WEBSITE

Scott updated the Board on the community's Facebook page and website. For \$12 a year, he secured the domain name of deceptionparkview.com. This purchase can be automatically renewed every year and prevents others from buying it and then trying to sell it to us for a price. For \$8 a month, Weebly.com would host our Association website. This would allow Association members to download minutes of meetings, copies of the Association Covenants & By-Laws, announcements, etc.

[Name] motioned we approve the \$12/year domain fee and the \$8/month host fee and seconded by [Name]. Motion carried.

B. BETHEL CHURCH OF OAK HARBOR BUILDING USAGE FEE

Greg stated that Reverend Choi of Bethel Church of Oak Harbor has agreed to allow us to use their facility for our board of directors meetings and possibly our annual meeting; however, we feel we should compensate them for the usage and they have recommended a donation of \$10/use.

[Name] motioned we approve the \$10 usage fee to Bethel Church of Oak Harbor and seconded by [Name]. Motion carried.

C. BOARD MEMBER WATER EXEMPTION REMOVED

Greg requested this agenda item be deferred until after Item E is discussed.

D. HOMEOWNER'S ASSOCIATION ANNUAL DUES INCREASE

Greg presented a proposal to raise the annual dues for Association members from \$20 to \$25 (attached). There was a brief discussion. Kathleen noted any increase would require a vote of approval at a general or special meeting of the membership.

Karen moved that the annual dues paid by all lot owners (80 total) be doubled from \$20 to \$40. Kathleen seconded the motion. Motion carried. No special meeting date was set to present this to the Association membership; this was tabled to the December Board meeting.

E. WATER RATE/FEE INCREASE OPTIONS

Three documents were distributed (attached):

- 1) Water Rate/Fee Options proposed by Karen Barta
- 2) Average Water Usage as of October 5, 2015 provided by Kathleen Johnson
- 3) Other Associations' Water Rates provided to Scott Pyke via KWC

It was agreed that a flat fee of \$25 monthly or \$50 bi-monthly would be charged (\$15 for CIP and \$10 for debt reduction, with the \$10 rolling to the CIP when the USDA loan was paid in full) plus a water usage charge. Scott and Jack agreed to do further analysis on a fair water usage charge and would present their findings and recommendation at the December Board meeting.

The Board approved raising water fees by February 1, 2016. An information meeting will be held to answer questions about the new water rates.

F. BOARD MEMBER WATER EXEMPTION REMOVED

Greg proposed that Board members no longer be exempt from paying the water bill. This will increase the Association's income by \$1920 over 12 months.

Greg motioned that the Board remove the water exemption and seconded by Scott. Motion carried.

G. HOA RECORDS MANAGEMENT AND H. REVIEW CURRENT COVENANTS AND BY-LAWS

Karen recommended we defer the remaining two agenda items to the December Board meeting due to time, 7:55 pm.

8. SET NEXT BOARD MEETING DATE/TIME

Greg set the next Board meeting for Tuesday, December 8, 2015, at 6 pm at Bethel Church.

9. ADJOURN

Greg motioned the meeting to adjourn at 7:55 pm and seconded by Scott. Motion carried.

Respectfully submitted by Karen A. Barta, Secretary