

# Orcas Highlands Association Annual Homeowners Meeting

Eastsound Firehall Meeting Room

June 8, 2019 1:00 PM

I. OHA Board Member Introductions and intro of members in attendance

II. Call to Order – 1:05

III. Volunteers to approve the contents of the minutes as submitted: Cindy Carter, Joanie Knipe (wife of Steve Pettyjohn).

IV. Reports:

A. President's Report (Marcia)

Summary of major board activities for this year.

We sold the water system, led to a refund of the water maintenance fund.

The water system funds were invested in the fiber project. 46 members prepaid, which brought down the loan number to about \$43,000 instead of \$70,000. The fiber project is going well, should be done with the middle mile by end of July. Final connection is between members and Rock Island.

Flammable dead brush thinning along Olga Rd in common area, there are now some nice hiking trails with bark chips.

We paved all the roads except Highlands Dr, but even there we did some repairs.

A huge number of folks showed up for Firewise Cleanup Day.

B. Treasurer's Report (Dennie):

1. Review of 2018 audit – This is the third year we have had an audit done. The audit came out clean with the suggestion that we need to do a formal asset replacement plan. Due to our recent roadwork, we have the numbers to complete the asset replacement plan; the roads are our only substantial asset now that the water system has been sold. We will be doing a reserve study.

2. IRS Tax resolution (Association Resolution for Revenue Ruling 70-604 Election-Excess Income Applied to the Following Year's Assessment): Motion for resolution made by Stewart Mehlman, seconded by Jackie Daigle, approved unanimously.

3. Financial report and 2019–20 Budget review and motion for acceptance by Stewart, seconded by Madie Murray. Approved by vote.

Significant financial events the past year:

Roads resurfacing was about \$104,000

Water system sale brought in \$196,500, paid federal tax of \$37,300

Water service setup cost about \$3,600

Wildfire mitigation cost about \$11,000

Fiber project – as of April 30, we had spent \$108,000; as of June 3, \$164,500

We have a loan from Islanders Bank for the rest of this at 6.25% for about \$43,000

Question about item 17 office supply cost – printing, mailing, Quickbooks, maps, checks, etc.

To cut down mailings and cost, we would like to email everyone. We need good email addresses for everyone, Marcia will only send actual paper copies to the half a dozen or so people that she knows don't do email.

The password is access4oha, we can send this out on Mailchimp, secretary will do it.

You can pay your dues with a credit card electronically, can also use bank payments. If you need to spread out your payments, you can pay monthly. Please pay on time; late or missing payments are a challenge (waste of OHA member money). The fee to use credit cards is being absorbed by the association.

Quarterly fee is \$110 \$(50 Dues + General Expense, \$60 Road Fund) for those who prepaid the fiber assessment; for those who didn't prepay the fiber assessment, it is \$144.

4. A/R Aging status: importance of meeting payment due dates

#### C. Road Report (David):

1. Status of scheduled utility work.

2. Continuing roadside vegetation and Scotch Broom / Tansy Ragwort removal – contact owners who have this growth.

3. We will mow the shoulders once the daisies are done blooming.

Snow plowing comes out of the roads budget, question about roads sweeping but there is no equipment for this on the island.

#### D. Nominations Committee (Jens):

1. Current board terms and plea for volunteers especially for committee work.

2. Reelection of directors with expiring terms – Harvey Aldort, Jens Kruse.

3. Election of new directors – Chris Graham – Jens read Chris's statement.

Jens encourages people to get involved, our community functions better when people volunteer. Five of current board members have their terms ending in 2020. Terms are supposed to be staggered, so board will need to deal with this.

Cindy Carter put herself forward as a candidate for board membership, she will be a write-in.

Question as to whether a spouse can serve with her spouse on the board. Bylaws do not prohibit this, but it was mentioned that it could be a problem for one household to have two board votes.

Our bylaws allow for 9 board positions unless we have a resolution by the board to increase this, none was forthcoming.

Each candidate spoke for him/herself before our vote. Vote was conducted. Elected are Jens, Harvey, and Chris. Here are the final vote totals:

Kruse with 32 (28 plus 4 proxy)

Aldort with 25 (21 plus 4 proxy)

Graham with 32 (28 plus 4 proxy)

Carter with 14 (8 plus 6 proxy, including those turned in late)

The votes match the sign-in sheets.

E. Welcome Committee (Bob & Madie): Madie Murray has volunteered to take over the welcome committee. She has made up a packet to go out to new residents and anyone else who would like one. It collects information about the residents and gives them a lot of information

about the association and the community. Madie is soliciting photos to put on the cover. If you see someone moving in, please let Madie know so she knows when they moved in. Contact Madie at gomadie@gmail.com.

1. New member welcome.
2. Updating the Member Information Sheets

#### F. Firewise Committee (Brian):

1. Emergency Notification Plan. Filling out the member information form is key to this effort.

2. Use of burn area and member responsibilities – Please don't dump or burn out of season. Brian has emailed me the contact link on the county website to get on their emergency system, David will send it out.

Brian thanked everyone for helping on the cleanup day.

Brian spoke to the fact that the state is anticipating a very serious fire season. With the fires we will have, we are likely to have hours to get out, as opposed to just a few minutes, unless the fire starts right where we live. Fill out the member information sheet for the association, also go to the county website to be on their notification system with reverse 911:

[http://joomla.sanjuandem.net/index.php?option=com\\_content&view=article&id=57&Itemid=57](http://joomla.sanjuandem.net/index.php?option=com_content&view=article&id=57&Itemid=57) .  
(This website has also been emailed out separately.) Clean out your gutters and under your decks, embers can set the fir cones on fire. The Firewise website has good information on how to prepare around your house.

Top righthand corner of our map explains who you call in case of fire.

Naomi suggests having two lanes of traffic going down the hill in case of fire, as no one will be driving up the hill. Probably would have to be coordinated with the sheriff.

There are several more areas to be cleaned up, we will approach them as we have the money.

#### V. New Business:

A. Attention to driving speeds, especially for your contractors, visitors, and renters.

B. Contacts for questions regarding the fiber installation and if you would like to connect. Rock Island will be contacting you.

The bunnies on the circle are feral, don't belong to anyone. Wildlife authorities encourage us to leave them where they are.

Cindy Carter brought up a suggestion to have a three-month window between when the board brings up an assessment before it is voted on. This was ruled out of order because this isn't the proper procedure for amending the bylaws. No formal submission of this amendment was made, only a coarse verbal summary of its intent. Also, it was not passed out to all in attendance, and it was not passed out to any board members, so the board never formally received it. In addition, Cindy attempted to second her own suggestion with a proxy. Had the motion been properly presented, a cursory review indicates that the proposed bylaws amendment contravenes state law per our attorney and is inconsistent with OHA's governing documents. In addition, Cindy Carter

tried to make a motion to suspend the rules so members could vote on her suggestion. Again, this was ruled out of order as it addressed the bylaws modification process, and bylaws changes are specifically excluded from attempts to "suspend the rules"; bylaws are a contractual matter as provided in Roberts Rules.

Donna suggested sending out the minutes each meeting so that members are informed. It was pointed out that the minutes are always posted on the website. Nevertheless, the secretary agreed to do this.

VI. OHA Member Forum

VII. ADJOURNMENT: 3:20