

ORCAS HIGHLANDS ASSOCIATION ANNUAL HOMEOWNERS MEETING

Zoom Video and Phone

June 6, 2020, 1 p.m.

I. OHA Board Member Introductions

Members present: Marcia West and Cynthia Fugate, Brian Ehrmantraut, Lee and Sally Eastland, Arthur and Judy Winer, Donna and Bob Burke, David and Geri Turnoy, Mike and Barbara Shivers, Chris Graham, Roxy Marck, Steve Pettyjohn, Dennie and Cindy Carter, Ron Claybourn and Jackie Daigle, Jens Kruse and Susan Kunk, Bea von Tobel and Cindy Elliott, Berto Gandara, Susan and Lee Kirby, Larry Hughes and Janie Kazas, Naomi Aldort, Peter Bohr and Duffy King, the Roosmas, Kristen and Ed Wilson, Madie, Murray, Kim Kimple, Vicky Thorsell, Jason Graczyk and partner, Tom Kranick, Sara Morgan, Stewart and Barb Mehlman, Patti Greiner, 12149264530 (phone number)

II. Call to Order – 1:05

- III. Volunteers to approve the contents of the 2019 minutes as submitted – they are on the website, moved and seconded, approved
Volunteers to review minutes of the 2020 meeting – Roxy Marck, Cindy Carter

IV. Reports:

A. President's Report (Marcia)

1. Summary of major board activities for this year – A lot of projects were finished this year. Thanks to Ron Claybourn on water and fiber and others on fiber committee. Fiber is helping real estate sales. We got a tax refund on the sale of our water system of over \$3,000. The installation of the middle mile came in at budget. We had 46 homes that prepaid, so we only had to borrow \$41,000 instead of \$70,000. We reduced the quarterly dues to \$110 for everyone. Roads were patched and resurfaced after the fiber project.

2. Introduction of the Reserve Study – Marcia completed it for us, is on the website. It gives us a template to make sure we have enough funds in reserve to take care of our needs. It will need to be updated yearly.

3. Only four people have not paid dues for this quarter, we are in good shape because we can use credit cards and bank cards, we pay 2.9% fee on credit cards, this lets people keep up, you can also set up a bank transfer.

4. We will now tackle forest management, we have this in the budget

5. We have two homes finishing up, another one starting, some new sales of lots will bring more homes

6. Policy committee will focus on updating policies

B. Treasurer's Report (Dennie):

1. Review of 2019 audit – We have used the same CPA for three years, positive results, we are correctly following guidelines, we have review guidelines in place, we need the reserve study reflected in the audit. The audits are on the website.

2. IRS Tax resolution (Association Resolution for Revenue Ruling 70-604 Election-Excess Income Applied to the Following Year's Assessment): Motion for resolution – Moved and seconded, motion passed, carryover is about \$12,000, with \$4,000 going to reserve

3. Financial report and 2020 – 21 Budget review and motion for acceptance – We are moving into a stable financial situation, Marcia as bookkeeper has worked nicely with Dennie and other board members. Steve P asked about the budget item for debit and credit card fees going up from \$100 to \$1,500. This was new this last year, and we had no idea how much was going to be needed. Steve asked if we might want to transfer this fee to the people using it, would be good for board to think about this. Steve also asked about a jump in insurance, but it is lower by \$3,000 than when we had the water system. It covers things on roads, errors and omissions. Bea asked about amount in wildfire mitigation being low, is concerned about common lots being thinned. The association owns about 30 acres, half of which is at the bottom, and the rest is in different places. Roxy asks if we might increase that amount by \$2,000 per year, for which she made a motion, and it was seconded. Brian says these are big projects that need to be done on a continuing basis, perhaps

we should have a separate fund that we pay for in dues. Ron asked if some of the wood could be harvested to help offset the cost of harvesting. Lee asked about which area Ron is referring to, Ron says just in general. Bea says we might want to update the inventory of forest to see what is useful. Brian says that the work down below included taking what was marketable, but there wasn't much that was marketable. We do need a new timber management plan. Susan Kunk says the WSU extension forestry management division gives landowners advice on what timber would be marketable, board might want to contact them, this is a free service. Janie asks if we might use some of the harvested wood to put against rock cliffs to hold soil in place, Marcia says this could be used for slope stabilization. Steve asks if \$2,000 will help, Brian says yes. Cindy Elliot asked about a Firewise grant, Brian submits the paperwork every year, money is either not available or not very much is available, not enough for major projects. David T proposed an assessment for forest management, Roxy asked if we can simply transfer money from the operations fund. It can't be a reserve fund, says Marcia, as it is not a fixed asset. Steve asked about fiber money, this is all being paid by homeowners, not the association, so it can't be diverted. Roxy says we have neglected the forest, she just wants \$2,000 to be shifted. Chris wonders if we would be following state law by doing a special assessment. Brian says we should come up with a new plan first. Chris says we can only approve the proposed budget or reject it in order to transfer money. Jens says we should put this issue on our next board meeting. Marcia says we can use the extra \$4,000. Brian says it would cost a couple thousand dollars to do a formal management plan. We can consider Roxy's motion when we apportion the leftover money. Jackie says there may be trees in the common area that could come down to improve views, private homeowners would pay for this. Roxy withdraws her motion, and the second is withdrawn, because forest management budget can't be changed at this time, but board will attend to this topic. Lee opposes special assessments, but we could ask the members if they want to increase dues, Chris says we can't change the budget today, have to follow procedure. Budget as presented is adopted.

4. A/R Aging status: new option to pay via Bank transfer or Credit Card – Mentioned above

C. Road Report (David):

1. Spot repair after logging operation on Youngren's adjoining property – When done, Island Ex will inspect, Youngrens will pay us that amount plus 15%
2. This year's trimming and snow removal summary – Only a small amount comparatively to other years
3. Noxious weeds: scotch broom, tansy, thistles – Owners need to take responsibility for removing these. Arthur Winer is very involved in keeping an eye on this, and he pulled a whole bunch of scotch broom himself.

D. Nominations Committee (Jens, Arthur, Dennie):

1. Volunteers for committee work – You don't have to be on the board to be involved in committee work
2. Recognition of Directors with expiring terms- Brian and David
3. Election of new directors – Five candidates plus incumbents Brian and David to be considered for four positions
4. Speeches by Mike Shivers, Steve Pettyjohn, Cindy Carter, Bob Burke, Brian, David
5. Voting is online or by mail, ballots need to be received by the 13th, results by the 14th
6. Note that Dennie is leaving the board after 30 years as treasurer, and Marcia is also leaving the board after six years, the last three as a very successful president

E. Welcome Committee (Madie):

1. New member welcome.- Madie has done an amazing job, let her know when new people move in so she can contact them
2. Updating the Member Information Sheets – Madie is doing this also
3. Susan K has almost completely updated the map, if anyone needs their contact info updated, please let Susan know so it will be on the new map. We would also like info of long-term renters, owners need to let us know. The map should be ready by the middle of July.

F. Firewise Committee (Brian):

1. Use of burn area and member responsibilities – Brian would like us to update our forest management plan and then update our budget accordingly.

V. New Business:

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- A. Attention to driving speeds, especially for your contractors, visitors, and renters
- B. Links to assistance during the Covid-19 situation – Many resources are available: Senior Center, Orcas Center newsletter.

VI. OHA Member Forum

Roxy asks about encouraging property owners with property adjacent to Highlands Drive to deal with trees that need work. Some are in right of way, some are on private property. Owners need to deal with their own trees. An owner had several trees come down on Roxy's property and Shawn's property, she made Roxy deal with this and did not take care of it herself. Chris says neighbors need to work together, practically speaking it is the responsibility of the owner of the trees to deal with it. If the adjacent owner wants to help, that is great but not required. Roxy says that almost all the homes on the uphill side of Highlands (many if not all front on Lindsey Way) have problem trees, but none of these owners seem interested in dealing with this. Chris says the association is not technically responsible but can encourage owners to settle, Marcia says board can put out in newsletter the issue of owners taking care of their own trees.

Naomi feels it is unfair for those owning extra lots to have to pay dues as if people were living there. Naomi would like everyone's fees to go up and those paying for extra lot not have theirs go up. Marcia says there are seven lots in this situation.

Naomi would also like a covenant about outdoor lights, too many outdoor lights on, would like lights covered or facing down.

Naomi asks that people please stop feeding other people's cats.

Naomi wants to be able to walk through other people's property to get to the mailbox, would like to have trails made or allowance for people to walk on these.

Naomi has seen the Youngren property being clearcut, Marcia says the clearcut area had diseased trees, Eric will be subdividing to have one more lot

Naomi needs helpers on her property, let her know about willing workers.

Ron says that one of the things Carson is doing on the Youngren property is replanting with white pines, which are not subject to root rot and were indigenous here long ago but were wiped out by rust. The easement allows up to 100 homes on the property. Eric doesn't want to go there, and he would have to get the zoning changed before he could add more than one home on the other 20 acres, as it is currently zoned R-20.

Arthur says the Youngrens may be the largest violator of the scotch broom problem on the island, perhaps the board could communicate with them as the seeds can travel a long way in high winds, county noxious weed team should perhaps be contacted, Arthur may do this. Brian says the county can do the work and bill the owners. The scotch broom is concentrated along the road behind some trees. It is also very flammable.

Janie had yellow ark angel infestation, she weed-whacked it and buried it, after two years it was gone.

VII. ADJOURNMENT at 3:07

We are also attaching the ballot for this year's meeting. Please cast your vote for new and returning board members. Ballots can be returned by:

email (orcashighlandshoa@gmail.com) or
by post (PO Box 474, Eastsound, WA 98245)

We are also including a copy of the member information form if any of your contact information has changed. To save money and make for more timely bulletins, we are trying to maximize our use of email for both notifications and invoices: please let us know your best address or addresses.