

MINUTES OF THE  
**MT. BAKER RIM COMMUNITY CLUB**  
ANNUAL GENERAL MEETING  
JUNE 20, 2015

**(REVISION 1 – REVISED – May 20, 2016)**

The Annual General Meeting of the community club was called to order at 1:00 p.m., June 20, 2015. Meeting proceedings are reported under the agenda items, as below, which agenda was published and distributed prior to the meeting.

**1. Adoption of meeting order of business**

The Secretary recorded there were 30 members present holding 7 proxies for a total of 37 present for voting. The 2/3<sup>rd</sup> vote required to pass would be a count of 25 votes. These attendance figures were sufficient to constitute a quorum for the meeting; that being 10% of the 365 members eligible to vote at this AGM. The necessary vote for a majority would be 19. The President outlined procedures to be followed in conducting the meeting including issues brought to the floor, and voting procedures. The membership reviewed the agenda. The President stated if there were no objections the meeting would commence.

**2. Introduction of 2015 Board of Directors**

The Board of Directors was introduced as consisting of Phil Hobman, President; Troy Cooper, Vice President/Violations Director; Ed Keller, Legal and Insurance Director; Susanne Savery, Treasurer; Roy Graham, Member Relations Director; David Hill, Property Standards Director; Brittany Sundwall, Director At Large (not seated at the head table).

The President announced that the following Directors were absent: Bob Jamesson, Grounds and Maintenance Director and Roz Schott, Secretary who replaced Swan Bender. The President acknowledged Swan Bender's many years of valued service as Secretary.

The President introduced the following employees: Allison Reimer, full-time Caretaker; Brian Kennedy, relief part-time Caretaker and Susan Skorjanc, part-time Office Assistant & Bookkeeper. The President also acknowledged Ken Sather, Assistant Caretaker who was absent.

**3. Approval of minutes of 2014 Annual General Meeting**

The minutes of the 2014 Annual General Meeting were reviewed. Dick Russell voiced his opinion that the proposed bylaw **Article VI. DIRECTORS** had a one sided presentation in the minutes and did not mention past board members in conflict of interest. The President responded that he did not recall that discussion coming up during the 2014 AGM. Mr. Russell agreed to the addition of the wording " a spirited discussion was had regarding the proposed amendment" to the 2014 AGM minutes. Al Campbell moved to approve the minutes as revised and Paul Freitag seconded. The motion approving the 2014 minutes was passed by the membership with a majority show of hands.

**4. Consideration of suggested Bylaws changes**

**Article VII. OFFICERS** The proposed Bylaw amendment was presented indicating the current Bylaw does not allow the position of President to hold any other position.

In the past Presidents have filled other positions as needed and the Bylaw should reflect MBR's needs, practices and activities. Paul Freitag moved to change the Bylaw to allow the President to fill another Directors position, Michael Betker seconded. There was discussion to the fact that there are nine board members, four of whom are Officers, the remaining five are Directors. The Officers' positions cannot be combined with another position and the President has never filled another Officer's position in addition to that of President. The discussion included a strong opinion that the role was important and the person holding it should not be required to take another position. It was discussed that unless someone runs from the floor at this AGM we currently have only seven board members and the proposed change is to reflect what has been the practice and that without nine board members, would be the practice in the future. Jon Brown moved to add the word "temporary" to the proposed change, Myra Rintamaki seconded. Another member commented the way the bylaw is currently written is just fine and "temporary" is not necessary. The vote was called to add the word "temporary" and the majority count indicated the vote for the wording change FAILED. The vote was called for the Bylaw amendment and the majority count indicated the vote for this proposed Bylaw amendment PASSED.

**Article XIV NOISE** Intrusive noise was defined and added to the bylaw to bring consistency and clarity to the noise Bylaw. Michael Betker moved to change the Bylaw to include Intrusive Noise, Richard Russell seconded. David Hill said the Bylaw can help control noise and if a member or renter does not adhere to the bylaw the proposed change will make noise violations easier to address. AL Campbell motioned to strike "the setting off of fireworks" from the Bylaw, Michael Betker seconded. The vote was called to remove "the setting off of fireworks" and the majority count indicated the vote for the wording change PASSED. The vote was called for the Bylaw amendment and the majority count indicated the vote for this proposed Bylaw amendment PASSED.

#### **5. Standing committee & Directors' reports**

These 2015 AGM minutes provide a summary of the Directors' verbal reports at the meeting. More detailed Directors' reports may be on file at the MBR office.

**Violations Director,** The Violations Director stated that it had been a pleasantly quiet year within MBR for violations. The decision was made to give the caretaker more latitude to use her judgment as to what action should be taken. Using a common sense approach to look at the entire situation around particular incidents and open communication has proven itself within this past year and violations are down.

**Legal and Insurance Director,** The Director introduced himself as the new Director as of March 2015. The insurance was renewed at the end of May with a 6% increase over the prior year, which was renewed without an increase.

There is currently one legal issue. The Board is seeking clarification from an HOA attorney regarding a member's request for members' names, addresses and telephone numbers under RCW 64.38, the Washington State regulation regarding information available to members of an HOA. The member has engaged a lawyer and the Board is seeking legal advice to ensure that the Association does not inadvertently disclose any information protected under privacy laws so as to protect all of the interests of all members of Mt Baker Rim Community Club.

**Treasurer,** The Treasurer presented the following report:

2014 ended with \$23,000 more cash on hand than the prior year mostly as a result of an increase of \$24,000 in the next year's dues paid in December. Net ordinary income was \$2,500 better than planned and \$19,000 less than the prior year. The main driver of the year over year change was the 5% dues increase offset by \$14,000 increased employee costs mostly related to the cost of hiring a third part-time caretaker, \$5,640 in additional propane costs as a result of opening the pool earlier and the carry-over of \$9,000 in road paving fees from the prior year.

Year to date other income continues tracking below plan (13.5%) while expenses are better than planned (9.8%) when the % of the year completed is compared to the % of income and expense recognized to date over total annual budget. The Compactor and new pool fence have been installed and are operational. Net ordinary income is 6.3% better than the same period last year.

Cash on hand is slightly below last year due to the net effect of increased capital spending mostly offset by the lower accounts receivable and expenses over last year.

Renter fees are 31% below the same period last year and there has been almost no violations income versus \$2,640 at the end of May 2014. Garbage and propane costs continue to run less than last year and under budget while the 6% insurance increase over 2014 was planned and will be within budget. The anticipated trash savings resulting from installing the compactor were not budgeted and I believe they will offset any unexpected cost overruns at the end of the year ending the year on or slightly better than planned.

The pool surround cost a total of \$23,419.99, \$1,419.99 over budget mostly because of the unanticipated cost to replace the wall leading to the pool with new fencing. The trash surround cost \$32,631.00, \$131.00 more than budgeted. The budgeted mezzanine window replacement project (Budget \$8,000) has not been started and we have not purchased the budgeted gate software updates (Budget \$4,000).

In response to a member's question, the Treasurer responded that we had not spent any funds on legal fees to date and anticipate the current legal advice sought to fall within the \$500 budget. When asked is there is a contingency for legal fees in the future, the Treasurer responded that our reserve fund is for major expenses related to facilities. Attorney's fees would be paid from operating funds.

**Member Relations Director**, The Director's role is to contact all new members and welcome them to MBR.

The Director acknowledged the staff saying we are so blessed to have Allison as our Caretaker with the assistance of Kenny, Tucker who left us to pursue other ventures and Brian. The Director also recognized Swan Bender's years of service to MBR saying that Swan was on the board for 14 years and as Secretary knew all of the rules & regulations.

He spoke to the loss of Sandie McKinney who was a catalyst for social activities at MBR for many years. We have two picnic tables with plaques commemorating Sandie's years of service. Her presence is missed. In response to member's request for funding for children's social activities, the Director asked her to prepare a proposal for the board. The Treasurer informed the member that social functions have been self funded generating revenue to cover the costs of the activities.

In 2014 MBR contributed to a program called WESNIP, who contained and neutered several of the feral cats at MBR.

**Property Standards Director** The Director encouraged people to come to the board and ask permission before cutting trees because we want to maintain the look at the feel of

MBR. He also talked about the fact that the Federal and State Governments are funding less repair costs for levy failure, which could affect MBR in the event of damage to the levy.

**Grounds and Maintenance Director** The Caretaker gave the report in the absence of the Grounds and Maintenance Director. She reported that for the first time in the history of MBR, we did not use the snowplow this winter. In addition to usual maintenance the following projects were completed:

New compactor – everything is new from concrete pad to the surround. The smaller door of compactor makes it more tempting to leave things outside the door of the compactor. If it doesn't go in a household trash bag it does not go in the compactor. Same rules as the dumpster but we will be very strict. NEVER CLIMB IN OR ON THE COMPACTOR

New pool fence and retaining wall - the fence has been replaced to bring it up to code and the retaining wall was replaced as it was disintegrating.

Other projects – New upper windows are budgeted fall replacement in the clubhouse and we will need a new pool cover next summer. High speed Internet has been installed in the clubhouse.

Last year a member asked that we look into budgeting a new floor for the Clubhouse. Options priced included tile at a cost of \$36,000, epoxy coating at a cost of \$20,000 or paint at \$6,000 to \$7,000 plus the cost of equipment and staff time.

**Director-at-Large** The Director did not have a report.

## **6. Ratification of Operating and Capital budgets**

The 2015 operating and capital budgets were presented to the members in the AGM packet. Carolyn Gardner, motioned to ratify the 2015 operating and capital budgets; Richard Russell seconded the motion. The voting assembly approved the ratification of the 2015 Operating and Capital Budgets with a majority vote of hands

## **7. Nomination & Election for Board of Directors**

The floor was opened for the nominations to the 2015 Board of Directors. Ludmila Vacek volunteered to run for the open position of Director-at-Large. The MBR Board of Director positions open are: Legal and Insurance (2015 – 2018), Secretary (2015 – 2018), Violations (2015 – 2018), Director-at-Large (2015 – 2018).

The members running for the open direction positions are Ed Keller, Legal and Insurance; Rosalynn Schott, Secretary and Ludmila Vacek, Director-at-Large. Phil Hobman moved to accept the nominees; Al Campbell seconded the motion. The vote was called and the majority count approved the election of the nominees to the MBR Board of Directors.

**8. Waiver of Audit** The President called for the audit of MBR to be waived for 2015. Eric Janko moved to waive the audit for 2015; Brian Kennedy seconded the motion. Richard Russell said we voted to waive the audit in 2013 but were audited and asked if that would happen again. The Treasurer said it would not. Carolyn Gardner asked if we are required to have an audit in any sequence and the Treasurer responded that our bylaws state that we have to have our financials audited annually unless we have a vote to waive it.

The voting assembly unanimously approved the waiver of the audit for 2015 with a vote of hands.

**9. Unfinished business** The President called for identification of any items of unfinished business.

**10. Open Forum/ New business** The President called for identification of any items of new business. Jon Brown asked that the AGM not be scheduled on Father's Day weekend. Judy Harding requested that the property standards be revised to allow "tiny houses". Ed Keller asked for volunteers for a bylaw revision committee. Paul Freitag proposed that the Board consider making the zero valued, MBR owned lots, a useful area within the Rim such as for walking trails.

**11. Adjournment** Michael Betker motioned to adjourn the meeting; Klaus Klein seconded the motion. The voting assembly unanimously approved adjourning the meeting with a vote of hands. The annual general meeting was adjourned at 3:26 pm