

MBR Treasurer's Report

Annual General Meeting – June 20, 2020

INTRODUCTION

- Treasurer – Chris Park
- Bookkeeper – Laura Meyer
- External Accounting Firm – Larson Gross

- Summary of the Following AGM Materials:
 - Financial Summary 2019
 - Operating and Capital Budgets

FINANCIAL SUMMARY 2019

- Cash: \$314,806
 - Operating Fund: \$55,088
 - Reserve Fund: \$259,718
- Accounts Receivable: \$8,930
- Total Surplus Without Depreciation and Capital: \$18,144
- Capital Projects Completed: \$13,549
- Total Surplus Without Depreciation: \$4,595
- Total Surplus Without Depreciation and Capital Budgeted: \$37,474
- Key areas which contributed to difference: increase in R&M (including “make-up” paving from 2018), pool and clubhouse supplies, garbage and recycling

FINANCIAL ITEMS MAY 2020

- Cash: \$494,244
 - Operating Fund: \$190,408
 - Reserve Fund: \$303,836
- Accounts Receivable: \$12,549
- Current Expenditures to Date Including Capital: \$106,086
- No Significant Capital Expenditures to Date

OPERATING AND CAPITAL BUDGETS

- Members Fees Assessed:
 - Operating: \$297,337
 - Reserve: \$11,013
 - No increases from prior year
- Increase in expenses have been absorbed with the following (compared to 2019):
 - Increase in members dues in 2020 compared to 2019
 - Assumed increase in rental fees
 - Rent recovered from gate house
- Capital Budget:
 - Includes \$37,500 in spending for 2020 and includes IT
 - Reserve study is needed as capital amounts are becoming “stale” – anticipated next year
 - Overall assessment of the reserve fund to be driven off of reserve study

MBR Fine Schedule Update

2019 – 2020 Mount Baker Rim Community Club Fine Schedule

ABOUT THE 2019 – 2020 FINE SCHEDULE

- Fine amounts allowed on old schedule
- Not new rules
- Committee formed in August 2020
 - Full time part time residents
 - For, against, & neutral regarding rentals
- Fines are for enforcing cooperation, not making a profit
- Most members are cooperative and respectful, others blatantly refuse to comply
- Old schedule lent itself to the ability to show favoritism
- Focus on most frequently broken rules, and how to enforce them better
- Starts small for first offense, but quickly allows for a harsh fine for blatant violators

2019 – 2020 FINE SCHEDULE EXAMPLE

8. Failure to file Renter (Tenant) Registration form. This applies to the rental of owner properties for which owners (or property managers) fail to file a completed 'Renter (Tenant) Registration' form with the office prior to the first date of occupancy. **This applies to both short term and long term renters.**

\$100 minimum up to maximum fine allowable

1st \$150 2nd \$300 3rd \$675 or maximum allowable fine

2019 – 2020 FINE EXAMPLE EXPLAINED

- Previously:
 - Some members would not register rentals for months
 - Renters would owe \$300 - \$500 dollars or more in rental fees
 - Bad actors would only get a \$100 slap on the wrist
- The previous fine schedule did not make sense and encouraged rule breaking
- Violations directors should be consistent and fair in their application of fines
- New fine schedule:
 - Consistency - Fairness - Cooperation
 - Changes in RED
 - BLACK already on schedule

It is impossible to make everyone happy, however, members from both sides of issues came together and spent countless hours to create a middle ground

MBR Tree Policy Update

2019 – 2020 Mount Baker Rim Community Club Tree Policy

2019 – 2020 TREE POLICY TIMELINE

- June 2019: AGM (new Property Standards Director elected)
 - Handling of tree removals in the MBR is a major topic each year
 - Past handling has been inconsistent at best
- August 2019: Board reviews a [draft tree policy](#) to provide consistency
- Sept 2019: Trees cut near Glacier Creek without Property Standards Director approval
- Oct 2019: Tree policy whitepaper forwarded to board for review at the next meeting
- Nov 2019: Tree policy is adopted by the board for AGM ratification by membership
- Dec 2019 – April 2020: Tree policy is followed and instituted without any challenges
- May 2020: Several tree removal requests made, some trees not considered “hazardous”
 - Trees near Glacier Creek identified as potentially being in a protected area
 - Member escalation forces investigation into current Whatcom County and Washington State rules

Mount Baker Rim Community Tree Removal Policy

Managing hazardous and other trees
within the Mount Baker Rim community



HAZARDOUS TREES

The United States Department of Agriculture and Forest Service define a Hazardous Tree as follows:

“ ... a tree is considered potentially hazardous if:

*it has defects which predispose all or part of the tree to failure, **and***

it is located so that the failure poses a threat to people or property.”¹

The USDA continues to state:

“Hazard increases with four factors:

A. Potential for tree failure

B. Potential for striking a target

C. Potential for serious damage of the target

D. Value of target.”

The Mount Baker Rim Community Club and its board of directors have decided to assume the USDA’s guidelines on how to quantify the hazard of a tree in order to simplify the assessment of hazardous trees in the Mount Baker Rim community.

Hazardous Tree Identification

This section outlines the identification of hazardous trees as per the USDA’s rating system and is divided into four sections:

- 1) Determining the potential for tree failure
- 2) Determining the potential for a tree striking a target
- 3) Determining the potential for serious damage to the target
- 4) Assessing the value of the target

Potential for Tree Failure

Effectively, the critical factor in assessing the potential for tree failure according to the USDA is to assess whether the tree has defects in the “Failure Zone” – this is the zone extending from four feet above the ground to the first living branch.

¹ REFERENCE: Hazard Trees in Alaska – A Guide to the Identification and Management of Hazard Trees in Alaska - 2009

Washington State Rules & Designations (1/2)

- Glacier Creek is identified as a [protected shoreline](#)
 15. *“Shorelines of Statewide Significance” means the following shorelines in WhatcomCounty:*
 - a-c. ... ; and
 - d. *Those natural rivers or segments thereof as follows: Any west of the crest of the Cascade range downstream of a point where the mean annual flow is measured at 1,000 cubic feet per second or more; including the Nooksack River's mainstream, the North Fork upstream to its confluence with Glacier Creek in Section 6, Township 39 North, Range 7 East, W.M.; and the South Fork upstream to its confluence with Hutchinson Creek in Section 9, Township 37 North, Range 5 East, W.M.*
 - e. *Shoreline jurisdiction associated with (a), (c), and (d) above.*

Washington State Rules & Designations (2/2)

- The protected shoreline designation further states:
 7. “Shorelands” or “Shoreland Areas” means those lands extending landward for 200 feet in all directions as measured on a horizontal plane from the ordinary high water mark; floodways and contiguous floodplain areas landward 200 feet from such floodways; and all wetlands and river deltas associated with the streams, lakes and tidal waters which are subject to the provisions of RCW 90.58.

Protected Shoreline Designation Impacts

- MBRCC members with properties adjacent to Glacier Creek may not disrupt ANY vegetation without the appropriate permits until further notice **UNLESS an ISA TRAQ certified arborist identifies the tree as "Hazardous"**
- MBR members outside of the Protected Shoreline designation (e.g. >200' from the ordinary high water mark of Glacier Creek) may continue to follow the MBRCC Tree Policy (>9" trees require MBR Property Standards approval)
- Following the removal of any "significant trees" ALL members must now submit a [Notification of Activity to Whatcom County](#)
- For questions about DNR rules contact: pds@whatcomcounty.us

Additional References

- <https://www.whatcomcounty.us/DocumentCenter/View/36703/Glacier-Gallup-Site-Reach-Assessment-Side-Channel>
- <http://mrsc.org/getmedia/E3DDFE6B-F4C1-489D-9751-297C2334B096/w47ShorelineMgmtProg.aspx>
- <https://www.govinfo.gov/content/pkg/CZIC-gb458-8-w53-1978/html/CZIC-gb458-8-w53-1978.htm>
- <https://www.codepublishing.com/WA/WhatcomCounty/html/WhatcomCounty16/WhatcomCounty1616.html>
- <https://www.whatcomcounty.us/626/Report-a-Code-Violation>
- <https://www.whatcomcounty.us/FormCenter/Planning-Development-Services-9/Code-Enforcement-Investigation-Request-141>
- <https://www.whatcomcounty.us/DocumentCenter/View/1742/Natural-Resource-Notification-of-Activity-PDF>