

PARADISE COMMUNITY CLUB
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"We are an Equal Opportunity Employer and Service"

General Membership Meeting Minutes
June 22, 2014

Opening:

Bill Balcom got the attention of all attendees and made a last call for any outstanding ballots. No ballots were submitted and the PCC Drop Box was reported as empty by Cecile Roy. Therefore, the Annual Membership Meeting for Paradise Community Club was called to order at 10:05 AM on Sunday, June 22, 2014, at the PCC Office – 151 Nisqually Way, Ashford, WA - PCC President, Bill Balcom presiding. Bill Krause declared that the meeting, counting mail-in votes and members present did indeed meet the requirements for a General Membership Meeting quorum. The minutes of the 2013 Annual Membership Meeting were distributed in advance for review.

Board Members Attendance:

Bill Balcom (President)	Bill Krause (Vice President)	Sonja Maddux (Treasurer) -Absent-	Brett Anderson (Secretary)
Calvin Porter	Beth Marzano	Steve Olson	Sara Holmgren -Absent-
Joan Williams			

Staff Members Attendance:

Cecile Roy (Office Clerk)	Alvie Whitlock (Water Manager) -Absent-	Maria Niesen (Water Operator)
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A total of 27 guests attended the meeting and signed the attendance sheet.

Before the general meeting business commenced, Bill Balcom allowed our guest Fire Commissioner (Phil Farcy) to address the audience, so that he would not be unnecessarily detained.

Phil informed the crowd that the current Emergency Medical Services levy expires at the end of 2014. A request to renew the levy has been submitted for the August 2014 Ballot issued by Lewis County. It will require a yes vote in excess of 50%. All members are encouraged to vote

as so few people are eligible to vote in our area due to the high number of vacation properties within our local area. In fact the most recent fire levy passed by a SINGLE vote.

Bill then introduced Chief Deputy Gene Seiber of the Lewis County Sheriff's Office, so that he can address the audience and return to his duties as well.

Chief Seiber informed the audience that call volumes to the Ashford area are down substantially (roughly 40% reduction over the past year). This was partially attributed to the proactive Community Watch program active within Paradise Estates. The chief also reported that Heroin use is on the rise again and has resulted in many calls throughout the county. He also expressed frustration with the amount of effort required to support lengthy court-related activities. Even in cases where people were caught "red-handed" (with stolen property in their very pockets), they generally plead Not Guilty and eat up a lot of time and resources within the court system and Sheriff's Department.

The chief stated that the current "hot-spots" for criminal activity include Pe Ell, Winlock, Mossyrock, and Vader.

A question about whether to identify your property by address or lot number arose. The chief stated that your street address is by far the best way to get assistance quickly. He further stated that members should have address numbers clearly posted and visible for first responders.

Steve Olson brought up the availability of less expensive alarm systems such as SimpliSafe. The chief stated that, while alarms can be helpful, his team responds to far too many false alarms generated by such systems.

Brett asked the chief what three things we should all do in order to minimize our chances of becoming crime victims. The chief responded with:

- 1 – Lock your doors (far too many people simply do not even lock their doors when leaving)
- 2 – Make sure your house/yard are bathed in plenty of light
- 3 – Keep brush and obstructions cleared from around the house and ensure that your property looked occupied (mow grass, sweep/shovel walks, etc.).

A member asked the chief if automobile break-ins were still a problem when parking at trailheads. He stated that there are still occasional break-ins of this nature and then recommended that any item of value in a car be kept out of sight.

Chief Seiber was thanked for his time and Bill requested that the Board members review the minutes of the 2013 Annual Membership Meeting.

After review, a motion was made by Bill Krause motioned that the 2013 Annual Meeting minutes be approved as drafted. The motion was seconded by Calvin Porter and there were none opposed – motion carried.

The Treasurer's Report was read by Cecile Roy as Sonja Maddux was absent due to illness. The below report was read:

PCC Bank Balances as of 5/31/2014			1 Year Ago	
Account	As of Date	Balance	Balance	Difference
KeyBank Checking	5/31/2014	\$91,630.96	\$117,089.37	(\$25,458.41)*
First Citizens CD	5/31/2014	\$31,931.45	\$31,925.38	+\$6.07
Timberland CD	5/31/2014	\$5,933.35	\$5,924.50	+\$8.85
KeyBank Savings	5/31/2014	\$25,854.76	\$15,844.54	+\$10,010.22
Total		\$155,350.52	\$170,783.79	(\$15,433.27)

\$ 37,820.16 Checking as of 12/31/2013

\$130,800.07 Deposits Jan-May 2014

\$ 76,989.27 Expenses Jan-May 2014

\$ 91,630.96 Checking as of 5/31/2014

\$155,350.52 Total Assets

* Lower balance attributed to expenses associated with Mt. View/Creek Place water line replacements

The two Water System loans were reported on as well. The unpaid balances are:

\$624,814.74 USDA 40 year loan (Pay off scheduled for 2044)

\$171,483.27 State Revolving Fund (Pay off scheduled for 2022)

Cecile also submitted a Quicken report that shows the balances of all PCC Accounts which is on file in the PCC office.

Bill Krause motioned that the Treasurer's report be approved as read. The motion was seconded by Joan Williams. There were none opposed. Motion Carried.

Year in Review

Bill Balcom reviewed the past year's highlights, which included:

1. Big Lake
 - a. Gazebo ceiling painted
 - b. Fish planting continues
 - c. Playground slide became a liability and was removed for safety purposes
 - d. Swim Dock Ladder has been replaced with a more durable model.
 - e. Well House #4 has been re-roofed and re-sided.

- f. Two new park benches have been installed
 - i. Additional benches/picnic tables – membership may purchase>”in memory of”. PCC will install – Belson Playground Equipment
- g. Purchase of replacement fence posts for the Big lake area.
 - i. Volunteers sought to help replace fence
 - ii. Looking for cable/chain or ? to complete railing portion
- h. Purchased dog cutouts to minimize the goose problem
- i. Purchased signs warning thin ice in winter at the both lakes
- j. Large PCC sign was replaced at the end of Big lake
 - i. Thanks to Herb Gaines, Steve Olson, Joan Williams, Paul Nerge
- 2. Water lines have been replaced on Mt. View Drive and Creek Place
- 3. Lewis County installed a larger culvert to minimize future flooding at small lake – It appears so far to be very effective during extremely heavy rains.
- 4. The office continues to support members
 - a. Yoga, Art/Crafts, Sewing/Knitting, etc.
 - b. Expanded Community Watch meetings
- 5. PCC staff continue to explore cost saving measures to keep dues and water rates at current levels
- 6. 2014 saw approximately a \$38k carryover of funds from 2013.
 - a. \$19k was earmarked for capital improvements and is being transferred into the savings account
- 7. Annual picnic
- 8. Mowing Contractor Secured – positive feedback on how the grounds look
- 9. Septic/Drain field area fenced for protection
- 10. Continue to thank those that volunteer goods and/or services to PCC
- 11. Transparency in finances – oversight committee - see Calvin Porter if interested in assisting this committee
- 12. PCC has become a sought after community for purchasing vacation property - per real estate agents spoken with

Bill asked about further amenities that the members may want to see in the future. A member asked about the horseshoe pit discussed the prior year. Brett replied that the Board is planning to begin work on that on the 7/12/14 Clean-up Day. Steve mentioned that the slide replacement would be a hit once an affordable solution could be found. Bill thanked the members for their suggestions and also presented another new option. He stated that, should folks care to donate funds for a memorial tribute bench, the association would order the bench for them, pay the shipping portion, and provide the concrete and volunteer installation labor. The Board will also help them find an appropriate resource for the engraved plaque that would be installed along with the bench.

Announcement: The Photo Contest has been delayed until Alvie is able to participate.

Water System Report

Alvie Whitlock, who is in charge of PCC's water system, was out ill so his previously written Annual Water Report was read by Maria Neisen:

1. Bottom line up front: Our water system is in Green Status with the Washington State Department of Health. Our water is safe and we are in full compliance with all State and Federal regulations. We have completed and passed, all required water chemical and biological testing for the first five months of 2014.
2. All water meters in PCC were read on April 23rd for billing. We had no problems with billing. No meters were locked during the last billing cycle for lack of payment.
3. We had no discovered or reported water leaks during the last two month reporting period. The system is in good condition and water consumption has decreased over all in 2013 and is lower for the first four months of 2014, due to our system upgrades and better leak detection.
4. The Water Towers were inspected in April and Tower #2 was drained, cleaned, sanitized and refilled. To ensure good water quality during the warm summer months we clean one tower each year. Alvie and Ben were our cleaning team, which saved \$2,500.00 by not using outside contractors.
5. Ongoing: We have a Fire Pumper Truck water withdrawal site in the west end of the Big Lake. The current Fire Department personnel were not trained to use this to fill the pump truck in case of a fire. There are concerns about sucking rocks or foreign matter into their pumps and causing damage. The lake is no longer frozen over so the site can now be properly inspected. We will continue to work this issue as the weather warms and more information can be gathered.
6. The Consumer Confidence and Water Quality Report for 2013 and the Water Use Efficiency Report were sent out on 5 May. Additional copies are posted on the community bulletin board. Copies may also be found on the PCC web site and at the office.

Maria asked if anyone had questions regarding the water system or its operation. A member stated that she had called the emergency water line when she discovered that she had no water at her property. The call went to voicemail and she did not receive a reply for nearly three days. She said that she was happy with the help she received from Alvie (who missed the call while at an out of town emergency) but she was dismayed at having to wait so long. Maria apologized to the member for the delay. Cecile requested that anyone who needs such assistance should also call the PCC office at (360) 569-2669 and she will contact the appropriate employee. We will also explore why the cell phone is not notifying the water resources when it has a voicemail.

Accounts in Arrears:

Brett read that as far as the 2014 Dues, a total of \$1,995 was still owed by a small group of members, most of whom are making regular payments.

Three members are facing foreclosure, owing a total of \$54,471.75. Of these, one is expected to undergo a mortgage foreclosure, one is in the process of having its title cleared up so that it can be sold and one (Lot #309) is scheduled for a County Sheriff Sale on 8/8/2014.

Seven members have property liens in place, totaling \$7,018.01. Two of these members are making regular payments and the Board is working with the PCC attorney to collect on the rest.

A member asked if we were still pursuing a replacement foot bridge to connect Nisqually Way with the big lake. Bill Balcom explained that the last effort to build one was voted down due to the expenses associated with construction and liability insurance premiums. Another member asked if perhaps someone would donate a couple of large trees to be used for this purpose. Brett stated that Lewis County requires an engineering stamp of approval for any bridge structure. The member stated that he was an engineer in a somewhat different field and thought that it might be possible. Brett stated that we had an engineer ready to approve the prior design but that construction costs were significant. Bill Balcom stated that the insurance liability premium increase alone was roughly \$1,300 per year. Brett stated that, if a surplus (ideally steel) foot bridge of 110' + length could be located, we may well be able to justify the effort. Another member stated that he prefers to NOT have the bridge replaced, due to the cost and liability issues previously unearthed. Bill asked the above engineer if he would be willing to help in any potential bridge replacement project. The member replied that he had limited availability but could potentially assist.

Brett reported on the status of the two loans that were secured to build the new water system. He reported that the first loan was listed as a 21 year loan but was actually only about 19 ½ years in term and the remaining balance after 2014 would be \$154,334.95. The loan is scheduled to be paid off in 2022 and is almost ½ paid off. The second loan is from the USDA and it had a beginning of year balance of \$624, 814.74. This is a 40-year loan that is not expected to be paid off until 2044.

The meeting was temporarily recessed for Lunch Break at 11:15am and was estimated to reconvene between 12:00PM and 12:15PM.

<Pot Luck Lunch>

The meeting was reconvened at 12:16PM as called to order by Bill Balcom, President.

Community Watch Report

Paul announced the dates and frequency of the regular meetings (the last Saturday of every EVEN month). The next meeting is scheduled for 10:00AM at the PCC Office on Saturday, 8/30/14. He further stated that Emergency Preparedness had recently been introduced as a part of the Community Watch agenda and that anyone wanting to be on his email list, should send a request to pnerge@hotmail.com.

Steve Olson then reported on the Volcano/Lahar session that was recently held by Pierce County Emergency Management – at the Columbia Crest School.

Highlights included a “Grab-n-Go” kit that is recommended for all homes and autos. He explained that scientists classify Mt. Rainier as the type of volcano that tends to provide warning

before it creates a great deal of havoc. The mountain is expected to produce a noticeable bulge before the weight of ice/earth cause it to begin to fall in on itself.

A member mentioned that residents in our community can sign up for a type of evacuation insurance through the Eatonville Fire Department. This insurance runs approximately \$70 per year but covers the cost of any necessary helicopter transport (directly from Paradise Estates).

The Board discussed the synergy between the Community Watch meetings and the need for regular Emergency Management meetings. It was agreed that the two topics would be merged going forward.

Brett provided the PCC contact information as well as his own, so that the Emergency Management resources can start sending information that PCC can add to its website.

Pierce County Emergency Management (Peggy Lovellford) / PCFD Volunteer (Laurie Ambergey)

Bill introduced the above ladies, who explained the purpose and scope of the PC Net program. They are recommending that folks this far from central services focus on disaster preparedness. They recommend a “Go Bag” AKA “Grab-n-Go Bucket” that contains the essentials that most people would need in the event of an extended emergency.

Neighborhood Groups. Assignment of duties (search, pet care, communications, turn off propane, First Aid, Direct to higher ground). They advocate proactive assignment of duties and a working call tree to quickly disseminate information. On 8/16 an Open House will be held at PCFD #23 in Ashford, where more can be learned.

POSITION	MEMBER	YES	NO	RESULT
Board Position #1	Brett Anderson	63	5	Elected – Term expires in June 2015
Board Position #4	Steve Olson	63	5	Elected – Term expires in June 2017
Board Position #5	Brian Andrews	64	4	Elected – Term expires in June 2017
Board Position #7	Bill Balcom	62	6	Elected – Term expires in June 2016
Board Position #8	Bill Krause	62	6	Elected – Term expires in June 2017
Board Position	Glynda Marlow	1		Write-in / Not Elected
Board Position	Angie Lightening	1		Write-in / Not Elected
Board Position	Letty Walker	1		Write-in / Ineligible
President	Bill Balcom	63	5	Elected – Term expires in June 2015
President	Angie Lightening	1		Write-in / Not Elected
Vice President	Bill Krause	63	5	Elected – Term expires in June 2015
Vice President	Letty Walker	1		Write-in / Ineligible
2015 Budget (attached)		65	3	Approved

Good of the Order

A member stated that she was appreciative of the work done by the Board, as she has seen marked improvements in the past 5 years. She also stated she would still very much like to see a bathroom solution at the big lake but recognized that it was explored the prior year and was determined to be unfeasible at that time.

With no further topics on the agenda or from the audience, the meeting was adjourned at 1:36 PM. The next PCC Board Meeting will be held immediately following this Annual Membership Meeting. The next regular Board meeting is scheduled for 7/13/14 at 1pm – PCC Office.

Respectfully submitted,

Brett Anderson, Secretary _____ Date _____

Attest: Bill Balcom, President _____ Date _____

2015 PROPOSED PCC BUDGET

Forecasted 2015 Income	Approved 2014 Budget	2013 Actual Income
Membership Dues	\$93,575	\$88,425
Water Revenue	\$95,000	\$91,911
Interest Income	\$50	\$8
Total Annual Income	\$188,625	\$180,344

EXPENSES

Total Projected 2015 Cost	Approved 2014 Budget	Total Actual 2013 Cost
\$169,695	\$171,459	\$216,804

Office

2015 Proposed	2014 Approved	2013 Actual
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Property Taxes	\$2,200	\$1,900	\$1,935
Phone/Fax/Internet	\$2,500	\$1,900	\$2,456
Utilities (incl. Street Lts & Well Pumps)	\$5,000	\$4,900	\$5,602
Office Equip/Supplies/Maint/Postage	\$4,500	\$5,000	\$4,370
Web Hosting	\$360	\$360	\$339
Greentree Software Support	\$2,250	\$2,250	\$2,250
Subtotals	\$16,810	\$16,310	\$16,952

Employment

Water System Manager	\$16,439	\$14,316	\$15,960
Water System Assistant	\$6,180	\$6,180	\$6,000
Maintenance/Snow Removal Contractors	\$2,000	\$2,000	\$260
Office Administrative Clerk	\$12,265	\$10,922	\$11,908
Travel Reimbursements	\$3,500	\$3,000	\$3,669
Training Expenses	\$400	\$700	\$456
Treasurer Reimbursements	\$600	\$600	\$600
Secretary Reimbursements	\$600	\$600	\$600
Withholding Taxes	\$6,374	\$8,700	\$6,188
Subtotals	\$48,358	\$47,018	\$45,641

Professional Fees

Liability & Property Insurance	\$13,750	\$14,000	\$13,420
Accounting Expenses (CPA)	\$3,000	\$4,000	\$2,836
Legal Expenses	\$5,500	\$8,500	\$4,413
Subtotals	\$22,250	\$26,500	\$20,669

General Membership Events

Lake Stocking (1x per Year)	\$625	\$600	\$457
Community Events	\$350	\$450	\$200
Subtotals	\$975	\$1,050	\$657

Water System

Grounds/Maint/Fuel/Supplies/Lab & Repairs	\$17,000	\$12,500	\$14,391
Utility Taxes	\$250	\$250	\$0
Professional Memberships	\$250	\$250	\$0
Permits/Licenses (DOH, DOR, Sec. St.)	\$250	\$250	\$94
Contribution to Reserve Account	\$5,000	\$5,000	\$0
Capital Improvement Projects ¹	\$0	\$0	\$60,777
Misc.	\$250	\$500	\$307
Subtotals	\$23,000	\$18,750	\$75,569

Note: Assumes volunteer mowing is not available for 2015.

Note: Only payable if sufficient usage numbers are met - not typical.

Note: 2013 contribution delayed to early 2014.

Mt. View Distribution Line Replacement	Initially	Final Cost
	\$45,422	\$60,777

¹ 2013 CAPITAL IMPROVEMENTS Approved

Note: Higher amount caused by re-routing around 8' + boulder and changes in county excavation requirements. Capital projects are discretionary and vary in amount based on surplus account balances. Budget therefore does not reflect a predetermined amount for Capital Improvements.

Loans

State Loan	\$19,206	\$20,235	\$19,720
Federal USDA Loan	\$37,596	\$37,596	\$37,596
Subtotals	\$56,802	\$57,831	\$57,316

Misc.

Construction Expenses	\$500	\$2,000	\$0
Tools/Equipment	\$1,000	\$2,000	\$0
Subtotals	\$1,500	\$4,000	\$0

Totals Talled at Top

Forecasted EOY Surplus (Projected income minus expenses)	\$18,930	\$8,885	(\$21,092)
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