

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

General Membership Meeting Minutes
June 23, 2013

Opening:

The Annual Membership Meeting for Paradise Community Club was called to order at 10:00 AM on June 23, 2013, at the PCC Office – 151 Nisqually Way, Ashford, WA - PCC President, Bill Balcom presiding. The minutes of the 2012 Annual Membership Meeting were distributed in advance for review.

Board Members Attendance:

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

Staff Members Attendance:

Cecile Roy (Office Clerk)	Alvie Whitlock (Water Manager)	Maria Niesen (Water Operator) (Absent)
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Before the general meeting business commenced, Bill Balcom allowed our two guest speakers to provide their briefings/Q&A sessions, so that they could return to their respective duties as soon as possible.

First up was Chief Gene Sieber of the Lewis County Sheriff’s office. Chief Sieber stated that crime is down but so are staffing levels. The Sheriff’s office is having a hard time finding qualified candidates to respond to the 13,000 annual calls across the very long and narrow county. The Chief was a strong advocate of the Community Watch program, managed by Paul Nerge and was very pleased to hear of our recent parking hangar deployment for identification purposes. He said that Meth (Methamphetamine) continues to be a problem as it is even cheaper than Marijuana these days. He reminded members to utilize 911 when appropriate or the Online Tip Line (tips.lewiscountywa.gov) anytime they see suspicious activity. Questions asked and answered follow:

A member saw a person with a large backpack apparently sleeping alongside the road near the Paradise Estates entrance. Should they approach them and ask what they are doing there?

A: Probably best not to do so on your own. It would be better to call the Sheriff's office for help investigating. Another member mentioned that they had already spoken with the individual and he was merely a long-distance hiker who was taking a break.

Should members stop or approach suspicious vehicles when they are spotted?

A: The Chief advised against it. He encouraged getting a description or license number but stated that approaching the vehicle on your own is a risky maneuver.

Recently a couple of individuals carrying handguns on their belt were seen at the big lake. Is it still acceptable to openly carry such weapons within a community such as Paradise Estates?

A: Yes. Legal throughout the State of Washington.

Does the Sheriff's office support a person's right to carry a handgun with a CPL (Concealed Pistol License – formerly Concealed Weapons Permit)?

A: Absolutely.

Any restrictions associated with shooting firearms on the adjacent DNR property?

A: Not really - providing truly reckless activity isn't occurring.

The Chief further endorsed our email notification method, which is located under the "Email List" link on the PCC Website.

Next Bill introduced Alan Nelson, one of the Fire Commissioners from the Pierce County 23 Fire District. Alan reported that the Ashford area is facing a pretty significant financial challenge presently, caused primarily by the lack of timber tax revenue the past several years. Our area is comprised of two fire districts that are split by the county line (Nisqually River) The Pierce County Fire District #23 (PCFD #23) and the Lewis County Fire District #17 (LCFD #17), which has a volunteer only station within Paradise Estates. Historically, because of the "light" footprint by LCFD #17 and the high cost of maintaining a staffed facility, LCFD #17 has contracted with PCFD #23 for Fire Support and Emergency Medical Services (EMS). The mechanics behind this were reported as follows:

The Lewis County (Greater Ashford area only) residents are assessed a 2-part levy for these services – currently 58.99 cents/thousand for Fire Support and 40 cents/thousand for EMS. The revenue derived from these levies is split by the Lewis County Assessor, whereby 65% of the funds go to PCFD #23 and 35% remain with LCFD #17. Per Commissioner Nelson, this level of funding leaves both departments well short of their true requirements. In an effort to rectify this situation, LCFD #23 recently passed an increased Fire Support levy (now at \$1.50/thousand), a

levy that passed by a single vote. He further reported that the funding coming from our side of the river is woefully inadequate for both districts and simply must be raised in order to meet increased regulatory requirements for equipment and training/certifications. The proposed levy increase is not known at this time but it is expected that it will be substantial. The LCFD #17 Fire Commissioners are reviewing the data at this time and will likely be formulating a proposed increase for a November ballot. One item to be aware of is that, because of the contract with PCFD #23, Paradise Estates Residents enjoy an insurance classification of 8 (with tender credit). If we lose the contract with #23 (possible if we don't provide more equitable funding), we believe that we will be reclassified to a 10. This could result in dropped coverage for some and substantially higher premiums for the remaining members. The increased insurance rates could easily exceed the amount of the increased levy. The current contract expires on 12/31/13 but may be extended by a 1-year term if progress is made on the financial front. The Board agreed to keep our membership informed as information comes in regarding this critical issue.

Commissioner Nelson also stated that the burn bans this year will not be based on fixed dates and will instead be weather driven.

Bill Balcom called the official portion of the meeting to order at 10:48 AM and had the Board, staff members and attendees introduce themselves. All guests were asked to sign the guest sign-in sheet as well. Bill then made a "last call" for any outstanding ballots. Two members produced ballots at that time and routed to the Ballot Chairperson (Steve Olson).

With more than 40 members present or represented via mailed ballot, Bill Krause – VP - announced that the meeting had a quorum. The minutes of the 2012 Annual membership Meeting were reviewed and Bill Krause motioned that the minutes be approved as drafted. The motion was seconded by Beth Marzano and there were none opposed – motion carried.

The Treasurer's Report was read by Sonja Maddux and follows below:

PCC Bank Balances as of 5/31/2013			1 Year Ago	
Account	As of Date	Balance	Balance	Difference
First Citizens Checking	5/31/2013	\$117,089.37	\$101,298.47	\$15,790.90
First Citizens CD	5/31/2013	\$31,925.38	\$17,144.92	\$14,780.46
Timberland CD	5/31/2013	\$5,924.50	\$5,900.88	\$23.62
First Citizens Savings	5/31/2013	\$15,844.54	\$30,535.07	-\$14,690.53
Total		\$170,783.79	\$154,879.34	\$15,904.45

\$55,859.11 Checking as of 12/31/2012

\$137,671.08 Deposits Jan-May 2013

\$ 76,440.82 Expenses Jan-May 2013

\$117,089.37 Checking as of 5/31/2013

\$170,783.79 Total Assets

ARREARS: Four members are facing foreclosure, owing a total of \$44,051.60. Only three members remain with active property liens in place, totaling \$1,769.78. All three properties with liens are making payments.

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

\$633,980.17 USDA 40 year loan (Pay off scheduled for 2044)

\$188,631.57 State Revolving Fund (Pay off scheduled for 2022)

Sonja 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 stated. 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. The County replaced the culvert at the little pond
 - a. Larger diameter to help minimize flooding (hopefully eliminate)
 - b. During the construction the little pond was cleaned of debris accumulation
2. Again in 2012, the State Health Department gave our Water System high marks for the quality of monitoring and management of the system
3. New commercial swing set at the big lake
4. We began 2013 with a positive cash flow. We had approximately \$30k still in our checking account at end of year
5. Upgraded our water billing equipment
 - a. Replaced outdated equipment
 - b. New software installed
 - c. Purchased equipment to locate water lines/meters
6. The lake was stocked last year and again this year
 - a. Mostly 8-12 inch trout
7. Replaced aging office computer, upgraded MS-Office on laptop
8. Hired Maria Niesen, replacing Jean Roy in the water department
9. Replaced water distribution lines on Mt. View and Creek Place
10. Music, Yoga, Art, and Community Watch meetings are some of the activities being held at our office
11. New fence installed to protect office drain field
12. Painted Covered Picnic Shelter at the big lake

A member suggested we hold a photo contest so that we can see more evidence of members enjoying our community. The Board was open to such an event.

Bill Balcom mentioned that the USDA has requested that we send out their standard Equal Opportunity survey form. This will go out with the June water bills. It is used to validate contact information and includes a voluntary ethnicity survey. Instructions will be included with the form, which is somewhat vague and confusing.

The meeting was temporarily recessed for Lunch Break at 11:20am - 1 hour estimate.

The meeting was reconvened at 12:13pm.

Bill asked about amenities that the members may want to see in the future. Four items were mentioned: A replacement slide for the big lake, new picnic tables, a horseshoe pit and water-friendly benches (likely vinyl-coated steel) to sit on at the big lake and small pond areas. Bill thanked the members for their suggestions.

Water System Report

The following report was delivered by Alvie Whitlock:

- 1) Our water here in Paradise Estates is clean, safe and I personally find it refreshing to drink. I switched from bottled water to PCC well water five years ago and still enjoy the freshness of our water. If you have a problem with water quality, please contact the Water Department at 360-569-2669 or via cell phone at 360-523-4111, so that we can resolve the issue as soon as possible.
- 2) According to the Washington State Department of Health, our water system is still in Green status, in compliance with all State and Federal regulations.
- 3) All water testing for 2012 and the first six months of 2013 have met or exceeded all State and Federal standards.
- 4) The water system continues to operate within budget. For the eighth year in a row, there has been no water rate increase or planned increase. Our new system has been on-line since October, 2004.
- 5) Our current Consumer Confidence Report / Water Quality Report was sent out with the April water bills, posted on the community entrance board and will soon be posted to the PCC website. Copies are also available at the office and of course here at the Annual Membership Meeting.
- 6) Water Usage 2011 = 5,319,748 gallons.
Water Usage 2012 = 4,544,854 gallons.
This represents a reduction of 774,894 gallons or 14.5%
- 7) Please see our PCC website for more information on Conservation, Water Quality, Leak Detection and PCC Water Policies.
- 8) Maintenance
A – Flood control: Since our last Annual Meeting, we have completed a major drainage system upgrade with Lewis county, and have improved and enlarged the diversion dam

on No Name Creek; the one feeding the small pond. We lowered the main water line on Nisqually by five feet, allowing the County to perform a major upgrade to the culvert leading to Big Creek. In spite of heavy rain and snow, we had no flooding this year in Paradise Estates. See photos on presentation board regarding this project.

B – We had only one broken freeze plug that needed to be replaced this year. Please call me at the office (360-569-2669) or on our cell phone (360-523-4111) if you discover a leak at your water meter when turning the water on for the first time this season. All meters being repaired are also being encased in a new insulating shell to protect them from freezing. The meter boxes are also being filled with insulation for the same reason. See our display table.

C – We are replacing all old water lines on Mt. View and creek Place this year. See photos on board.

D – Performed a partial cleaning of tower #2 and replaced the transponder in that tower. This unit tells us how much water is in the tower and turns on the pump when necessary. See photo on board.

E – Repaired two system leaks on old lines.

F – Century link installed fiber optic cable in Paradise Estates, to upgrade our phone and internet services. During the process they hit our water lines twice. We were able to isolate the water lines quickly and only a few customers were affected.

G – Our next recommended system upgrade will be replacing all water lines on Mowich. This will be done as finances allow and will not result in any rate increases.

Have a wonderful summer and enjoy your piece of “Paradise”.

Community Watch Report

Paul Nerge provided a brief report of the Community Watch meetings. He reminded attendees that these meetings are now scheduled every 4th Saturday of each even numbered month (skipping December). He reported that the meetings have been much larger since inviting the Pierce County property owners as well. He stated that the next Community Watch meeting would be held on Saturday, 6/29/2012 at 10 AM at the PCC office (151 Nisqually Way). A free pancake breakfast will be provided starting at 9am for all attendees. All members are encouraged to attend. A member mentioned that an anonymous Facebook page (Ashford/Paradise Estates/ Elbe Crime) is up and running and providing a lot of details regarding crime and suspicious activity incidents. Bill Balcom stated that the site, while potentially useful, is not endorsed by PCC and has some colorful content at times. Paul also mentioned that the Annual PCC Picnic will be held from 11-2pm on Saturday 7/6/13; free hamburgers, hot dogs and snacks will be provided.

Grounds Report – Steve Olson

Steve Olson reported that he continues mowing the fields and common areas on a volunteer basis (applause). Additionally, this Spring’s fish stocking at the lake was completed in late May. It was also mentioned that the drain field area is now contained within new fencing thanks to Calvin Porter and Jean Roy.

Voting Results

The voting committee (Steve Olson, Joan Williams, Brian Andrews and Joyce Mitchel), selected from the audience earlier and led by Calvin Porter, reported the results as follows:

- President: Bill Balcom (73 votes)
- Vice President: Bill Krause (74 votes)
- Board Position #2: Calvin Porter (72 votes)
- Board position #6: Beth Marzano (73 votes)

2014 Budget (attached): Passed - 72 YES 3 NO

Good of the Order

A member thanked the Board for their efforts toward maintaining and improving the community.

With no other agenda items or member questions, the meeting was adjourned at 12:44pm. The Board was asked to stay behind for the post event meeting. The next regular Board meeting will be held at 1pm on Sunday, September 8, 2013 at the Paradise Community Club office.

Respectively submitted,

Brett Anderson, Secretary _____ Date _____

Attest: Bill Balcom, President _____ Date _____

2014 PROPOSED BUDGET WITH 2012 ACTUAL

	Total Projected 2014 Costs	Total Actual 2012 Cost	Total Difference
	\$171,459	\$169,663	\$1,796

Office	Projected Cost	Actual Cost	Difference
Construction Expenses	\$2,000	\$0	\$2,000
Property Taxes	\$1,900	\$1,917	(\$17)
Phone/Fax/Internet	\$1,900	\$1,594	\$306
Utilities	\$4,900	\$4,776	\$124
	\$0	\$0	\$0
Office	\$5,000	\$3,663	\$1,337
Web Hosting	\$360	\$348	\$12
Greentree Software Support*	\$2,250	\$2,250	\$0
Subtotals	\$18,310	\$14,548	\$3,762

Employment	Projected Cost	Actual Cost	Difference
Water System Manager	\$14,316	\$10,495	\$3,821
Water System Assistant	\$6,180	\$4,787	\$1,393
Maintenance / Snow Removal	\$2,000	\$0	\$2,000
Office Administrative Clerk	\$10,922	\$10,604	\$318
Travel Reimbursements	\$3,000	\$4,055	(\$1,055)
Training Expenses	\$700	\$872	(\$172)
Treasurer Reimbursements	\$600	\$600	\$0
Secretary Reimbursements	\$600	\$600	\$0
Withholding Taxes	\$8,700	\$5,877	\$2,823
Subtotals	\$47,018	\$37,890	\$9,128

Professional Fees	Projected Cost	Actual Cost	Difference
Liability & Property Insurance	\$14,000	\$12,596	\$1,404
Accounting Expenses (CPA)	\$4,000	\$3,120	\$880
Legal Expenses	\$8,500	\$5,403	\$3,097
Subtotals	\$26,500	\$21,119	\$5,381

General Membership	Projected Cost	Actual Cost	Difference
Lake Stocking (1x per Year)	\$600	\$580	\$20
Recreational Events	\$300	\$300	\$0
Annual Meeting Expenses	\$150	\$150	\$0
Subtotals	\$1,050	\$1,030	\$20

Water System	Projected Cost	Actual Cost	Difference
Grounds/Maint/Fuel/Supplies/Lab & Repairs	\$12,500	\$29,557	(\$17,057)
Utility Taxes	\$250	\$0	\$250
Professional Memberships	\$250	\$0	\$250
Permits/Licenses (DOH, DOB, S&E, St.)	\$250	\$0	\$250
Contribution to Reserve Account	\$5,000	\$5,000	\$0
Misc. Water Expenses	\$500	\$525	(\$25)
Subtotals	\$18,750	\$35,082	(\$16,332)

Forecasted 2014 Annual Income	2012 Actuals	
Membership Dues	\$88,425	\$101,941
Water Revenue	\$91,911	\$96,748
Interest Income	\$8	\$7
Total Annual Income	\$180,344	\$198,696

Forecasted EOY Surplus (Projected income minus expenses)		
	\$8,884	\$29,033

Loans	Projected Cost	Actual Cost	Difference
Federal Loan	\$37,596	\$37,596	\$0
State Loan	\$20,235	\$19,978	\$257
Subtotals	\$57,831	\$57,574	\$257

Misc.	Projected Cost	Actual Cost	Difference
Tools/Equipment	\$2,000	\$2,420	(\$420)
Subtotals	\$2,000	\$2,420	(\$420)

Totals Talled at Top

← 2012 is High due to New Meter Reading system

← New State of Washington Guideline