

**PARADISE COMMUNITY CLUB**

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*An Equal Opportunity Employer and Service*

**PCC Board Meeting Minutes  
May 18, 2014**

The meeting of the Paradise Community Club Board was called to order at 1:04 PM at the PCC Office – 151 Nisqually Way, Ashford, WA - PCC President, Bill Balcom presiding.

Bill Balcom had the Board members and staff members introduce themselves. All guests were asked to sign the guest sign-in sheet.

**Board Members Attendance:**

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

**Staff Attendance:**

<b>Cecile Roy (Office Clerk)</b>	<b>Alvie Whitlock (Water Manager)</b>	<b>Maria Niesen (Water Operator) -Absent-</b>
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The guests in attendance included: Brian Andrews, Rod Glyzinski, Paul Nerge, Chuck & Joyce Mitchell, Darlene Krause, Dorothy Forsythe, Linda Dorr, Erika Broska, Steve & Clarissa Hughes, Ben Pacatte (departed before meeting started).

**OLD BUSINESS**

Bill Balcom asked the Board to review the minutes of the March 9, 2014 Board Meeting. After review, there were no questions or discussion items, so Bill Krause motioned that the minutes be accepted as written. The motion was seconded by Beth Marzano and there were none opposed. Motion carried.

**UPDATES on ACTION ITEMS**

**1-Paint/Install New Door on Office Shed - Calvin Porter**

Calvin reported that this item is still awaiting warmer weather before painting is feasible.

**2-Pumper Truck Refilling - Alvie Whitlock**

Alvie inspected the inlet area and reported that trees are encroaching on the inlet. Trimming and likely dredging will be required before the inlet can be relied upon. He will begin this work as time is allowed.

**3-Allocation to 2014 Secondary Reserve – Sonja / Cecile**

This was completed by Sonja Maddux (reported by Cecile Roy).

**4-Bill Balcom** then expressed his appreciation to Cecile Roy and Sonja Maddux for their diligent work in the PCC office (applause).

**NEW BUSINESS**

**FIRE DEPARTMENT REPORT – Beth Marzano**

Beth reported that the LC17 and PC23 Fire Departments are quite possibly going to be merging for economic reasons. Discussions are continuing and nothing is finalized at this point. We will ask for an update prior to the Annual Membership Meeting.

**TREASURER’S REPORT**

The Treasurer’s Report was prepared by Sonja Maddux (read by Cecile Roy) and stated account activity and balances for the period ending 4/30/2014 as follows:

**PARADISE COMMUNITY CLUB, INC  
MONTHLY TREASURER REPORTS  
PERIOD ENDING: April 30, 2014**

**Balances as of April 30, 2014**

CD - Timberland	\$5,933.35
CD – First Citizens	\$31,925.38
Savings	\$25,853.66
<b>Total</b>	<b>\$63,712.39</b>

<b>Checking Balance as of February 28, 2014</b>	<b>\$82,858.82</b>
Deposits for the months of Mar-Apr 2014	+ 28,462.74
Expenses for the months of Mar-Apr 2014	- 19,451.37

**Check book balance as of April 30, 2014**

**\$91,870.19**

**Total Financial Assets**

**\$155,582.58**

Brett inquired as to the \$6.40 difference in starting balance, as compared to last meeting's ending balance. It is believed to be attributed to a bank fee for a foreign check transaction – and will be investigated immediately following the Board Meeting. (This was indeed determined to be the case by Cecile and Brett immediately after the meeting. The matter is therefore resolved.) A motion was made by Bill Krause to accept the Treasurer's Report as reported but with the assumption that the above discrepancy be promptly resolved. The motion was seconded by Beth Marzano, none opposed - motion carried.

**WATER SYSTEM REPORT – Alvie Whitlock**

Oral summary provided per the below:

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 2015, 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 have not trained with using 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.

Alvie reported that a few water meters on our system are frequently under a significant amount of water. He would like to raise these meters so that they can be read without bailing out the

areas around them. Re stated that they would require a containment structure. He has found an appropriate block assembled unit that he believes will work nicely and therefore requested \$500 to purchase 3 sets of blocks to raise the meters as described. A motion was made by Beth Marzano to approve \$500 + delivery charges in order to remedy the issue – The motion was seconded by Calvin Porter, none opposed – motion carried.

Brett asked Alvie what the required frequency is for cleaning each of the large water storage tanks. Alvie stated that they are required to be cleaned at least every 5 years but our water department is cleaning them every 2 years to help ensure our water remains as clean as possible.

## **OFFICE ISSUES**

### **1-Accounts in Arrears – Sonja / Cecile**

22 members are still owing 2014 dues and 17 of them are making payments.

There are three properties with liens in place. Collectively these properties owe a total of \$4,451.52. One of these lots (#314) has just exceeded \$2000 owed. Because there has been no attempt to remedy the situation by the owner, Brett Anderson motioned that we have our attorney begin foreclosure proceedings against the property. The motion was seconded by Bill Krause and there were none opposed. Motion carried. Cecile and Sonja will tally the precise amount owed and contact our attorney.

Three members' properties are currently in the process of HOA foreclosure:

Lot 263 - will require approximately another 6-8 months to work through the complex title issues (no research costs expected for PCC).

Lot 309 – Judgment has been made in favor of PCC and this lot will sold at auction via Sheriff's Sale in the near future. Attorney estimates the sale will occur between our Annual Membership Meeting and the July 4<sup>th</sup> weekend.

Lots 221-224 – These lots remains under Bank management and are believed to be near a mortgage foreclosure status. No action is financially feasible while we await action by the mortgage holder.

### **2-Board Member Committees / Duties – Steve Olson**

Steve discussed providing titles / duties for those Board members who don't have a title of responsibility. Discussion ensued. The Board agreed that as opportunities present themselves, Board members will be identified to lead the related effort. With that in mind, Bill Balcom proposed that an available Board Member take point on the Emergency Preparedness initiative, which will be worked in conjunction with our membership and County officials. Steve Olson volunteered to lead this effort. Brett pointed out that Joyce Mitchell has also volunteered to assist in this effort. Steve will contact the County officials to begin work on this important initiative.

### **3-Other Office Issues? – Cecile Roy**

None reported.

### **COMMUNITY WATCH - Paul Nerge**

Paul Nerge reported the Emergency Management initiative was a focus of the last Community Watch meeting. Linda Dorr also reported that most of the criminal activity has been outside of Paradise Estates but there are some incidents here and very near to us. Linda reported both rifle and handgun shots yesterday afternoon and evening – believed to be coming from outside of Paradise Estates and in the general direction of the Blueberry Lane area.

Steve Olson reminded those who attended this last meeting that there are alarm systems with decent reviews and more affordable pricing. SimpliSafe is one such example. You can learn more about new and used systems at [Simplisafe.com](http://Simplisafe.com). A member also suggested trying 25/7 Security in Tukwila ([257protection.com](http://257protection.com)) due to their level of knowledge and reputation.

### **FINANCE COMMITTEE – Calvin Porter**

Calvin reported that the last Finance Meeting was held on 4/16/14. Once again, no financial discrepancies were found during the review. The next Finance Meeting is scheduled for 10am on 6/18/14. Calvin invited anyone from the general membership or Board to attend if interested.

### **COMMUNITY RELATIONS – Cecile Roy/Sonja Maddux**

**Lots #250-251** – Follow up regarding dog barking/whining and messy lots.

The lot owner send PCC a letter, acknowledging that his lot is admittedly in unacceptable condition. He further explained why cleanup has taken longer than he had originally expected. He has proposed a revised time table for the work's completion. He did however dispute the complaint of prolonged barking and whining from his dogs. He however pledged to keep the dogs indoors more often and relocate their outdoor pen area somewhat in order to minimize any perceived nuisance to neighboring lots. Brett checked with two of the nearby neighbors (across Big Creek) and both stated that they had not heard the reported prolonged barking/whining. This portion of the complaint was therefore dismissed.

Brett read the proposed schedule to the attendees and suggested the Board accept the offer but prioritize the work so as to cure the most unsightly issues first. Additionally, three attendees complained that the lot smelled of dog feces when walking nearby. This item will be added to the response letter along with the prioritized items referred to above. Brett will author the response letter.

### **Request for Community Center Use for Evening Yoga Classes**

Sarah Whittaker, a nearby resident from Bluebird Lane requested use of the PCC Office for evening Yoga classes once or twice per week. The board reviewed the request and discussed the logistics surrounding it. After some discussion, Bill Kruse made a motion that, because the requestor is not a member of Paradise Estates, and because the classes would require a PCC resource to open, monitor and lock the building afterwards, the Board should reject the request.

The motion was seconded by Beth Marzano and there were none opposed. Motion carried. Cecile will contact her with that decision.

**Lot 141** – Follow up regarding a complaint of a messy yard and alleged rabbitry.

Bill Balcom and Brett Anderson visited the property cited in the complaint. They were surprised to find a very orderly lot with no sign of debris, clutter or trash. The owners have 5 pet rabbits which are kept in elevated hutches. They pledged to clean the hutches regularly and not expand the population. They also made it clear that the rabbits are not being raised for fur or meat and will not be bred. Seeing a very different condition than what was described in the complaint, they found no infractions of current covenants. The lot owner who originated the complaint was notified of this finding.

**GROUNDS / MAINTENANCE REPORT - Steve Olson**

1-Dog Silhouettes – Geese Brett Anderson  
Dog silhouettes were purchased in an attempt to keep geese from utilizing the Big Lake area. Unfortunately the geese had already nested and laid one or more eggs. The “dogs” effectiveness is therefore undetermined – but certainly did not prevent the adult geese from caring for the young. The Board decided to try the geese again next year but they will need to be placed at the lake (and moved occasionally) before the mating season.

2-Ice signs (Take Down for the Season?) Brett Anderson  
Brett asked if the Board wanted to leave the signs up during the warmer months or if it would be better to take them down until there is a risk of freezing. It was determined that they should be taken down for the season. Bill Balcom or Bill Krause will do so in the coming days.

3-Picnic Tables Rebuilt/Replaced Brett Anderson  
Bill reported that Brett had built a new picnic table and it is now at the covered picnic area. The one remaining old table has been relocated to under the fir trees near Osborne.

4-Ladder for Dock (Update) Bill Balcom  
Bill reported that he and Brett installed the new ladder on the floating dock on 5/17.

5-Benches at Lake Holiday Bill Balcom  
Bill also reported that a team of Board members (Bill K, Bill B, Calvin and Brett) installed two new benches (into concrete) at the big lake.

6-Grass Cutting/Lawn care for Entrance Calvin Porter  
Calvin presented a quote from our recently hired landscaper to see if the Board felt that we should approve additional lawn care for the entrance area to Paradise Estates. The proposal was for thatching, aerating, seeding and fertilizing, most of which would occur on a twice per year basis. The cost totaled \$660. After some discussion, Beth Marzano motioned that we reject his bid. The motion was seconded by Bill Krause. All remaining members approved the motion with the exception of Calvin Porter, who voted against it. Motion carried. Further discussion covered the possibility of doing a lesser amount of work on our own. Brett will check to see if he can still secure grass seed at wholesale prices.

Brett asked that the Board provide instructions to Cecile and Sonja regarding where to place the \$19K earmarked in the last meeting for capital expenditures. After some discussion, the Board instructed Cecile to have the funds moved into Savings to ensure that it is not spent on day-to-day expenses.

**GOOD OF THE ORDER – Bill Balcom**

Darlene Krause volunteered to help with food prep/cleanup and Kathy Balcom was volunteered by Bill Balcom as well.

A member asked when the picnic would be held. Brett replied that the date is scheduled for 7/12 at 1pm and the venue has now been moved from the Lake to the PCC Office.

Brett stated that he would contact the Sheriff and Fire Chief to invite them to attend the 6/22 Annual Meeting.

Bill Balcom requested 20 minutes on the Annual Meeting agenda for the topic of Emergency Management.

With no further issues reported, the meeting was adjourned at 2:48 PM (Motion Brett, 2<sup>nd</sup> Calvin, none opposed; motion carried). The next PCC Board Meeting will be the Annual Membership Meeting, scheduled for 6/22/2014 at 10am (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
<b>Membership Dues</b>	\$93,575	\$88,425
<b>Water Revenue</b>	\$95,000	\$91,911
<b>Interest Income</b>	\$50	\$8
<b>Total Annual Income</b>	<b>\$188,625</b>	<b>\$180,344</b>

### EXPENSES

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

#### 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
<b>Subtotals</b>	<b>\$16,810</b>	<b>\$16,310</b>	<b>\$16,952</b>

#### 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
<b>Subtotals</b>	<b>\$48,358</b>	<b>\$47,018</b>	<b>\$45,641</b>

#### 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
<b>Subtotals</b>	<b>\$22,250</b>	<b>\$26,500</b>	<b>\$20,669</b>

#### General Membership Events

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

#### 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 <sup>1</sup>	\$0	\$0	\$60,777
Misc.	\$250	\$500	\$307
<b>Subtotals</b>	<b>\$23,000</b>	<b>\$18,750</b>	<b>\$75,569</b>

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

<sup>1</sup> 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
<b>Subtotals</b>	<b>\$56,802</b>	<b>\$57,831</b>	<b>\$57,316</b>

#### Misc.

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

#### Totals Talled at Top

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