



BOARD MEETING MINUTES for August 03, 2023

Time: 10:30AM

Location: Miller Residence

Board Members Present: Marsha Rowell, Hal Hovey, Dave Shellenbarger, Steve Gorgas, and Clay Miller.

Water Coordinator Present: Judi Shellenbarger

Community Members Present: Robin Bernardy, Debra Paros

1. **10:30AM MR Called to Order**, Established Quorum and Verified Notice of Meeting.
 - a. SG called for an executive session regarding the Water Coordinator duties. MR said he could make that motion later when we covered Water Coordinator issues.
2. **Read of Preceding Meeting Minutes** – MR moved to waive reading; CM 2nd; all in favor.
3. **Officer and Committee Reports**
 - a. **President – opening comments.** MR reminded all Community Members to please try to reconcile all differences with a neighbor by first going to that neighbor with their concern/complaint. If that does not resolve the issue, then file a written complaint with the Board rather than calling all the Board members to complain. Written complaints will be addressed by the Board. MR also reminded the Community to clear debris around their water meter, to remove noxious weeds from their property, and try to remove extra natural fuel from the roadway easements on their property, especially during the fire-ban season.
 - b. **Treasurer** – DS reviewed the [attached](#) quarterly SMCA Financial Report. There was discussion regarding format and a request for “line items” rather than just a summary. HH talked about how every “director” on the Board has a responsibility to be involved in every aspect of the Board, not just their assigned duties. SG suggested that the previous Treasurer’s old format be sent around to everyone by the Treasurer (as an example) to give us all an idea of the “line items” which used to be tracked.
 - c. **ACC report** – Lucy Gorgas. MR gave the report.
 - i. Category A: no requests
 - ii. Category B: Lot 6A fence project was approved.
 - d. **Water System Report**
 - i. SG moved to go into Executive Session to discuss Water Coordinator issues. MR 2nd. Then Robin Bernardy (guest at meeting) asked for the supporting RCW. No RCW was found by the Board at this moment (later in the meeting SG found **RCW 64.38.035** but by that time we had moved on). MR then moved to go into Executive

Session, SG 2nd – the vote was 2 in favor and the motion was not carried. We did not go into Executive Session.

- ii. Judi Shellenbarger (JS) started by saying she was not getting help as the new Water Coordinator and unable to get water reports from the past. She said King Water (KW) has been helpful.
- iii. JS then reviewed her [attached](#) SMCA Water System Report.
- iv. JS reported that when a low-water alarm went unanswered, a neighbor asked an unauthorized person to enter the wellhouse and that the lock needs to be changed so that only she, the Water Liaison (WL), the President and KW can access to keep control of our water system.
- v. JS reported, as a result of a recent State Sanitary Survey, has recorded five violations against our water system:
 - 1) The State requires a “water system management program;” JS believes her SMCA Water System Binder meets this requirement
 - 2) We need an Asset Management Plan Program. Our new Savings Fund will help, but we need a better understanding of the life span of our assets and their replacement costs.
 - 3) Coliform Monitoring Program – JS said KW’s monthly coliform testing meets this requirement
 - 4) Cross-connection Contamination Prevention Plan – JS said she was part of the SMCA survey in 2016 which was performed where **check-valves** were identified as needed anywhere someone has a local reservoir (e.g. pond, water trough, irrigation system) connected directly to our potable water system. The idea is to prevent accidentally drawing of contaminated water back into the community system in the event of negative pressure. JS said this survey should be repeated now that we have so many new owners of properties in the community.
 - 5) Tank drain to daylight needs to be cleared near the wellhouse
 - 6) These were items already in place but not shown to the Surveyor by either KW the WC.
- vi. The leak which was repaired by Todd Albi and a KW employee this past June at/near Jan McGregor’s residence resulted in her sending the Board a letter requesting reimbursement for a larger than normal water bill. KW sent SMCA a bill for this repair. JS said she will not approve this bill until she first can get KW to respond to her questions regarding (1) WHERE the leak was (i.e.,

community's or McGregor's responsibility), and (2) if one of those two individuals accidentally turned on a portion of McGregor's irrigation system.

- vii. JS recommended that we create an Emergency Plan for sourcing potable water in the event we lose our water system due to some catastrophic event (e.g. major earthquake); she would like to build up a list of these types of contractors we will use in the future to repair or replace our water system: electricians, cement reservoir contractor, generator repair, roofer, plumber, hydrant repair, locksmith and security.
- viii. HH reported that he read the water reports done by KW in March 2023 and that from six tests done, Cu levels were above State limits. Debra Paros and JS both said these were the same six SMCA residences which have *regular tests*, and the Cu levels were within these six homes, which have copper plumbing, and there was no high Cu levels in our community water system. HH said he would like to see such reports in the Water System Coordinator's Report.
- ix. JS said that since KW was slow to respond to her requests for information, she does not recommend that SMCA give any further consideration to hiring them to read our meters and do our water billing.

4. Unfinished Business

- a. **Entrance Sign** – Repainted by Debra Paros and installed by Todd Albi on July 2, 2023. MR said Todd Albi brought the receipt for the sign work to her. She gave this receipt to JS at meeting and asked him to reimburse Todd. CM moved that the Board ask Debra to write a paragraph listing the steps/materials she used to refurbish the sign for future use; SG 2nd; all in favor. CM will ask Debra for this information and store it in the fireproof cabinet in wellhouse.
- b. **2022 Audit Update** – HH said no action was taken. CM read from the last Minutes that the Board had voted to recruit to “in-house” volunteers to do the **2022 Audit**. HH said he would reach out to 2-3 people in the community and recruit 2 to do this audit, completing it no later than December 31, 2023.
- c. **Update on amending Bylaws** (Article X, Section 2.2.c to *delete second sentence*) – MR said she is still collating and updating the documents on our website for ease of access. She will separate the documents into a Current and a Historical section and combine all the articles of our Bylaws into one document and make this approved change. JS asked that our cross-contamination policy be added to our documents. Robin Bernardy volunteered to help the Board decide if something is a policy or should be

added to the Bylaws.

- d. **Rewrite of the job descriptions for volunteers** – HH said he was tasked with drafting language to describe the duties of the new Board position of “Water Liaison” given the “member at large” at our previous Board Meeting. DS suggested we drop the position of Water Liaison (WL) as being redundant to the position of Water System Coordinator (WSC). JS suggested that we add her duties as WSC to the Bylaws. HH said his language does add the duties of WSC to the Bylaws. HH then offered his changes to our Bylaws on this topic, asked that they be attached so the whole community can see and comment on the proposed language:
 - i. Article IV DRAFT – [see attached](#)
 - ii. Article V DRAFT – [see attached](#)
 - iii. SG suggested that MR creates a page on our website just for the water system and include any policies on this page. Debra Paros cautioned against making our policies available to people outside of SMCA lest we risk litigation.
 - iv. CM moved that HH, SG (WL), DS (Water Biller) and JS (WSC) all meet offline and draft a proposal for duties and policies re: our water system and it’s operation by the Board and WSC for the next meeting. DS 2nd; all voted in favor.
- e. **Code of Conduct for SMCA volunteers** – HH shared three documents from the “Community Associations Institute” (<https://www.caionline.org/>) regarding how we behave and how we treat each other, and asked that they be [attached](#) to the minutes:
 - i. Board Member Ethics – HH proposed the Board reviews and adopts these for the 2023 Board
 - ii. Rights and Responsibilities for Better Communities
 - iii. Community Association Civility Pledge
- f. **Prospectus “draft” regarding Savings Account** – DS wrote the attached draft several months ago. HH moved that we adopt and moves this language into Article XII of our Bylaws but not into our CCRs. SG 2nd; all voted in favor. Debra Paros suggested that the Board needs to define what constitutes an “emergency” so future Boards would know when these funds should be used. [See attached.](#)
- g. **Information from Island County Health Department regarding our aquifer** – CM said he is waiting to get a response from the person who took over from Doug Kelly, the hydrogeologist. He will get back to the Board as soon as he hears.
- h. **Update on noxious weed removal and private drive signs** – MR suggested that property owners are responsible for clearing the vegetation which originates from their own properties and affects the roadway easements. This is particularly relevant this year as we are in a

State-mandated Moderate Drought situation and the fire danger is much higher than usual. Debra Paros volunteered to talk with McGregor and Clines to ask them to remove vegetation which is growing into roadways. SG asked certain neighbors to move their personal “private drive” signs off of the community easements and onto their own driveways several months ago and this has taken place.

5. **New Business**

- a. **Water Meter reading/billing proposal to be done by King Water (KW)** – SG said he sent KW questions regarding this proposal to KW on July 25, 2023, and has received no response and recommends we do NOT outsource these duties to KW, or any other company. HH moved we table this issue; SG 2nd, all voted in favor.
 - b. **Annual Picnic** – MR shared that in the absence of a host with a residence hosting the annual picnic that we defer this until next year. SG 2nd, the vote was 4 to 1 in favor.
 - c. **Jan McGregor’s Water Bill** – SG will work through Debra Paros to communicate with both Todd Albi and Jan McGregor to find out what happened to McGregor’s irrigation valve on the night of the leak in June 2023 and if the community, KW or McGregor is responsible for her higher-than-normal water bill.
 - d. **Insurance Policy** – DS received the annual insurance invoice and requested guidance for paying. HH has reviewed the policy volunteered to question why the insurance provider does not cover certain things and will work with DS to get invoice paid no later than September 1, 2023.
6. **Comments and Discussion** - Board and Association members in attendance were asked if they had any comments. There were none.
7. **1:15PM MR Called for Adjournment**, HH 2nd, all voted in favor.

The Next SMCA Board meeting will be **Tuesday, October 3rd, 2023, at 10:30AM** at the Miller Residence. All SMCA Members are invited to attend.

Sky Meadows Community Association

Treasurers Report for August 3, 2023 (revised)

Balance on June 17, 2023 **\$43,605.48**

June Income:

Interest	.71	+ .71
Total	.71	<u>43,606.19</u>

June Paid Out:

PSE (2)	180.75	
Total	180.75	<u>-180.75</u>
		43,425.44

July income:

Usage	2,173.31	
Serv Fee	1,700.00	
Sav Fund	1,700.03	
Interest	.75	
Total	5,574.09	<u>+5,574.09</u>
		48,999.53

July Paid Out:

Camera	5.00	
PSE (2)	200.42	
Sav Fund	1,700.03	
Total	1,905.45	<u>-1,905.45</u>
		47,094.08

Over

Treasurers Report for August 3, 2023 cont.

August Income:

Usage	95.26	
Serv Fee	100.00	
Sav Fund	100.00	
<hr/>		
Total	295.26	<u>+295.26</u>
		47,389.34

August Paid Out:

-0-		
<hr/>		
Savings Fund		<u>+ 3,400.07</u>
Total of Op Fund and Savings Fund on Aug 2, 2023		\$50,789.41

Checks written:

#1296 7/7 DP \$73.06

KEY

DP = Deb Paros

PSE = Puget Sound Electric

Notes:

All dues and Q2 water bills paid.

All payments on time

Water Coordinator Report for August 3, 2023

It has been a difficult transition taking over the Water Coordinator Position. I have had a difficult time getting the answers to my questions from the board and previous coordinator. I have had a difficult time finding previous water coordinator reports to the board. There needs to be detailed written reports that are easily found so that each new Water Coordinator can research the history of work on the well. There should be a dedicated spot on our website for water reports.

Nate from King Water has been very helpful in answering my questions. He will meet with me and Central Electric (Derek Franzen) to discuss needed upgrades in the well house. In discussing the configuration of the well monitoring system, Nate pointed out that there are certain deficiencies that need to be addressed.

Nick from King Water has also been helpful; especially regarding frustrations of Robert Roessler's lack of water pressure after the June 16 water leak. Nick met with Robert and I to determine the cause of Robert's lack of water pressure. After checking all things on the SMCA side of the meter and the water meter itself, Nick checked possible problem spots in Robert's home. It was determined that the problem was a non-functioning Pressure Reducing Valve. The PRV was replaced (at Robert's expense) and Robert is satisfied with his current service.

Jeremy from King Water was tasked with the problem of our system flush. We were able to complete only half the flush on July 18 and then finished on July 19. It took more time to get a clean flush as the system was 3 months overdue for the quarterly flush. On the first day we flushed under generator power, to run it "under load." Unfortunately, it did not work adequately and not enough water was flushing the system. So, we shut it off and proceeded under commercial power. The well pumps had a hard time keeping up with the demand for water and we were forced to stop the flush. After slowly refilling over night the reservoir was ready to supply water to finish the flush. We must remember that each well pump was pumping about 20 gallons a minute to refill a 24,000-gallon reservoir.

During the flush, the water emergency alarm went off because the water in the reservoir was low. An unauthorized person entered our well house to address this issue instead of calling Steve Gorgas or me. I am requesting that the lock code be changed on the well house to prevent this in the future.

Last August 2022, we had a Sanitary Survey done by the Washington State Department of Drinking Water. I was glad to see that the public health risks at well #2 had been corrected. However, we had violations for 4 items that should have been addressed at that time:

1. Create a Small Water System Management Plan. We have one. When I was water coordinator in 2017, I put together a SWSM Plan. It is in a binder. The Binder was in the previous coordinator's possession. He should have been aware of this during the survey and shared it with the inspector. It does have a few areas that need completing. (Emergency plan, asset replacement, future water use, 6 year estimated budget)
2. Develop an asset management program. How does SMCA look to the future for repairs and replacement? This would include planning for short lived (may need to be replaced with in the next 6 years) and long-lived assets. The SMCA Board needs to complete this and may need to meet in a study session.
3. Develop and implement a Cross Connection Control Program. This was adopted in 2017 by the SMCA Board. There was an initial survey done of all owners at that time to determine who needed a back flow prevention device. King Water is responsible for an annual check of these cross-connection devices. We are responsible for surveying each owner and monitoring the program. I can find no record of this ever having been done.
In addition, Steve Hulfman (who does chemical monitoring at the Department of Drinking Water) indicated that everyone on a well system should have a double backflow preventer and it should be checked each year.
4. Update the Coliform Monitoring Program. I am waiting for a call back from King Water about this.

June 16, 2023 There was some type of "leaking meter" (as stated on the bill from King Water) at 636 Sky Meadows. I have not been able to get a definitive answer from anyone regarding the specifics of the break. The bill from King Water says it was a "leaking meter". I have been told it is the homeowner's responsibility for having a properly functioning water meter. Can the board clarify the responsible parties here? What is the determining factor? Was it in fact a leaking meter....

I am seeking clarification as to the repairs, parts and work completed. King Water has not returned my call.

Future Projects...this by all means is not a complete list.

1.Complete the emergency plan in the SWSMP Manual. This is a challenge and should be completed by more than one person. I would like to see a small group of SMCA members work on this.

2.Identify a reciprocal water source if we have a long-term loss of water.

3. Assessment of the electrical system in the well house.
4. Lining up an emergency on-call electrician.
5. Annual maintenance of the emergency generator (*Genset*)
6. Back flow prevention devices and their monitoring.
7. Change the passcode on the well house
8. Improve the reservoir tank drain so it is not partially buried.

Respectfully submitted,
Judith Shellenbarger
Water Coordinator

ARTICLE IV Officers

4.1 Designation. The officers of the Association shall be a President, a Vice President, a Secretary, **and** a Treasurer, **and a Water System Liaison**.

4.2 Election of Officers. The officers of the Association shall be elected annually by the Board from among its own members, and shall hold office at the pleasure of the Board. Should an office become vacant, the Board will attempt to fill it at the next scheduled Board meeting or schedule a Special Board meeting for this purpose, if deemed necessary.

4.3 Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and a successor elected at any regular or special meeting of the Board called for such purpose.

4.4 President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and the Board. The President shall have all the general powers and duties which are usually vested in the office of the President of a nonprofit association, including but not limited to, the power to appoint committees from among the owners to assist in the conduct of the affairs of the Association.

4.5 Vice-President. The Vice-President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. The Vice-President shall serve as the Board's primary reference on the Association's governing documents and shall perform such other duties as requested by the Board.

4.6 Secretary. The Secretary shall keep the minutes of meetings of the Board and minutes of meetings of the Association, have charge of such books and papers as the Board may direct, distribute and receive ballots and verify elections, and perform all the duties incident to the office of Secretary. The Secretary shall keep up-to-date a complete list of members, their mailing addresses, and designation of the tract(s) owned. Such list shall be distributed to members no less than once a year and shall be open to inspection by other persons lawfully entitled on request.

The Secretary or other designated Board Member shall ensure that the Annual Report of the Association to the Washington State is filed and the Business License Renewal for the Association is paid between May 1 to October 31 of each year at: www.secure.dor.wa.gov.

4.7 Treasurer. The Treasurer shall maintain the Association's financial records. The Treasurer shall also have responsibility for Association funds and for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as designated by the President and Treasurer. [The Treasurer shall check the SMCA Post Office Box a minimum of once a week. If unable to check the P.O. Box, the Treasurer shall advise the President, who will then assume that responsibility. All mail received at the P.O. Box shall be distributed to the proper Board member within one week of receipt.](#)

4.8. [Water System Liaison](#) *[should we call this position the Water System Director?]*. [The Water System Liaison shall be the point-of-contact on the Board for all communications between the Board of Directors and the Water System Coordinator, the meter readers, the meter biller and the company contracted to manage and maintain the](#)

Water System. The Water System Liaison has the authority to delegate to the Water System Coordinator the responsibility for communicating with the meter readers and company managing the Water System. In the absence or disability of the Water System Coordinator, the Water System Liaison shall assume all duties of the Water System Coordinator. In such event, the Water System Liaison has the authority to delegate those responsibilities to other volunteers, or contract out the duties upon approval of the Board.

4.89. Other responsibilities. The above list of responsibilities is not comprehensive. To prepare for emergencies, help new officers step into their roles, and enhance continuity, current officers shall maintain an informal job description for their position. The description should briefly cover customary tasks, timelines, contacts, and/or other specifics that will assist their successor. Incoming Board members will receive an updated copy of these job descriptions.

ARTICLE V Appointed Positions

5.1. In addition to the officers noted above, all of whom must be elected Board members, others appointed by the Board play vital roles in the Association.

These **may** include, but are not limited to:

- **a.** Members of the Architectural Control Committee (ACC);. Composition, duties, and procedures **of the ACC** are outlined in the Declaration and the Architectural Committee Rules.
- **b.** The Water System Coordinator/ Assistant;. **The Water System Coordinator** serves as the liaison between the Association and its professional water management **firm service provider** and updates the Board **Water System Liaison** and membership on the community water system's performance. **The Water System Coordinator supervises the Meter Readers, and provides the meter readings to the Water System Biller within one (1) week after the end of the billing period. The Water System Coordinator will prepare a written Water System Report for presentation at each SMCA Board of Directors Meeting. At a minimum, the Water System Report should include a) usage reports, b) water quality reports, c) a description of any notable repairs and maintenance activities, and d) notice of upcoming system activities and/or maintenance.**
- **c.** The Webmaster;. **The Webmaster** ~~who~~ designs and maintains the Association's website on behalf of the Board.
- **d.** The Alternate Treasurer;. **The Alternate Treasurer** ~~who~~ is **duly** authorized by the Board, ~~relevant financial institutions and the Post Office~~ to carry out the Treasurer's duties when necessary.

[Note: Steve will be meeting with KW either this week or next week to complete our research on them providing meter reader and billing services. If we move forward with KW letters (e) and (f) will no longer be applicable. See attached.]

- **e.** The Meter Reader(s);. **The Meter Readers** read ~~s~~ meters, and provide the readings

to the Water System Coordinator within 1 week after the end of the billing period. ~~verifies and sends out each household's bill for community water usage~~. Several appointees may share these duties. Meter Readers coordinate their schedules with and report to the Water System Coordinator.

f. The Water System Biller. The Water System Biller sends out each household's bill for community water usage within 3 weeks of the end of the billing period. The Treasurer may also serve as the Water System Biller if directed by the Board.

g. Other volunteer positions may be appointed by the Board from time to time as needed.

5.2. To prepare for emergencies, help new appointees step into their roles, and enhance continuity, appointees will maintain an informal job description for their position, briefly noting customary tasks, timelines, contacts and/or other specifics that will assist their successor. They will submit to the board any documents that should become a part of the Association's records

BOARD MEMBER ETHICS

Adhering to a set of ethical standards can help community association board members fulfill their volunteer duties with the community's best interests in mind. The model code below is not meant to address every potential ethical dilemma but is offered as a basic framework that can be modified by any common-interest community.

Board members should:

- ① **Serve the best interests of the association as a whole regardless of their personal interests.**
- ② **Use sound judgment to make the best possible business decisions for the association, taking into consideration all available information, circumstances, and resources.**
- ③ **Act within the boundaries of their authority as defined by law and the association governing documents.**
- ④ **Provide opportunities for residents to comment on decisions facing the association.**
- ⑤ **Perform their duties without bias for or against any individual or group of owners or nonowner residents.**
- ⑥ **Disclose personal or professional relationships with any company or individual who has or is seeking to have a business relationship with the association.**
- ⑦ **Conduct open, fair, and well-publicized elections.**
- ⑧ **Always speak with one voice, supporting all duly adopted board decisions even if the board member was in the minority regarding actions that may not have obtained unanimous consent.**
- ⑨ **Keep confidential any owner, resident, or other third-party discussions, decisions, and comments made at any meeting of the board properly closed or held in executive session unless specifically authorized by the board.**
- ⑩ **Refrain from making unauthorized promises to a contractor or bidder.**
- ⑪ **Decline gifts directly or indirectly from owners, residents, contractors, or suppliers.**
- ⑫ **Represent only known facts in any issue involving association business.**
- ⑬ **Refrain from personal attacks, harassment, or threats with colleagues, staff, or residents.**

To learn more about how community associations are organized, governed, and managed, see CAI's [Community Association Living: An Essential Guide for Homeowner Leaders](#), at www.caionline.org/CALiving.

talk. listen. respect.



Community Association Civility Pledge

A commitment to fostering a climate of open discussion and debate, mutual respect, and tolerance between all who live in, work in, and visit our community.

1. We expect each individual, whether a resident, guest, board or committee member, community association manager, staff member, business partner, or contractor, to be accountable for his or her own actions and words.

2. We believe all interactions in the community should be civil despite any differences of opinion on a particular issue. We believe in finding common ground and engaging in civil discussion about community issues important to each of us.

3. We vow to respect all points of view and will strive to provide a reasonable opportunity for all to express their views openly—without attacks and antagonization. We agree to keep our discussions focused on the business issues at hand, as well as on the ideas and desired outcomes.

4. We urge all residents to be engaged and informed. Get to know your neighbors, your board members, and your community manager. Attend meetings, join a committee, or serve on the board. Understand the community's rules, regulations, and covenants, and the value they add. Ask questions, share your opinions, and vote.

5. We also encourage all residents to review Community Associations Institute's (CAI) Rights and Responsibilities for Better Communities. The principles laid out in the document can serve as important guideposts for all those involved in our community: residents, guests, board and committee members, community association managers, staff members, business partners, and contractors. Read more at www.caionline.org/RightsandResponsibilities.

6. We believe these commitments to civility, as well as engaged and informed residents, are a vital part of our shared goal of being a vibrant, thriving community.

These commitments are guiding principles. They are not governing documents or legally enforceable and do not give rise to penalties if they are not followed.

If you agree with these commitments to civility, please sign and return the document.

COMMUNITY ASSOCIATION NAME

ADOPTION DATE

By the creation and adoption of the CAI Civility Pledge, the College of Community Association Lawyers (CCAL) recognizes the importance of civility in community association governance. Complete and email your civility pledge to government@caionline.org. For questions, call (888) 224-4321.



talk. listen. respect.

Community Association Commitment to Civility



HOW CAN YOU MAKE IT HAPPEN? Adopting the Civility Pledge Starts with YOU!

1. Distribute the document throughout your community, announcing and publicizing where and when the adoption will be considered.
2. Explain why this is important to your community and the benefits it can create.
3. Review and discuss the merits of the principles at an open meeting of your board of directors.
4. Solicit input from homeowners.
5. Hold a board vote to adopt a resolution endorsing the Community Association Civility Pledge.
6. Share the news of adopting the Community Association Civility Pledge throughout your community regularly. Post on your website, social media, and on every community association meeting agenda.
7. Tell CAI that you've adopted the Community Association Civility Pledge so we can share the information on our website.
8. Once your community association board of directors has adopted the Community Association Civility Pledge, share the good news with CAI by completing and submitting the following information.

DATE OF ADOPTION

COMMUNITY ASSOCIATION NAME & WEBSITE

PRIMARY CONTACT NAME

PRIMARY CONTACT INFORMATION (ADDRESS, PHONE, & EMAIL ADDRESS)

Complete and email to government@caionline.org. Questions? Call (888) 224-4321, or submit an online form at www.caionline.org/civilitypledge.



RIGHTS AND RESPONSIBILITIES FOR
BETTER COMMUNITIES

RIGHTS AND RESPONSIBILITIES for Better Communities

PRINCIPLES FOR HOMEOWNERS AND COMMUNITY LEADERS

More than a destination at the end of the day, a community is a place people want to call home and where they feel at home. This goal is best achieved when homeowners, residents, and association leaders recognize and accept their rights and responsibilities. This entails striking a reasonable balance between the preferences of individual homeowners and the best interests of the community as a whole. It is with this challenge in mind that Community Associations Institute developed Rights and Responsibilities for Better Communities.

Rights and Responsibilities can serve as an important guidepost for all those involved in the community—board and committee members, community managers, staff members, homeowners, tenants, family members, and guests.

Homeowners have the right to:

- A responsive and competent community association.
- Honest, fair, and respectful treatment by community leaders and managers.
- Participate in governing the community association by attending meetings, voting, serving on committees, and standing for election.
- Access appropriate association financial books and records.
- Prudent expenditure of assessments.
- Live in a community where the property is maintained according to established standards.
- Fair treatment regarding financial and other association obligations, including the opportunity to discuss payment plans.
- Receive all documents that address rules and regulations governing the community association prior to purchase and settlement and upon joining the community.
- Appeal to appropriate community leaders those decisions affecting nonroutine financial responsibilities or property rights.

Homeowners have the responsibility to:

- Read and comply with the governing documents of the community.
- Stay informed by attending meetings and reading materials provided by the association.
- Maintain their property according to established standards.
- Treat association leaders with respect and honesty.
- Vote in community elections and on other issues.
- Pay association assessments and charges on time.
- Contact association leaders or managers, if necessary, to discuss financial obligations and alternative payment arrangements.
- Request reconsideration of material decisions that personally affect them.
- Provide current contact information to association leaders or managers to help ensure they receive information from the community.
- Ensure that those who reside on their property (e.g., tenants, relatives, and friends) adhere to all rules and regulations.
- Respect the privacy of community leaders at their homes and during leisure time in the community.

Community leaders have the right to:

- Expect homeowners to meet their financial obligations to the community.
- Expect residents (homeowners, tenants, and others) to know and comply with the rules and regulations of the community.
- Expect residents to stay informed by reading materials provided by the association.
- Respectful and honest treatment.
- Conduct meetings in a positive and constructive atmosphere.
- Receive support and constructive input from residents.
- Personal privacy at home and during leisure time in the community.
- Take advantage of educational opportunities (e.g., publications and training workshops) that are directly related to their responsibilities and as approved by the association.

Community leaders have the responsibility to:

- Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
- Exercise sound business judgment and follow established management practices.
- Balance the needs and obligations of the community as a whole with those of individual residents.
- Understand the association's governing documents, become educated with respect to applicable state and local laws, and manage the community association accordingly.
- Obtain input from residents through open meetings, committees, surveys, and other methods.
- Conduct open, fair, and well-publicized elections.
- Welcome and educate new members of the community.
- Encourage events that foster neighborliness and a sense of community.
- Conduct business in a transparent manner when feasible and appropriate.
- Allow homeowners access to appropriate community records when requested.
- Collect all monies due from homeowners.
- Devise appropriate and reasonable arrangements, when needed and as feasible, to facilitate the ability of individual homeowners to meet their financial obligations to the community.
- Provide a process that residents can use to appeal decisions affecting their nonroutine financial responsibilities or property rights where permitted by law and the association's governing documents.
- Initiate foreclosure proceedings only as a measure of last resort.
- Make covenants, conditions, and restrictions as understandable as possible, adding clarifying lay language or supplementary materials when drafting or revising the documents.
- Provide complete and timely disclosure of personal and financial conflicts of interest related to the actions of community leaders. (Community associations may want to develop a code of ethics.)

To learn more about how community associations are organized, governed, and managed, see CAI's *Community Association Living: An Essential Guide for Homeowner Leaders*, at www.caionline.org/CALiving.

The Sky Meadows Savings Fund

Proposed rules of implementation and administration of the Sky Meadows Savings Fund.

The creation of a Savings Fund has been initiated by community vote to begin with the 2023 first quarter deposit, and be billed with the quarterly water bill. All lots are required to participate except lot 18 (see CCR Amendment of 7/2/16).

The cap amount of \$100K was discussed at the meeting but was not a part of the motion to initiate. The meeting minutes also mentioned that the Bylaws would be changed/amended to provide guidance in administering the Savings Fund.

I suggest that the requirement of \$50 per quarter per lot, and a cap of \$100,000, be a part of the CCR's. Adding this to the CCR's would require a positive vote of the community but would also require a community vote to rescind the fund or change the cap amount. This would eliminating a possible change every time a Board was in disagreement with the fund if it were only in the Bylaws. The creation of the fund was overwhelmingly voted for by the members and should have some measure of permanence by requiring a community vote to change, i.e. put it in the CCR's. Where exactly this would fit in the CCR's may be a challenge.

The administration of the fund should be incorporated in the Bylaws, describing how it is collected, where it is kept and who has access to it. The reasons, conditions, and methods of withdrawals from the fund should be included in the Bylaws.

I suggest the following:

CCR's:

"In addition to any other accounts A Savings Fund account shall be initiated and maintained. This fund shall be billed equally for all assessment-paying lots, at quarterly intervals with the regular water bills. The Savings Fund billed amounts shall be \$50 per quarter per lot and will be deposited in the SMCA bank account. This fund will be separate from any other funds or accounts. The ceiling amount for all accounts combined shall be \$100,000."

Bylaws:

"The collection of the \$50 per quarter per lot will be included within the water bills posted at or near the end of each quarter. The collection of the \$50 Savings Fund will continue until the cap amount, an accumulation of all accounts, reaches \$100K. At that time the collection of Savings Funds will be paused until account balances, combined, dip below \$98,250. Once below \$98,250 (\$100K less one quarters' worth Savings Fund deposit) the collection will be restarted. The Savings Fund shall be used for needed repairs, replacements, and/or upgrades to our existing water, road, and drainage systems for which sufficient funds do not exist within the SMCA operating/checking account. The withdrawal of monies from the Savings Fund shall require a majority vote of the current Board and shall require the signatures of two Board members, one being the President."

This is only a first draft and the idea is to finalize something acceptable to present to the community. All your comments are welcome.

Thank you.

Dave S.