

Minutes of SMCA Board Meeting 01/10/2016 by Debra Paros
Next Board Meeting in February--New Board for 2016

Meeting Location and Time: Goldsteins; 2:00pm - 3:20pm

A. Roll call

Chuck Garrett, President; Richard Goldstein, VP; Dave Shellenbarger, Treasurer; Debra Paros, At-Large

B. Approval of the November Board meeting minutes

Format for all meeting minutes was discussed. Edits were made with regard to one of the motions in November and new version to be emailed ASAP (done 1/11/16)

C. Officer's Reports

1. President:

a. "Unfinished Business"

- 1) Chuck has met with Kotchwar. We are still waiting on the attorney's opinion for Lot 18.
- 2) New Drainage System: Seems to be working, especially given extreme period of rain. More gravel has been authorized, but may not be needed. Ron Henley is the lead on this project.
- 3) Chuck contacted property owners with regard to issues discussed at November meeting.
- 4) A change of by-laws to support a commitment by two elected board members to a 2-year term at each year's election will be proposed to the newly elected board of 2016. A presentation on this issue will be given at the annual meeting.

b. "New Business"

- 1) Waiver forms used to document a resident's agreement to receive all SMCA communications via email need to be passed out to all new members. Forms will be provided at the annual meeting.
- 2) Planning for Annual SMCA meeting:
 - a.) Chuck has already sent out ballot with list of candidates.
 - b.) Chuck will mail a hard copy of ballot to the Goods.
 - c.) Chuck will bring email waiver forms to annual meeting.
 - d.) Agenda for annual meeting discussed. Chuck to create an agenda for the Board to use.
 - e.) Board members will bring any records to pass on to new Board members.
 - f.) Chuck read the minutes from 2014 annual meeting to get us thinking about agenda items.
 - g.) Debra to resend email to Board of 2015 annual meeting minutes (Done on 1/11/16). She will also print this and bring to the annual meeting to be read aloud.
 - h.) Richard to call ACC head, Clay, as a courtesy reminder to bring/present ACC report.
 - i.) Richard will also contact Dick Graham about a possible water report at the annual meeting.
 - j.) Chuck will encourage new Board to set a date for first new board meeting in February

2. AT Large: Debra agreed to take notes for the meeting's minutes and requested clarification of how detailed minutes should be--brief discussion.

3. VP: Richard sent an email to Board on 12/8/15 suggesting the text changes to By-Laws if and when the community/next Board adopts a new policy that supports the goal of at least two Board Members to serve two years in a row.

4. Treasurer: Dave brought annual report for 2015 showing income, outlays and current balance. See attached.

D. Motions: no motions

January 10, 2016

Beginning balance, 2/27/15		\$8,635.07
Income for 2015:		
Dues	10,460.00*	
Water	9,920.80	
Interest	3.04	
TOTAL	20,383.84	+ 20,383.84
		<u>29,018.91</u>
Outlays for 2015 (through 12/31):	21,104.10	<u>-21,104.10</u>
12/31/15 Balance		7,914.81

No outstanding dues or water assessments.

Since 12/31/15: no income, \$763.76 out (729.00 to King Water, 34.76 to the treasurer for supplies).

Current balance, 1/10/16:\$7,151.05.

*Overpayment of first quarter water bill by \$40 was refunded by reduction of dues.

SKY MEADOWS COMMUNITY ASSOCIATION BOARD MEETING

20 March 2016 1:00pm

A. Rollcall

Present were:

President: Richard Goldstein

Vice President: Clay Miller

Secretary: Chuck Garrett

Treasurer: Chuck Coffey

B. Previous Minutes

Read and approved.

C. Officer's Reports

Treasurer's report (Attached)

D. Unfinished Business

1. BOARD TERM OF OFFICE: Motion to change Board terms of office – APPROVED. New By-law wording with tracked changes will be included in meeting minutes. (Attached)

2. LOT 18: Still awaiting opinion from SMCA lawyer. Issue discussed. Tabled to next meeting.

3. ACC Committee: Four new members of the ACC have been appointed:

Ron Henley - Chair

Eric Hamer – Vice Chair

Karen Smith-Lovejoy - Secretary

Bill Peters - Alternate Member

E. New Business

1. It has been requested that the Board start sending welcome letters to new members again.

2. The annual workday was discussed. The board is leaning toward a repeat of last years noxious weed workday. Tabled to next meeting.

ADJOURNMENT: 2:15pm

Next meeting: TBD

Business Interest 1 *0366

Balance \$12,633.13

Jan 1 - Mar 20, 2016 Custom

Available** \$12,633.13

Date	Description	Deposit	Withdrawal	Balance
01/04/2016	Check #1036: 1036		\$687.87	\$8,154.57
01/04/2016	Check #1037: 1037		\$239.76	\$7,914.81
01/11/2016	Deposit	\$660.90		\$8,575.71
01/11/2016	Check #1038: 1038		\$34.76	\$8,540.95
01/12/2016	Check #1039: 1039		\$729.00	\$7,811.95
01/19/2016	Deposit	\$524.39		\$8,336.34
01/19/2016	Deposit	\$72.01		\$8,408.35
01/22/2016	Deposit	\$287.31		\$8,695.66
01/25/2016	Deposit	\$142.25		\$8,837.91
01/29/2016	External Withdrawal PUGET SOUND / ENER DIRECT DEBITING - PSE BILL 4375092494		\$178.73	\$8,659.18
01/29/2016	External Withdrawal PUGET SOUND / ENER DIRECT DEBITING - PSE BILL 2750093931		\$15.37	\$8,643.81
01/30/2016	Credit Interest	\$0.07		\$8,643.88
02/16/2016	Deposit	\$110.92		\$8,754.80
02/29/2016	Check #1041: 1041		\$463.90	\$8,290.90
02/29/2016	External Withdrawal PUGET SOUND / ENER DIRECT DEBITING - PSE BILL 875097872		\$144.74	\$8,146.16
02/29/2016	External Withdrawal PUGET SOUND / ENER DIRECT DEBITING - PSE BILL 3000096154		\$13.10	\$8,133.06
02/29/2016	Credit Interest	\$0.07		\$8,133.13
03/03/2016	Deposit	\$4,500.00		\$12,633.13

**This balance may include overdraft or line of credit funds.

BYLAWS
SKY MEADOWS COMMUNITY ASSOCIATION (SMCA)

ARTICLE I

Object and Definitions

1.1. Purpose. The purposes for which this Association is formed are set forth in the Articles of Incorporation for the Association, affecting the tracts of real property described in Exhibit "A", attached hereto and by this reference made a part hereof, and hereinafter referred to as Sky Meadows, which property has been submitted to the provisions of the Articles of Incorporation for the Association, filed on October 12, 1987 with the Secretary of State for the State of Washington. These purposes were further delineated in the original "Declaration of Covenants, Conditions and Restrictions for Sky Meadows of Grasser's Hill," recorded on January 13, 1987 in Island County, Washington, Auditor's File No. 87000488, and subsequently replaced in its entirety by the "Amended Declaration of Covenants, Conditions and Restrictions for Sky Meadows," recorded on _____ in Island County, Washington, Auditor's File No. _____ (hereinafter referred to as the "Declaration").

1.2 Definitions.

- Unless otherwise specified, all terms, words, or phrases shall have the same meaning in these Bylaws as such terms have in the Declaration.
 - The terms "owners" and "members" as used herein shall be synonymous.
- "Sent and send" shall mean communicated by facsimile transmission, electronic transmission (email), ground mail or written personal delivery as specified in Washington State bill ESB 6188. Electronic transmission alone shall not be used to transmit to a member unless specifically approved by that individual member.

ARTICLE II

Membership, Voting, Meetings and Administration

2.1 Matters Governed by Declaration. With regard to various matters including membership, meetings and voting, reference is made to the Declaration.

2.2. Annual Meeting of Owners. Members of SMCA shall meet at least once annually between January 1 and February 15. The First Notice of the meeting, accompanied by a call for nominations for any open Board positions, shall be sent to all owners no more than sixty (60) and no less than forty-five (45) days prior to the date set for the meeting. A Second Notice, accompanied by a ballot, if necessary, shall be sent to all owners no more than thirty (30) and no less than fifteen (15) days prior to the meeting date.

2.3. Annual Meeting Agenda. The meeting shall be presided over by the President of the Association. The agenda shall be as specified by the President and Board, but shall include the following:

- The Board's annual report on the state of the Association.
- Report by the Treasurer of the financial status of the Association.
- Report by the Chairman of the Architectural Control Committee.
- Report on the community water system.
- The election of the Board of Directors for the coming year, if necessary.
- An open discussion period for questions, suggestions, comments, and announcements of general concern.

Members may vote on any resolution at the Annual Meeting with notice of twenty (20) or more calendar days.

2.4. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of owners holding at least twenty percent (20%) of the total votes under Article 2 of the Declaration shall constitute a quorum. An affirmative vote of owners holding a majority of the total votes present, either in person or by proxy, shall be required to transact business; provided, however, that no Board member shall be removed unless a majority of owners vote affirmatively therefore.

2.5. Proxies. Votes may be cast by each member or by proxy. Proxies shall be in dated and signed by each party holding an interest in said vote and shall designate the person entitled to vote or otherwise act on behalf of the absent party. The Secretary must receive proxies before the appointed time for which they are valid. No proxy shall be valid for a period longer than eleven (11) months after the date thereof.

2.6. Majority of Owners. As used in these Bylaws, the term "majority of owners" shall mean the holders of more than fifty percent (50%) of the votes entitled to be cast with respect to the matters being considered.

2.7. Voting. The Board may decide that voting by the members with respect to adoption of any proposed amendment to the Declaration, or with respect to any other matter for which approval by owners is required by the Articles of Incorporation, the Declaration, or Bylaws. The procedure for such voting is as follows:

The Board shall send a ballot, with at least twenty (20) calendar days advance notice to all owners, setting forth the proposed action, and stipulating the date which ballots must be returned to the Association. Owners are entitled to vote for or against the proposal. The proposal shall be adopted if approved by the affirmative vote of a majority of the voters on such question, unless the Articles of Incorporation, the Declaration, or Bylaws establish a greater or lesser voting requirement for the matter in question.

2.8. Adjourned Meeting. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present either in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

2.9. Order of Business. The order of business at all meetings of members shall be as follows:

- a) Roll Call
- b) Proof of Notice of Meeting or Waiver of Notice
- c) Reading of Minutes of Preceding Meeting
- d) Reports of Officers
- e) Reports of Committees
- f) Election of Board of Directors, if necessary (Annual Meeting only)
- g) Unfinished Business
- h) New Business

ARTICLE III

Management of the Association

3.1 Board of Directors. The affairs of the Association shall be governed by a Board of Directors, which shall be composed of persons older than eighteen (18) years of age. The Board shall consist of five (5) voting members. To facilitate continuity, one or more retired officers from the previous Board may also serve in an *ex officio* (nonvoting) capacity.

3.2. Election and Term of Office. Board members will be elected for a two year term at the Annual Meeting by the Association membership. Elections will be held annually, as necessary. Term of office shall begin at the next Board meeting, to be held no more than thirty (30) days following the Annual Meeting. Nominations for open Board members will be requested from Association members when the Annual Meeting date is announced. All nominees for Board positions must be in good standing within the Association, having no past due annual assessment or water charges, and no current violations of Sky Meadows Covenants and Restrictions. Nominees' consent will be obtained

before placing them on the ballot. A ballot listing all nominees will be sent with the Second Notice of Annual Meeting, if necessary. Members unable to attend the Annual Meeting may submit their ballots for the Board of Directors by proxy before the deadline designated on the ballot.

3.3. Vacancies. Vacancies on the Board caused by any reason other than the removal of a Board member by a vote of the Association shall be filled by vote of the majority of the remaining Board members, even though they may constitute less than a quorum; each person so elected shall be a Board member until a successor is elected at the next Annual Meeting of the Association or next special meeting of the Association for that purpose.

3.4. Removal of Board Members. At any regular board meeting or at any special meeting called for that purpose, any one or more of the Board members may be removed with or without cause, by a majority of all of the members of the Association voting as required by these Bylaws, and a successor may then be elected to fill the vacancy thus created. Any Board member whose removal has been so proposed by the owners shall be given an opportunity to be heard at the meeting.

3.5. Regular Board Meetings. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Board members, but at least two (2) such meetings shall be held during each fiscal year, and one (1) such meeting shall be held closely following the Annual meeting of owners. Notice of regular meetings of the Board shall be sent or telephoned to each Board member at least seven (7) days prior to such meeting.

3.6. Special Board Meetings. Special meetings of the Board may be called by the President with three (3) days notice to each Board member, A notice will be sent or telephoned, stating the time, place, and purpose of the meeting. The President or the Secretary may also call special meetings of the Board in like manner and on like notice upon the request of at least two (2) Board members. Special meetings may be called on less than three (3) days notice if the Board unanimously consents.

3.7. Waiver of Notice. Before, at, or after any meeting of the Board, any Board member may send a waiver of the notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.8. Quorum. At all meetings of the Board, a majority thereof shall constitute a quorum for the transaction of business, and the acts of the majority of the Board members present at a meeting at which a quorum is present shall be the acts of the Board.

3.9. Fidelity Bonds. The Board may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The Association shall pay the premiums on such bonds. However, the Board may waive any such requirements.

ARTICLE IV

Officers

4.1 Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer.

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 fill it by election within seven (7) days.

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.

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.

4.8. 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 include, but are not limited to:

- Members of the Architectural Control Committee (ACC), Composition, duties, and procedures are outlined in the Declaration and the Architectural Committee Rules.
- The Water System Coordinator/ Assistant, serve as the liaison between the Association and its professional water management firm and update the Board and membership on the community water system's performance.
- The Webmaster, who designs and maintains the Association's website on behalf of the Board.
- 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.

- The Meter Reader(s), reads meters, verifies and sends out each household's bill for community water usage. Several appointees may share these duties.

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.

ARTICLE VI

Amendments

The Board of Directors may adopt amendments to these Bylaws for the administration of the Association and for other purposes not inconsistent with the Articles of Incorporation or the Declaration.

ARTICLE VII

Conflict with Declaration or Articles of Incorporation

These Bylaws are intended to comply with and supplement the Articles of Incorporation of the Association and Declaration of Covenants, Conditions and Restrictions for Sky Meadows. If any of these Bylaws conflict with such, the provisions of the Articles of Incorporation and the Declaration will apply.

ARTICLE VIII

Nonprofit Association

This Association is not organized for profit. No member, member of the Board, or person from whom the Association may receive any property or funds, shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, be distributed to, or inure to the benefit of any members of the Board. The foregoing, however, shall neither prevent nor restrict the reimbursement of any member or Board member for actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE IX

Fiscal Year

The fiscal year of the Association will begin on January 1 and end on December 31 of each year.

Dated this 20 day of March, 2016
SKY MEADOWS COMMUNITY ASSOCIATION
By the Board of Directors

Richard Goldstein
President

Clay Miller
Vice-President

Chuck Garrett
Secretary

Chuck Coffey
Treasurer

Patrice Heyduck
At Large

Special Meeting SMCA – Ballot Count, Lot 18

Saturday, 16 July 2016

Meeting commenced at 9:05am.

Board members present:
Richard Goldstein
Chuck Coffey
Chuck Garrett

Ten additional community members were present.

President Goldstein made opening remarks.

Ballot count commenced at 9:07am.

Member Fred Schmucker opened ballot envelopes. Secretary Garrett read and recorded the ballots.

As set forth in Article 9.5 of the CC&R's, there must be at least 24 "YES" votes for the proposed amendment to be adopted.

Ballots were provided to 36 lots.

32 lots cast a ballot.

27 lots voted YES.

5 lots voted NO.

4 lots did not send in a ballot.

The YESs have it. The amendment is adopted.

The President closed the meeting at 9:20am.

Chuck Garrett
SMCA Secretary

SKY MEADOWS COMMUNITY ASSOCIATION BOARD MEETING

29 November 2016 5:00pm

1. Board Roll Call

Present were:

President: Richard Goldstein

Vice President: Clay Miller

Secretary: Chuck Garrett

At Large: Patrice Heyduck

Also present were members Karen Lovejoy, John Bolte, Ron Henley, and Dave Shellenbarger.

2. Previous Minutes

It was noted that the minutes for the meetings of 9 June 2016 and 16 July 2016 have been approved and are posted online.

3. Business

a. Disaster Readiness. Karen Lovejoy opened our discussions with a talk on the disaster readiness program that has been implemented in the Town of Coupeville. The program's coordinator is being requested to talk to our community during the upcoming annual meeting.

b. SMCA Business License Renewal. President Goldstein announced that SMCA's lawyer has ceased to provide the service of renewing our business license due to a change of rules. The process is simple and has been taken care of for the current year. A motion was made to add a change to the By-Laws to give the primary responsibility for renewal to the board Secretary. Motion- PASSED.

The proposed change reads:

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

c. SMCA Bank Statements and Treasurer Spreadsheet Posting. A motion was made to post monthly bank statements and financial spreadsheets to a password protected location on the SMCA website. This will give members more visibility of the SMCA finances. Motion – PASSED.

d. Annual Meeting Notices. The Annual Meeting has been scheduled for 28 January 2017. During the meeting, we will fill two vacancies on the board.

Meeting notices are due from the secretary as follows:

1st notice: due 1 Dec- 15 Dec

2nd notice: due 28 Dec- 13 Jan

In the notices, we will solicit board nominations and agenda items from all members. The proxy sheet should be attached to both notices.

e. Water System and Disaster Readiness. President Goldstein stated that King Water was queried about disaster readiness and our water system. The water tower uses reinforced steel concrete. A weak link would be piping. It was mentioned that there is a water tower isolation valve and a tool to close it. Training will be developed for isolation valve usage to be given at a later date.

Meeting adjourned at 5:37pm.

Charles E. Garrett
Charles Garrett
Secretary

SMCA Board – Special Meeting 9 June, 2016, 8:59 am

Present:

Richard Goldstein, President

Chuck Garrett, Secretary

Chuck Coffey, Treasurer

Patrice Heyduck, At Large

Also present were six additional members of the community.

Clay Miller, Vice President, has recused himself from all votes/discussions of the Lot 18 issue. He has made himself available for questions from the board.

The President explained that the purpose of the special meeting was to confirm that each board member had received and understood documents pertaining to Lot 18 and to vote whether to send the documents to the community for a vote. The President explained the history of the issue. This explanation included describing the original agreement between the Millers (Lot 18 owners) and the 2005 board; the findings by the 2015 Treasurer that the agreement was not in compliance with the CC&Rs, and the subsequent discussions between the 2015 and 2016 boards and the SMCA lawyer to resolve the issue.

The SMCA lawyer recommended two ways to remedy the situation:

1. Cancel the agreement between the 2005 Board and the Millers.
- or*
2. Submit a CC&R change and a new agreement with the Millers to legally uphold the previous agreement between the 2005 Board and the Millers.

After receiving the final documents from the lawyer, the current board decided via phone to schedule this special meeting where we would move to put this issue to a ballot along with the board's recommendation. The current board is recommending a CC&R change and a new agreement to legally uphold the previous agreement between the 2005 Board and the Millers.

The President then allowed comments and questions from all attendees.

Motion was made to “send the Lot 18 issue to the community for vote by ballot.”

Motion was seconded and put to a board vote. The motion was unanimously adopted.

Meeting adjourned at 9:23am.

After adjournment, it was pointed out that the board minutes on the website were not up to date.