

Rainbow Springs Community Club
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Minutes from December 15th, 2010 Rainbow Springs BOD Meeting

Meeting was held at Granite Falls Fire Station 86

Meeting called to order at 6:33 PM by President Vicki Jans - In attendance was President Vicki Jans, Vice President Susie Martin, Secretary/Treasurer Annette Blandino, Board of Trustee Members Kevin Hayes, Hal Newell, Warren Rainville, and Larry Parent. Also in attendance were residents Brandon and Alicia Henson, Eshel Clayton, Shawn and Heidi Strand, Dave and Dianne Jenkins

The October 2010 Meeting Minutes were read. It was entered into the record that there was no Board Meeting in November 2010 due to absences on the board, which would have kept us from providing the needed quorum. Susie Martin made a motion to accept the minutes as read. Kevin Hayes seconded the motion, and all were in favor.

Treasurer's Report: The Financial Profit and Loss Reports for October and November were read by Secretary/Treasurer, Annette Blandino. Board member Larry Parent questioned the board using community money to pay for the Decommissioning of the Ancillary Drain without first taking the project to a community vote. The board reminded Larry Parent that the State DOE mandated that we either decommission the drain or replace it. The project was not optional, but *mandated* by the state 3 years ago. The board chose to go with the least expensive option. It was explained that we have had an extension since 2009, and the work needed to be completed before the bids on the project expired. It was noted that the rising costs of construction could add substantially to the overall expense. Larry was reminded that the board voted in September, to move forward with the project and had accepted the lowest bid submitted. Susie Martin made a motion to accept the Profit and Loss report as presented, Hal Newell seconded the motion, and all are in favor, except Larry Parent. Larry again reiterated that he felt that a vote would help to promote more transparency. Larry was reminded that the 3 year project has had updates in every single newsletter to keep the community informed and updated. The board again explained that taking the project to the community for a vote would not accomplish anything, since it was a state mandated project. Larry stated that he had not been for moving forward with the project, without a community vote first. Vice President Susie reminded Larry, and read from the September meeting minutes that he, himself had indeed voted for moving forward with the project. He was further reminded that the board had tabled that bid decision 3 times over the summer at Larry's request, in order to provide more time for Larry to himself submit a bid for the project. Since a bid had not provided by Larry, the board moved forward, also further delays would cause the bids and permits to expire. The board voted unanimously, in September to move forward using funds set aside in the savings reserves, and funds collected in the 2008 special assessment. Former Treasurer Alicia Henson questioned the "other" income in the Profit and Loss statement. It was explained that it consisted of recovered postage charges. She also questioned the co-mingling of collected funds in the various accounts. Annette and Susie told her that in a meeting with our BECU banker and with our accountant they both suggested keeping the bulk of RSCC funds in the higher yielding Money Market account, instead of in checking to obtain the highest interest yield. Alicia stated that she was advised by the tax accountant to keep the monies separate. Annette reminded Alicia that the Quickbooks accounting keeps the amounts on the books separate. Kevin seconded the motion to accept the Financial Reports for October and November. The motion was seconded by Hal Newell. The reports were accepted into the record.

President's Report: No report

Vice Presidents Report: No report at this time

Secretary's Report: Secretary/Treasurer, Annette Blandino read a brief synopsis of the letters, emails & correspondence that RSCC has sent and received since our last meeting. None required Board action. One of the correspondences was a certified that had been sent to former Secretary Treasurer requesting the excel spreadsheet listing of historical lien information, that was stored on Alicia's own personal

computer. Alicia answered that she had not received any certified letters, and she said that the file had been emailed. Annette informed her that no board member had received it. Then, Alicia stated that the file was lost when her home computer hard drive crashed. A discussion followed discussing the chain of custody for transferring RSCC records to the new Secretary Treasurer. The former Secretary/Treasurer was at an impasse with the new Secretary/ Treasurer over the process of releasing the historical lien documents, and the community records. This led to a discussion by Alicia Henson charging the board, and particularly the new Secretary/ Treasurer, Annette, with tampering with/and or interfering with, and changing the results of the findings of the Financial Review that the board contracted Pettis and Rumsey complete June 17th, 2010. Alicia claimed that Annette had inserted her own personal opinions into the findings. The charge was denied and again the board was at an impasse with the former Secretary/ Treasurer. A statement/quote that Annette made in the August Newsletter was challenged. The quote from Pettis and Rumsey that Annette quoted was, *“over the last 3 years Rainbow Springs has carried too much debt for the size of the organization.”* The board reiterated to Alicia that the finding was not a reflection on the former Secretary Treasurers efforts as treasurer, but rather that many in the community had a history of not paying their dues, and Rainbow Springs was carrying a quarter to a third of it's overall assets in uncollectible debt. Annette stood by her quote.

Special Committees:

Gate & Dam: Kevin reported that communication with Gate Contractor at RSG has been difficult. RSG has not returned calls in a timely manner. RSG refuses to pay for any part of the repairs to replace the bearing and asked the board to review their bid of \$690.00. Kevin made a motion to move forward with the gate repair, and Hal seconded the motion. Kevin further reported that he would stay in contact with Casey Martin regarding the installation of the new security cameras. A substantial break in the weather will be needed. And Casey would have to have time to bring a boom truck home from work.

It was reported that Tim Bailey is over the halfway point with the Decommissioning of the Ancillary Drain. Tim needs another good stretch of dry weather to complete the project, and he plans on billing the balance after the first of the year. Tim had reported to Annette that the beavers, who in November plugged up the culvert, had moved into the next pond downstream on the 5 acre plat.

Roads & Culvert: It was reported that residents are still complaining about the height of the speed bump on 169th. Larry was asked to call the pavement company and have it fixed. Also Larry was asked about the status of his offer to obtain large rocks to place next to the speed bumps to discourage drivers from going around. The easements on either side of the speed bumps are being torn up. Larry said he would be trying to get the rocks next week.

Parks & Common Areas: The recent flooding was discussed, and the board reviewed the costs for renting a dumpster to aid the clean up for river residents. It was stated that after the last flood board members spent a lot of time, money and effort to clean up the flood debris and that several people expected to be able to put ruined appliances in the dumpster. Kevin stated that residents should be informed that they should call a used appliance dealer to pick up damaged appliances. Hal suggested that we hand out flyers to river residents outlining the restrictions, and to limit the time the dumpster is on site. Kevin suggested we rent the middle sized dumpster of 30 yards. Larry made a motion to move forward and rent a dumpster, and Hal seconded that motion. All were in favor. Annette stated that she would call Waste Management tomorrow and arrange for the drop off and pick up dates, limiting the time onsite to 2 or 3 days. Annette will also print up flyers and Susie offered to hand them out to river residents.

Community Information: Annette reported that the November Newsletter was finished and she handed out copies of the rough draft to board members to edit. Still needed was an article regarding the speed bumps. Larry was asked to write that article, and he agreed. Annette asked Kevin to write an article to update the community on the status of the gate. Kevin agreed. Vicki and Susie reported that neither has had the time to work on the Bulletin Board yet, because of heavy work schedules.

Welcome: Annette shared that she delivered 2 welcome packets to new residents. One new resident moved into a home on 120th. Also a new resident moved into Floyd Smith's prior residence.

Special Events: Since the meeting took so long tonight, Vicki stated that the judging for the Holiday Lights contest would have to be done individually by the board members. The results of the voting should be emailed to Susie and Vicki. Hal and Annette had already submitted their votes. Annette prepared the gift boxes and delivered them to the board. It was shared that Vicki was able to get the local IGA to donate gift cards for the 3 winners.

Volunteers: Nothing to report

Unfinished Business & General orders:

Entrance Update – The new fence for the entrance is postponed to later in the year after the threat of snow and ice.

By Laws Revisions – Attorney James Roach had offered several times that he could meet with board members to review the updated ByLaws revisions. At the Oct. meeting Kevin mentioned that he is booked until after the New Year. Annette reported that she followed up with an email to inform Mr. Roach that the board cannot meet until next year. She also suggested perhaps finding an HOA attorney that is in a closer proximity for the convenience of the board.

Liens and collections – Any further discussion of debt collection policies has been postponed until after the consult with an attorney. Another resident had been notified by certified letter of a pending lien and failed to respond so one lien was filed. Also 3 liens were released for properties that had sold.

Public Comments: Former Secretary/ Treasurer Alicia Henson said she had a lot more challenges for the board and she began by reading an excerpt from the Financial Review describing the organization of Rainbow Springs. She charged that she had not provided that information to the accountants and therefore Annette must have provided it. Annette denied the charge. Board Member Kevin Hayes asked Alicia what would satisfy her. She and her husband wanted Annette removed from the board. Kevin offered to have the board pay for yet another meeting with Accountants Pettis and Rumsey to ask them to answer the charges made about the authenticity of the Financial Review and its veracity, and the accuracy of comments made during their follow-up meeting with Annette. Alicia wanted the results posted in the Newsletter vindicating her tenure as Secretary/Treasurer. Alicia made the claim that she "had not resigned, or quit but stated that she had been pushed out by the board". The board reminded her that she had on two separate occasions resigned in writing, after several attempts by the board to re-adjust her workload, in order to help her avoid burnout. Alicia denied that she had stepped down. It was planned that Pettis and Rumsey would be contacted to re-submit their findings and statements made. Alicia stated that she had more challenges to air to the board. After a lengthy debate and due to the impasse with the board, it was decided that Susie and Vicki would obtain the desired verification from Pettis and Rumsey to put Alicia's complaints to rest.

Meeting is adjourned at 8:55 PM by Vicki Jans