

**SUNSHINE ACRES PROPERTY OWNERS ASSOCIATION
SEMI-ANNUAL MEETING
JANUARY 26, 2008**

The Semi-Annual Meeting of Sunshine Acres Property Owners Association was held Saturday, January 26, 2008, at Gardiner Community Center. A quorum was established. Gary read groundrules for all persons attending: must be current in their dues, registered and have a voting card. Please wait to be recognized, use the microphone, state your name, plat and voting card number for the record. If someone has the floor, let them finish their statement and at the end of topics, or at the end of the meeting, we will open the conversation up for other questions. All Board Members and Directors were in attendance with the exception of Ben Schrenzel. Gary introduced the remaining board members and directors. Gary explained that Keith DeStefano resigned his position and that Ev Stauffer has been appointed to that position by the board.

Minutes:

Marty Tipton presented the minutes for approval. They were reviewed and with no corrections or questions, Don Pridham made a motion to accept the minutes as written. Seconded, no further discussion, motion passes.

Treasurer's Report:

Audit Report: Annemarie Montera presented the Auditor's Report for review (attached). The books for 2006-2007, ending 8/31/07, were audited by Jim Martin and Anne Stiles. It was found that both Irma and Annemarie both transferred money from Beach Road to the operating account for some returned dues, so that money had to be returned back. The money is the same, audited to the penny. Last year we were \$1380.53 to the positive of how much money came in and how much went out, but last year we paid for the road. There were a lot of pre-paid dues that went into this year, so we will see that this year we are in the negative because of pre-paid dues from previous years. We were \$3670.38 under budget mostly because of savings on photocopy costs and legal costs we didn't have to pay. Motion made by Jim Wilson to accept audit report. Seconded, no further discussion, motion passes. Audit approved.

General Treasurer's Report:

See attached 2006-07 Financial Statement report. Lani Lowe made a motion to approve the General Account for 2006-2007. Seconded, no further discussion, motion passes.

See attached 2007-08 Financial Statement, which won't need approval until audited. We are well within budget for this year. We have had to put three liens on three properties for people who are more than two years behind. Second reminders, letters of intent to lien have been sent and nothing has been accomplished. We went from having over \$9,000 to about \$6,400 in outstanding dues. We have 24 people behind, 8 of which are making payments, 3 liens, leaves us with 13 who have not responded, so there will be more letters going out with intent to lien. Annemarie reported on the costs required to put a lien on property and to take the lien off. We

are in good shape, 94% of the residents pay their dues. Many have real issues and Annemarie is trying to work with them. Gary thanked Annemarie for doing a good job in getting some of our money back.

Old Business:

Mussel Beach Road Status: Jim Wilson reported that there's not much to say since the paving has been done. There has been some maintenance and cleanup. The road was cleaned three times and the culverts were cleaned twice. They are in pretty good shape and working like they are supposed to. New signs have been made and Jim showed them to the members. A new gate is in the process of being made, should be done sometime in the Spring. There was a small boat left at the end of the road and it has been taken care of. Other than normal debris which is cleaned up by work parties, everything is going well. The striping will be done when the weather clears up and it is not quite so wet. Keys are available if you need them. See Jim after the meeting. The road will be closed during inclement weather if necessary and information will be put on the reader board. When leaves are on the road, it can be slick, so please use caution.

Bill Youngblood asked what the intent of unattended vehicles was. Discussion about not leaving your vehicles at the bottom of MBR overnight. It is not safe. Don Pridham made a comment that he thinks the intent should be that SAPOA is not responsible for unattended vehicles and SAPOA should not police the area. There is no penalty, it is just unwise to leave the vehicles down there, and SAPOA is not responsible.

Kathy Williamson asked if SAPOA carries insurance or should there be something on the sign that people use the road at their own risk. We do have insurance. But you are at your own risk.

Jim Wilson also reported that someone has twice gone down to MBR and helped with the drainage, removing leaves and putting them in big piles up on the bank. The help is great, but the leaves should not be put on the grass. They need to be removed to a safer area. The grass area is used for stabilization.

Proposed By-Laws: Gary reported on his talk with the lawyer and we need to start over. A new committee meeting will be needed. You have to abide by the RCW for homeowners, and the RCW for non-profit corporation, and we are lacking in some areas, too much stuff in other areas. Disappointing to hear, but let's get it done right.

Architectural Reps: We had our plat meeting before the general meeting and the only plat with the covenants changed that don't include Mrs. Dent is Plat 3. All other plats still involve her and she doesn't own property here any more. Plats are encouraged to get their covenants reviewed. When done, they will need to be reviewed by a lawyer. Discussion re percentage needed for change. 65% required for a variance. Some say 65% to change the covenants. The attorney told Gary that there are two court cases that have gone to the Supreme Court where people have tried to change a height requirement and a set-back requirement and a judge has ruled that it takes 100% to modify existing conditions, which is a little bit different. Discussion about never getting 100%. Lani Lowe wanted to know if when changing the covenants and asking for the vote, can we vote on individual changes so that if we like one area, we vote yes. If we don't like

one area, we vote no. And keep the vote tallies individually. That should be okay, we'll check with the attorney. Discussion about doing a straw poll in your neighborhood and ask what will be approved, what won't be.

Jim Wilson asked, if he reads Gary right, we would need 65% to get a one-time variance, even on height. If you want to change the entire covenant for height restriction, then that would require 100%. Gary reported that's how it was explained by Mr. Johnson. There are a lot of things to be discussed by the plats. SAPOA board has no power to enforce the covenants. It is up to the plats to give the power to SAPOA to enforce covenants, but the way things are written right now we don't have the power.

New Business:

Newsletter Editor: Shellia Parker has volunteered to help out. The Board will help with articles, stuffing envelopes, etc.

Help Needed: Ben Schrenzel was going to present a little report, but is absent.

E-Mail Notification: Marty Tipton reported on the e-mail notification issue. E-mail notification cannot take place until it is approved in the new by-law proposals. She is taking names and e-mail addresses and will utilize them when approved.

Gary reported that we do have our own website, so please check it out. www.sapoasequim.com.

Power Outages: Gary reported that he once again called PUD and they said we could pay for having our lines put underground. Gary said that he heard that folks out on East Sequim Bay Road got their power lines put underground for free and PUD reported that was true. But PUD also said they had a single phase line and when power went down, it effected PUD's equipment and damaged their equipment so it was in PUD's interest to bury the line. We have a three phase line coming out to Diamond Point so when power goes out, it doesn't affect PUD. To guarantee no power outages, the line would have to be buried from the Blyn substation all the way out to Diamond Point. It would be about \$50 per month per person for about 3 years to pay for it.

Speed Limit Raise: Gary asked for a show of hands who would like to see the speed limit raised to 40 mph on Diamond Point Road. Most people would like to see it raised.

Board Elections: We will have two openings for the next election. If you'd like to volunteer, think about it and have someone nominate you at the general meeting in July.

General Questions/Answers: Would you like SAPOA to have the power to enforce covenants? There was discussion about this because we would have to raise the dues. People were confused about the question. They want dues and liens enforced by the board, but not covenants. Gary re-asked the question and made it a little clearer. Would you like SAPOA to enforce covenants like if your house is too tall, trees too tall, do you want SAPOA to be the police force or keep it among yourself. No, they want SAPOA to enforce dues collection and liens, but that's it.

SAPOA will help write letters to mediate disputes as it has in the past. If you want SAPOA to enforce covenants re tree heights, etc., we are going to have to substantially raise our dues to cover the legal fees.

Gary reported that our own local Diamond Point band has now officially adopted the name "Final Approach" and will be playing this coming Tuesday, 7:30 pm at the Baja Cantina.

Gerry Mahoney stated that we are doing a fine job.

Motion by Don Pridham to adjourn. Seconded, no further discussion, motion passes.

Meeting adjourned at 2:05 p.m.

Respectfully submitted,

Martha A. Tipton

Martha Tipton
Secretary