

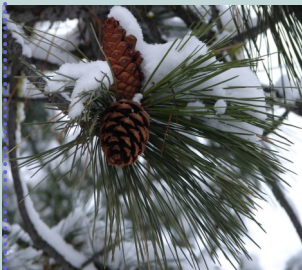
# Sun Mountain Ranch Club

Fall/Winter 2010 Newsletter

## General Membership Meeting and Potluck Brings Ranch Club Community Together

### What's Inside:

- General Membership Meeting, and Potluck
- Draft General Membership Meeting Minutes
- New Group Forms
- Do You Operate A Business From Within The Ranch Club?
- New Year's Eve Bon Fire
- New Mailboxes
- Multiple Lot Owners Will Get Multiple Cards
- Trial Recycling to Continue
- Audit Committee Formed



The 2010 General Membership Meeting held at the Church on the Rise on September 25th was well attended by nearly 70 Ranch Club property owners.

The meeting started at 9:00 a.m. with introductions of the Board of Directors, presentation of past year accomplishments, approval of the 2009 general membership meeting minutes, 2009/2010 financial review, presentation and acceptance of

the 2010/2011 budget, Board of Director elections, committee reports and membership questions, concerns, and comments. A draft copy of the meeting minutes are included in the newsletter and available online. If you were unable to attend, please contact the Secretary if you would like a copy of the PowerPoint presentation from the meeting!

The Board also organized a Potluck at our own Larkspur Park later in the afternoon welcoming all members of the Ranch Club to meet and greet fellow neighbors. By the number in attendance and positive comments from those who attended, this looks to be a great annual community event! Thank you to all in attendance and a special thank you to our President Paul Tillman and Ranch Club property owner Robert Walton for cooking the fantastic brats and burgers!



50+ Ranch Club Members and Friends Gathered at Larkspur Park for a Potluck After the General Membership Meeting Sept 25th.

## New Group Not a Ranch Club Affiliated Organization

After receiving several comments from confused Ranch Club Members, the Ranch Club Board feels compelled to clarify that a Peoples Action Committee (PAC) organized by property owners David and Diane Sims, with some other SMRC members they have contacted, is not a recognized or sanctioned entity of your SMRC Board. Mr. Sims has sent mailings to all Ranch Club property owners and has posted a blog under the title of Peoples Action Committee and has confused some owners and upset many others.

Your Ranch Club Board of Directors encourages constructive feedback and participation by any and all Ranch Club property owners. Board meetings, which dates and times are posted on the Ranch Club website [www.sunmountainranch.org](http://www.sunmountainranch.org) as well as on the white boards located at both Ranch Club entrances are open to all property owners. Because we do have a significant amount of Ranch Club business to discuss, we ask that if any member would like to speak at the meetings, that they request time on the agenda including the topic they would like to discuss.

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## Do You Operate a Business or Would You Like To From Your Ranch Club Lot?

As part of the Board's initiative to improve both consistency and documentation of compliance with our By-Laws and CC&Rs, your directors have developed a simple application form for those who seek Board approval to operate small businesses from their lots. Our CC&Rs require specific board approval for the operation of small businesses from SMRC lots so that the rights and privileges of all members are ensured. Past approvals have been conducted less formally than your current board feels represents best practices.

The SMRC board of directors is authorized by the CC&Rs to approve business activity on a case by case basis on lots in the development as long as the business operation can comply with all relevant requirements included in both the CC&Rs and By-Laws. That approval will be based on information provided by the business owner and in some cases the applicant will need to present their proposal at a scheduled board meeting. The questions on the form address advertising signs, vehicle use, customer traffic, noise and the way in which lots and buildings thereon will be used for the business.

The fundamental premise for board approval is that any allowed business operation does not detract from recreational and residential nature of the development as described in the CC&Rs and By-Laws. The board is supportive of those living in the development being allowed to operate a home business from their property accessory to living on the lot as long as there are no substantive impacts to other lot owners or the development as a whole. However, the board does not generally support lots in the development being used for business activity unless the owner / operator's principle residence is in the development. The board understands that there are many situations involving business and living that can't be anticipated and as such will honor and evaluate each request fairly on its own merits.

The form with instructions will be available on the SMRC website. The Board will ask known and prior approved businesses to complete the new form for the record to be consistent. You may contact Dave Sandoz for more information at [director3@sunmountainranch.org](mailto:director3@sunmountainranch.org).

### \*\*\* Bring in the New Year \*\*\*

With Fellow Neighbors at a Bon fire  
On New Year's Eve!

At the suggestion of a Ranch Club property owner, the Board would like to invite any and all Ranch Club members to bring in the New Year with your neighbors while standing around a bonfire that will be created by igniting the burn pile on New Year's Eve!

**9:00 p.m. Friday, December 31st!**

\*\*\* Weather Permitting! \*\*\*

*(We don't want to smoke out our neighbors if the air is too stagnant!)*

## New Mail Boxes Coming Next Spring!



Next Spring, new mailboxes will be installed at both entrances of the Ranch Club for those wanting to change out their old box for a new, secure box. This will also give those property owners who pay for secure PO boxes in town an opportunity to have a secure box closer to home!

If you are interested in having a secure mailbox, there is a one time cost of \$100 per box, per property owner payable to the Ranch Club. All costs of the secure mailboxes and installation of the boxes is covered by the \$100 per box and no Ranch Club money will be used to pay for this added benefit to our property owners. No one is forced to use the new mailboxes and are welcome to continue to use their existing mail box!

If you are interested in purchasing one of the secure mailboxes please write, call or email the Ranch Club Secretary at [secretary@sunmountainranch.org](mailto:secretary@sunmountainranch.org) and reserve your mailbox!

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## Property Owners With More Than One Lot Will Receive More Than One Security Card

The Ranch Club Board has decided to change the initial decision that only offered one security card per lot owner no matter how many lots an individual or individuals own. The Board's decision to limit the number of cards was primarily driven by the attempt to keep security issues of the past from happening again, by limiting the number of cards in circulation. Several property owners felt that it was unfair that they pay dues on all lots owned but do not receive a security card for those properties. With the new security features in place including the ability to "disarm" a card, the board agrees that better control of cards can be maintained. Therefore, those owners of multiple properties, will receive one card for each property owned. If an owner of multiple properties has already paid \$5 for a second card, that owner will be credited \$5 on next years dues.

## Trial Recycling Program Will Continue Through March

After seeing the success of the recycling program throughout the summer, the Board has decided to extend the trial period six more months to have a good understanding of the effects the program has for an entire year.

Methow Recycling Round-up will continue to pick up recyclables including cardboard on a weekly basis. Mr. Buchard of Methow Recycling Round-up is still very appreciative of those that take the time to flatten the cardboard they drop off for recycling. There are also containers for newspapers and magazines, aluminum cans, tin cans (that have been rinsed), and #1 and #2 plastic bottles. Please read the instructions on the containers. We are NOT recycling glass at this time, but you can take it to the recycle center or contact Methow Recycle Round-up for individual curbside pick-up for a fee. If the program continues to show a cost savings to the Ranch Club in reduced waste costs through the winter, the contract for recycling services will go out for formal bid in February.

SEE WHAT IS  
GOING ON IN  
YOUR  
COMMUNITY BY  
VISITING YOUR  
RANCH CLUB  
WEBSITE

[WWW.SUNMOUNTAINRANCH.ORG](http://WWW.SUNMOUNTAINRANCH.ORG)

## Audit Committee Formed

During the recent annual general membership meeting, the members present voted to use an internal financial audit in lieu of an audit by an external agency as allowed by Washington State RCWs regarding home owner associations such as ours. During the audit proposal presentation and voting portion of the meeting, we asked for volunteers with and without financial audit experience and are happy to have so many qualified and interested members offer to help with the internal audit. The annual internal audit will be planned during January and early February and completed as soon as possible in either February or March of 2011, depending on audit team member scheduling.

Two directors are conducting quarterly checks of the very well organized monthly financial packages of information that our wonderful treasurer Jeanne Walton prepares for us. We have found and fixed some minor things and clarified and explained a few other things with notes on the packages. These packages and other information the team needs will be assembled for the internal audit. Dave Sandoz will organize the internal audit to be led, conducted and reported on by the team of volunteers. During January and early February, the team will develop the audit plan and prepare a list of information they will need at their fingertips to complete the audit. An audit report will be prepared, approved by the board, any issues or suggestions raised will be resolved or evaluated by the Board and the document will be retained in SMRC files. The overall results of the audit and what we learn from this years process will be shared with members in newsletters and at the next annual general membership meeting.

\* DRAFT \* **Sun Mountain Ranch Club Annual Membership Meeting** \* DRAFT \*  
**September 25, 2010**  
**9:00 a.m, Church on the Rise**

There being a quorum in attendance, President Paul Tillman called the meeting to order at 9:05 a.m. Board members and officers present were Joan Bassen, Stan Hillier, Dave Sandoz, Doug Smith, Julia Smith, Steve Smith, Paul Tillman, Jeanne Walton. Paul introduced the current board members, outlined meeting guidelines, and thanked everyone for attending. The Board prepared a Power-Point presentation so all could follow an overview of the Board's accomplishments for the year:

*Summary of Accomplishments*

Park facilities remodeled, new professional signage installed at pool, developed strategy for interpretations of CCRs (begins the groundwork to revise by-laws and CCRs), road repairs, began discussions on foreclosure procedures, began exit/evacuation signage installation, continued development of a SMRC Standard Operating Procedures, started trail system identification, and development of draft audit process.

**SECRETARY'S REPORT**

Minutes from 2009 were distributed via mail, web, and hardcopy. Secretary Julia Smith asked if there were any additions or corrections to the 2009 Annual Meeting Minutes as distributed. There being none a motion was made and 2<sup>nd</sup> to approve the minutes as distributed; motion carried.

**ELECTIONS**

Vice President Stan Hillier facilitated the election process and provided a description of the duties each position is responsible for carrying out. Before elections began, two volunteers were requested to assist with ballot counting and verification. Mary Ann Larsen and Fred Noyes volunteered. The open positions for a 2010-2011 included 3 board positions, vice president, treasurer, and secretary. Nominations were received from the floor with the reminder that each open position is voted on separately – one vote per lot owned per position.

The newly elected Directors and Officers:

- Board position 1: Dave Sandoz  
(Nominees Dave Sandoz-incumbent, Diane Sims)
- Board position 2: Joan Bassen  
(Nominees Joan Bassen-incumbent, Robert Gorski)
- Board position 3: Doug Smith  
(Nominees David Sims, Doug Smith-incumbent)
- Vice President: Stan Hillier  
(Nominees Stan Hillier-incumbent, David Sims)
- Treasurer: Jeanne Walton
- Secretary: Julia Smith

The ballots will be kept on file (with the Secretary) for 1 year. Votes are available for review and recount at any time and in the presence of board members.

**TREASURER'S REPORT:** Treasurer Jeanne Walton gave the following report:

INCOME		
YTD ACTUALS	YTD BUDGET	TOTAL ANNUAL BUDGET
Jan 2010 – Aug 2010	Jan 2010 – Aug 2010	Jan 2010 – Dec 2010
\$93,648.07	\$63,235	\$116,145
CURRENT BUDGET POSITION		
YTD ACTUALS	YTD BUDGET	TOTAL ANNUAL BUDGET
\$90,359.89	92,394.68	\$116,145
2010/2011 PROPOSED BUDGET		
INCOME	EXPENSES	<i>Detailed expenses were presented and are available for review upon</i>
\$115,718.45	\$115,718.45	

After presenting the proposed budget, the floor was opened up for questions. A motion was made and 2<sup>nd</sup> to approve the 2010/2011 budget as distributed; motion carried.

## **ARCHITECTURAL COMMITTEE**

Joan Bassen reported 13 submissions for structures this past year: 6 sheds, 3 houses, 2 garages, 1 sleeping cabin, and 1 RV cover. All property owners are reminded to submit applications/proposals in advance of construction so as to give architectural committee sufficient time to evaluate application and respond with questions, clarifications, and approvals. SMRC member Robert Gorski volunteered to join the architectural committee. He has extensive experience with building codes, permitting process, etc. After presenting the report, the floor was opened up for questions.

## **ROAD COMMITTEE**

Dust control: application of lignin kept dust down. Used approximately 100 tons this year and made one single application in June. It was reinforced to the members that the product is effective and environmentally friendly.

Snow removal: two years remaining on three-year contract with Lloyd Logging. Per procedure, snow removal process is initiated when 4 inches of snow has fallen or when a phone call is made.

Road repair / maintenance: Grading and local repairs are done as needed.

In the event of evacuation, directional signs (noting distances to entrance/exits) are to be ordered and one has already been installed (at Twin Lakes and Barnaby).

After presenting the report, the floor was opened up for questions.

## **TWIN LAKES AQUIFER COALITION**

Steve Smith and Robert Walton provided overview of TLAC project status, which is to say that no new significant developments have taken place this year. There will be ongoing work, consultations and meetings with various county, government, and legal constituencies.

## **RECYCLING PROGRAM**

A temporary recycling program was started and a temporary contract established with Methow Valley Recycle Round Up. Materials being recycled include cardboard, magazines, newspaper, aluminum cans, tin, and plastic bottles). Analyses of costs before and after recycling program started yield a reduction in overall costs for garbage (due to gross reduction in volume and weight). January -March 2010 had 2 less dumpster hauls compared to the same time period in 2009; January-April 2010 total bills were \$1,573 less than the same period in 2009. May-August 2010 had 3 fewer hauls which saved \$986.

## **FINANCIAL STRUCTURE AND PROPOSED AUDIT PROCEDURES**

Dave Sandoz provided an overview of the SMRC financial structure, (quarterly) internal audit procedure, and proposed procedure for annual internal audit (and proposed composition of audit team). The members were asked to weigh in on whether to proceed with an annual internal audit versus external CPA audit. The last external audit conducted was in 2005.

After discussion and questions, a motion was made as follows: if external audit in 2010-2011 is waived then implement internal audit to keep association in compliance with current RCWs. As such, members were asked to vote on the following statement, "I move to waive external audit, propose implementation of internal audit procedure which will keep association in compliance with RCWs." Yes vote agrees with motion; no vote does not agree with statement. The vote results were 76 = yes and 21 = no. Procedurally, this motion/vote will be done every year during the annual membership meeting.

Volunteers for internal audit team were requested. Individuals with financial background and accounting experience are needed. The team will meet in February 2011. Volunteers include Linda Muzzy, Patsy Rowland, Jeannie Schneider, Dottie Noyes and Robert Walton.

## **FORECLOSURE**

Paul Tillman and Jeanne Walton presented the status of a SMRC property owner who owes in excess of \$6,000 in dues and assessments. If the association is to pursue foreclosure on this property it could cost \$6,000-10,000 (if untested). The members were asked for their input on the matter. A motion was made to not pursue foreclosure process and let the lien process ensue, motion seconded. All members except one (opposed) were in favor. Motion carried.

## **THE BETTER SOLUTION: EVALUATE BYLAWS AND CC&Rs**

In an effort to evaluate bylaws and CC&Rs, the board has begun the process of developing guidelines that would aid the Board and Architectural Committee in enforcing the rules consistently and fairly as well as determine the degree of interest of members for making slight revisions/clarification to bylaws and CC&Rs. The guidelines will cover structures/buildings, vehicles and equipment, approval basis for business and commercial activity, and common area and easements. A motion was made to give the board allowance to proceed with interpretation of bylaws and CC&Rs as written; motion seconded. All in favor. Motion carried.

## **TRAIL SYSTEM**

Doug Smith provided an update on the development of trail system design and implementation plan. A trail committee was formed and includes Doug Smith (chair), Russ Dod, Steve Meleski, Dave Sandoz, and Steve Smith. Construction guidelines have been developed and implemented; first trail/path was identified; first path scouted and marked. Next steps include notifying property owners adjacent to trail (ask their input on the location of the path), ask for volunteers and create a trail work-party, and identify locations and install signage and barriers. Other benefits include identification of property lines and boundaries, allow access to the common area greenbelts for removal of wildfire fuels, and allow access and visibility for control of noxious weeds.

## **OPEN COMMENTS**

The floor was opened for general comments and questions. A property owner asked if the Peoples Action Committee was an official sanctioned and recognized Ranch Club organization. The answer was no. Another property owner requested review of policy regarding the number of key card relative to number of lots owned. His thoughts were that he should be issued 2 cards because he owns 2 lots. Another commented that other HOA's have policies where the number of key cards corresponds number of lots owned. The board will revisit this policy.

## **ADJOURNMENT**

A motion to adjourn was made; motion seconded. Meeting adjourned at 12:00p.m.

Respectfully submitted,

  
Julia W. Smith, Secretary

  
Paul J Tillman, President

*The September 2010 general membership meeting minutes have been provisionally approved and will be officially approved during the next annual general membership meeting in 2011.*



Winthrop, WA 98862

PO Box 24

# Sun Mountain Ranch Club



## Building a Better Community



### Your Ranch Club Board of Directors New Email Addresses

President, Paul Tillman, [President@sunmountainranch.org](mailto:President@sunmountainranch.org)  
Vice President, Stan Hillier, [VicePres@sunmountainranch.org](mailto:VicePres@sunmountainranch.org)  
Secretary, Julia Smith, [Secretary@sunmountainran.org](mailto:Secretary@sunmountainran.org)  
Treasurer, Jeanne Walton, [Treasurer@sunmountainranch.org](mailto:Treasurer@sunmountainranch.org)  
Director, Doug Smith, [Director1@sunmountainranch.org](mailto:Director1@sunmountainranch.org)  
Director, Joan Bassen, [Director2@sunmountainranch.org](mailto:Director2@sunmountainranch.org)  
Director, Dave Sandoz, [Director3@sunmountainranch.org](mailto:Director3@sunmountainranch.org)  
Director, Steve Smith, [Director4@sunmountainranch.org](mailto:Director4@sunmountainranch.org)

Visit the Sun Mountain Ranch Club Website!

[www.sunmountainranch.org](http://www.sunmountainranch.org)

