

# Inside the Rim

## Notice of Annual Meeting and Meeting Guide

### Wilderness Rim Association 50<sup>th</sup> Annual Meeting of the Membership

Please plan to attend the 2017 Annual Meeting of Wilderness Rim Association (Association; WRA) at Cascade Park on Saturday, September 16, 2017, at 10am. Registration will begin at 9:30am. Come early to meet your neighbors and your WRA volunteers. This is a private business meeting for WRA homeowners and lot owners only. Children are also welcome. Please bring this guide along with your ballot (if you did not vote early) and questions and comments to the meeting.

### Meeting Agenda

The following items will be on this year's agenda: 1) Review and approval of 2016 Annual Meeting minutes; 2) several guest speakers, including from the Sheriff's Office, Eastside Fire and Rescue, and Sallal Water Association; 3) presentation of the 2015-2016 audit and 2017-2018 annual budget; 4) nominations and introductions for the Board of Trustees, Architectural Review Committee, and Advisory Committee; 5) presentation and discussion of the proposed Homeowner Association (HOA) and Security Patrol assessments; 6) presentation and discussion of the proposed bylaw amendments; 7) presentation and discussion of the proposed water system consolidation advisory vote; and 8) open discussion of member concerns. The Annual Meeting will be followed by a barbeque lunch, weather permitting.

### Voting Procedures

There are four ways to vote this year:

1. Electronic Voting. You should have received a postcard from IvoteHOA in late August with your code to register and instructions on how to vote electronically on your computer. If you did not receive this information and would like to vote on-line, please contact the Office (425-888-1406; [office@wildernessrim.org](mailto:office@wildernessrim.org)).
2. Vote at the Meeting: Be present at the Annual Meeting with your ballot, sign in at the registration table, complete your voting, and place your completed ballot in the ballot box.
3. Vote by Mail or Drop Off Ballot at Office: If you would like to vote by mail or drop off your ballot at the Office, please visit the office and obtain a paper ballot, voting materials, and return envelope, or contact the Office (425-888-1406; [office@wildernessrim.org](mailto:office@wildernessrim.org)) and have a ballot, voting materials, and a return envelope sent to you. You will need to provide information on the back of the return envelope before mailing in your ballot.
4. Vote by Proxy: Assign your proxy to another Wilderness Rim property owner and between the two of you cast your vote. Your proxy may also vote for you on items or candidates written in at the meeting. To vote by proxy, you will need to request a ballot, voting materials, and a return envelope from the Office. Both you and the proxy will need to mark your ballot and provide information requested on the back of the return envelope. Return your proxy vote to the Office by mail, by dropping it off at the Office, or by bringing to the Annual Meeting and dropping it into the voting box.

If you vote by mail, drop off your ballot at the Office, vote by proxy, or vote at the Annual Meeting, your ballot must be returned in return envelope used for voting. You must fill out the information on the back of the envelope, including your name, lot number, and signature, and for proxies, the lot number and name of your proxy.

### Wilderness Rim Association

#### Office Hours

9:00am – 2:00pm Tuesday  
2:00pm – 7:00pm Wednesday  
12:00pm – 6:00pm Thursday

#### Contact Information

P.O. Box 315  
North Bend, WA 98045  
Phone: (425) 888-0087  
Fax: (425) 888-2136  
[office@wildernessrim.org](mailto:office@wildernessrim.org)

#### Water Emergencies

Please direct water emergencies to Roger Lillejord, Satellite Management Services (425-829-6425). Billing questions should be directed to Sallal Water Association (425-888-3650).

IF you vote by mail or proxy and then decide to attend the Annual Meeting, we can retrieve your mailed/proxy ballot only if you have properly marked your return envelope.

Voting Deadlines:

- To be counted, electronic votes must be received by 1pm on Saturday, September 16, 2017.
- To be counted, ballots sent by mail must be received at the Post Office by 2pm, Friday September 15, 2017. Please mail your ballot to Wilderness Rim Association, PO Box 315, North Bend, WA 98045.
- To be counted, ballots dropped off at the WRA Office drop-box must be received by 10am on Saturday, September 13, 2017.
- To be counted, ballots cast at the Annual Meeting must be deposited in the ballot mailbox within 1 hour after adjournment of the meeting.

## **Quorum Requirement**

Per the WRA Bylaws, 10 percent of the membership must vote for the votes to count. Failure to achieve a quorum before or within 1 hour after the meeting will preclude any voting from being counted. Without a quorum, no new trustees or Architectural Review Committee members will be elected the annual budget and HOA assessment from the September 2016 Annual Meeting will remain in place, and funding for our security patrol will end. Please be sure to vote so that we meet our quorum and to ensure that your voice is heard.

## **Barbeque Following the Meeting**

Weather permitting, WRA will have a barbeque following the annual meeting! The Association will provide hamburgers, hot dogs, potato chips, condiments, soft drinks, water, and eating utensils. Please bring your appetite and have a great time with your fellow neighbors.

## **Results of Last Year's Annual Meeting**

The 2016 Annual Membership meeting was held on Saturday, September 19, 2016. Due to inclement weather, the meeting was held indoors at the Chalet. While there was a modest turnout at the Chalet that day, online voting entries leading up to the meeting were ground-breaking. Over 200 ballots were cast, marking a historical amount of participation.

The minutes for the 2015 Annual Membership meeting as well as the minutes for the July 29, 2016 Special Membership Meeting were approved. The proposed budget for 2016-2017 was also approved. Below are the results of the voting for Trustees, Architectural Review Committee, and assessments on the ballot.

Board of Trustees: Jessica Alexander, Robert Beeler, Jim Besso, Thomas Grisso, Angelina Holverstott, Kelly Koechel, Mark LaPerriere, Heather Larson, Erin Perry, Cale Sweeney, and Ruston Weaver.

Architectural Review Committee: Doug Greathouse, Jim Besso, Thomas Grisso, Angelina Holverstott, Mark LaPerriere, and Fernando Platin, Jr.

Homeowner Association Assessment: An assessment of \$13.33 per lot per billing cycle was approved for a total of \$80 per year.

Security Patrol Assessment: An assessment of \$8 per lot per billing cycle was approved for a total of \$48 per year.

The complete results of the meeting, including vote totals, can be found at <https://wildernessrim.org/2016-annual-membership-meeting-ballot-results/>.

## **Homeowner and Security Patrol Assessments**

The HOA and Security Patrol assessments are up for renewal this year.

The Board recommends that the HOA assessment be increased from \$80 to \$100 this year, or \$16.67 per two-month billing period. The dues pay for most aspects of running the Association's business. This increase will allow the Association to continue to make repairs and improvements to Cascade Park, the greenbelt, and the chalet, as well as to support office and park staff and other Association operations. Homeowner dues are extremely low in Wilderness Rim compared to other HOAs. If approved, this would result in an increase from \$15 per lot 50 years ago to \$100 today, or about 566%. During the same period, the rate of inflation increased 632%. If the measure is not approved, the HOA assessment would remain at \$80 annually.

To help offset the increase in HOA dues, the Board recommends the renewal of the Security Patrol assessment, but at reduced rate of \$36 per year, or \$6 per billing period, down from the current assessment of \$48 per year. The Board is using excess Security Patrol funds from 2016-2017 to make up the difference while still maintaining security patrols at their current level.

The Water Reserve and Water Operations assessments remain the same for 2017-2018; \$54 (\$9 per billing period) for the Water Reserve Fund and \$12 (\$2 per billing period) for the Water Operations Fund. These funds are kept in reserve for the long-term maintenance of our water system.

A discussion of the pros and cons of these assessments can be found at the end of this Meeting Guide.

## **Advisory Vote to determine if the Association should Study the Feasibility of Consolidating our Water System with Sallal Water Association's Water System**

The Board of Trustees proposes to spend up to \$15,000 to assess the feasibility of transferring the WRA water system to Sallal Water Association (Sallal), North Bend, Washington. Sallal supplies potable water to about 1,500 connections serving approximately 5,000 people throughout the service area, including WRA. Sallal is a non-profit, consumer-owned corporation. In addition to providing water to WRA, Sallal also is responsible for WRA billing.

The feasibility study would include an evaluation of the ability of the Board of Trustees and WRA water system operator to manage the system now and in the future. The study would include an assessment of the WRA water system, including a determination of operating and capital costs, value of the current system, costs for upgrading/replacing the system, and costs to meet regulatory requirements. The Board would consult with an attorney to develop legal agreements, and an independent utility system valuation consultant to develop a fair value assessment for the transfer of the system. The Board would also determine the water rate structure and quality of service that would be provided by Sallal to WRA members, and if one or more WRA members would be on the Sallal Board of Trustees. It is possible that the costs of studies and agreements could be reduced by grants provided by the Washington Department of Health.

The Washington Department of Health encourages small water systems, such as the WRA system, to merge with larger systems where it makes sense. Consolidation would reduce administrative costs and take the pressure off the Board to manage the WRA system. It would also reduce or eliminate our liability for system failure. However, WRA would lose control over our water system and may have limited say in the quality of service and maintenance of the system in the future.

If the membership approves studies and agreements to assess the feasibility of transferring the water system, and it is determined by the Board of Trustees that transfer of the water system to Sallal is in the best interest of WRA, a ballot proposal to approve the transfer of the WRA water system to Sallal would likely be put before the membership at the 2018 Annual Meeting.

## **Proposed Bylaw Amendments**

Thirteen Bylaw amendments have been proposed for this year. They include amendments regarding the hiring restrictions for administrative personnel; measures for the Association to recoup legal expenses; restrictions on officers to chair standing committees; Annual Meeting quorum requirements; appointment of trustees to vacant positions; allowing trustees to vote at meeting by teleconference; eliminating the Advisory Committee or restricting the length of term members may serve on the committee; reducing the maximum number of trustees on the Board from 11 to nine; reducing the length of terms for trustees from 3 years to 2 years; and defining a member "in good standing."

A discussion of the pros and cons of these proposed Bylaw Amendments can be found at the end of this Meeting Guide.

## **Candidates Requirements for Board of Trustees, Architectural Review Committee, and Advisory Committee**

### Board of Trustees

Corporate powers of the Association are vested in the Board of Trustees. The trustees work to ensure that our common resources are managed in compliance with all the applicable laws, such as the Revised Code of Washington, and in the best interests of the membership. The number of trustees who shall manage the business affairs of the Association is 11. Two trustees are currently serving three-year terms, thus nine positions are open. Members were asked in the July-August 2017 to submit their name, or another member's name, for consideration as a trustee. Their names are included on the ballot, and a short Statement of Qualifications is provided by the member. The Statements of Qualifications are included with this Meeting Guide.

### Architectural Review Committee (ARC)

The Architectural Review Committee, also known as the Architectural Control Committee, is responsible for assuring the compliance of Association members and Wilderness Rim residents with the Wilderness Rim Restrictive or Protective Covenants as applied to members' lots; maintaining records of construction and improvement plans; drafting or amending Architectural Guidelines, which then must be approved by the membership; and educating the membership about the Architectural Guidelines. Members serve for one year, and the Committee shall be composed of at least three, but not more than six members. Members were asked in the July-August 2017 to submit their name, or another member's name, for consideration as a member of the Architectural Review Committee. Their names are included on the ballot, and a short Statement of Qualifications is provided by the member. No Statements of Qualifications were provided for this position.

### Advisory Committee

The Advisory Committee is responsible for advising the Board of Trustees about current issues that may be subject to the Association's governing documents and continuing resolutions. The committee shall be composed of at least two but not more than five members. To be a member of the committee, you must have completed a minimum of three years on the Board of Trustees and have served as an officer for at least one of those years. This is the first year that voting has been held for this committee. Members were asked in the July-August 2017 to submit their name, or another member's name, for consideration as a member of the Advisory Committee. Their names are included on the ballot, and a short Statement of Qualifications is provided by the member. No Statements of Qualifications were provided for this position.

## **Wilderness Rim Association Financials**

An audit for Fiscal Year 2015-2016 was recently completed by Cagianut and Company, Certified Public Accountant. This audit is included with the Meeting Guide. The Association is currently working on completing the 2016-2017 audit.

Each year the Association prepares a budget for the upcoming year. The Fiscal 2017-2018 budget was approved by the Board of Trustees on June 21, 2017, and is being submitted to the membership for approval. The budget is included with this Meeting Guide, along with the 2016-2017 final budget for comparison.

## **Recent Accomplishments**

Board Fully Staffed

Leak Study Completed and Repairs Made to Water System

Worked with King County to Identify Trees of Concern in Park and Greenbelt; These Will be Topped/Cut to Stump in fall 2017

Resolved Numerous Member Concerns

Winter Party

Easter Egg Hunt

Movie Night

2015-2016 Financial Audit

Chalet Roof Replacement and Repairs

Park Upgrades and Maintenance

Completion of Playground Gravel Project

Game Nights

## **Thanks to All Who Volunteered during the Past Year**

Thanks to all of those that volunteered their time to make the Rim a great place to live during the past year.

Board of Trustees – Jessica Alexander, Diana Arny, Robert Beeler, Jim Besso, Alan Bruckner, Jerry Cummings, Ryan Fiedler, Thomas Grisso, Angelina Holverstott, Mike Kenyon, Kelly Koechel, Jason Lange, Heather Larson, Mark LaPerriere, Jaime Oberg, Stuart Paulus, Erin Perry, Veronica Smith, Brad Summers, Cale Sweeney, and Ruston Weaver

Committees – Robert Beeler, Jessica and Jim Besso, Alan Bruckner, Ryan Fiedler, Doug Greathouse, Thomas Grisso, Mike Kenyon, Heather Larson, Jaime Oberg, Stuart Paulus, and Brad Summers

Events, Park Maintenance, and Welcome Committee – Diana Arny, Nick Balderson, Robert Beeler, Jessica and Jeremiah Besso, Lori Crowningshield, Thomas Grisso, Joyce Jansen, Amy and Mike Kenyon, Heather Larson, Steve, Kristy, Julene, and Tyler McDonald, Austin, Hannah and Jaime Oberg, Kathy and Stuart Paulus, Wanda Peters, Megan Schweppenheiser, and Brad Summers.