

**BIRCH BAY VILLAGE COMMUNITY CLUB
ANNUAL MEETING MINUTES
JUNE 1, 2007
PERFORMING ARTS CENTER
BLAINE HIGH SCHOOL
765 H STREET
8:00 P.M.**

ROLL CALL:

Ralph Falk, President	Present
Deon Wiechmann, Vice President	Present
Bob Boyd, Treasurer	Present
Valery Anderson, Secretary	Present
Betty McKinney	Present
Sandra Stillion	Present
Jeff Morris-Reade	Present

Also Present: Meg Grable, General Manager, and Ann Nydam, Administrative Assistant.

CALL TO ORDER:

The Birch Bay Village Community Club (BBVCC) General Meeting was called to order at 8:00 P.M.

QUORUM:

Meg Grable stated a quorum was present: 113 persons registered by ballots and 6 proxy-ballots.

AGENDA:

- Motion made by Sandy Zeitel, and carried to approve the agenda as presented.

INTRODUCTION: Ralph Falk, President introduced the BBVCC Board Members.

MINUTES:

- Motion made by John Brown, seconded by Monty Whitt and carried to approve the Minutes of June 2, 2006 as presented.

TREASURER'S REPORT – Bob Boyd

- The Independent Auditor's Report, Balance Sheets, Statement of Revenues, Changes on Fund Balances, Statement of Cash Flows, Notes to Financial Statements, and other supplementary information pertaining to BBVCC year ending in December 31, 2006 was released. All these reports were based upon financial information that was audited by the outside Accounting Firm, Earnest Johnson & Company.
- The reports are documented and listed in their entirety. The year-end balance of all significant asset accounts rose during 2006. Also, comparing the beginning and ending total fund balances, there was a significant increase exceeding \$326,000. This is the second year in a row there has been a significant increase in the total fund balance. Upon comparison of the balance from 2006 and 2005 an excess of revenues over expenses increased by over \$45,000. Although there was a slight drop in revenue of about \$6,000, there was a substantial drop in expenses exceeding \$51,000.
- Total Cash Flow of 2006 exceeded 2005 by nearly \$62,000. Cash Proceeds from Interest earnings nearly doubled during 2006 from \$38,000 to \$66,000.
- Suggest that all readers read and digest the information presented. The financial condition of BBVCC has continued to improve over the past 2 years. However, with present challenges and uncertainties being experienced and ones that will be experienced in the future it is the responsibility of the Board, Management, and all Membership to exercise diligence and care in order to continue to enjoy these positive financial results.

GUEST SPEAKER – Deputy Cliff Langley, Whatcom County Sheriff's Department

- In 2004 the Sheriff's Department started a Resident Program, and since last year it covers the Birch Bay area. The "Neighborhood Deputy" will have a primary area of operation. For the next year or so Deputy Cliff Langley will be the Birch Bay Neighborhood Deputy.
- Does encourage the Community to police itself and watch over each other. If there is a burglary a few blocks away don't be worried just for yourself, be concerned about the neighbors in the area.
- Sometimes people know who offenders are, but they don't want to come forward and admit it. Ask that the Community stand up and take interest in others in the neighborhood and be willing to help. Even just watching the area, checking for suspicious behavior, and contacting Security or 911, could prevent some crimes from happening.
- When driving around Birch Bay Village will be more than happy to answer questions or help out in a situation.
- Deputy Cliff Langley's Mission statement for the Birch Bay area: "Want to provide a Law Enforcement Service to Birch Bay in a manner that promotes community involvement in finding solutions to its particular needs and increases respect for and the desire to comply with the law." Deputy Langley hopes that just his presence will encourage people to comply with the law so he is not forced to write tickets.
- Deputy Langley then opened the floor for questions:
 - Someone asked about Deputy Cliff Langley working with the Village Security Guards. Deputy Langley answered that he will get to know the Guards and if they need assistance they can call him, but the BBV Security Guards are a separate entity from the Sheriff's Department. If there is something criminal going on in the Village then the Sheriff's Department needs to know.
 - Someone asked what the Deputy's opinion was of the block watch program. Deputy Langley stated that he encourages communities to make block watches, and that there is a Crime Prevention Officer who will be willing to talk to the Village and set up a block watch program or help out with a current one. Block watches are an asset in a community.
 - Someone asked if there was another number besides 911 to get a hold of Deputy Langley. Deputy Langley replied that during the day they can call the Whatcom County Sheriff's Office and ask for him, they will then be transferred to a voicemail. If it is something that needs immediate action then call 911.
 - Someone inquired how prevalent substance abuse was. Deputy Langley said that he was not aware of significant problems in the area as far as drug and substance abuse. When it comes to drinking and driving he is hoping to address the issue more, and will be working both days and nights to be available when people are drinking and driving. Deputy Langley will be working with some Deputies involved with drug issues, and as he comes aware of more issues they will work together to deal with the situations. He is not aware of any drug abuse in the Village at the moment.
 - Someone asked a question about catching speeders in the Village. Deputy Langley answered that since the Village has enforcement in place already for speeding, BBV will not be an area he is going to spend much time in to check speeders. If he is in the Village and catches speeders he will deal with them. Said that he does have the authority to do speeding checks at the request of the Village.
- Thanked the Village for inviting him. The number for the Whatcom County Sheriff's Office is (360) 676-6650 and his e-mail is birchbaydeputy@whatcomcounty.us.

MANAGER'S REPORT: Meg Grable

- As of May 2007 there are 161 vacant lots in BBV, 968 lots have construction on them, there are 2 new home construction sites, 3 new mobile home sites, and 135 rental properties, which means there is over 10% of rental properties. And since May of 2006 there have been 65 owner transfers. Compare this to May of 2006 and there are a few more vacant lots, a few less home constructions, last year there were 25 new home starts by May, and there were only 120 rental lots; things have changed in BBV do to financial conditions.

- The Manager's salary has never been hidden. Was just recently told that the BBV General Manager makes \$76,000 a year, when in reality it is \$51,500 a year. There are benefits paid to employees and if anyone is curious of what that entails they can pick up a copy of the employee handbook. There are fees paid to the government for certain employees, for example fees are paid for Marina workers and Office workers. If anyone is interested in seeing a payroll sheet they are entitled to see one. BBV is not paying any more money to the government than required by law. If anyone has any BBV financial questions they can talk to Bob Boyd or ask the new Board treasurer. The Office will not give out W-2 forms or social security numbers for privacy reasons, and the Manager is willing to discuss facts of basic salaries and what is required in the job description.
- In the past year Ralph Falk, Valery Anderson, Ken Hoffer, BBVCC Bookkeeper, and Meg Grable went to Merrill Lynch and placed BBV money in CD's and reserves. Every CD has to be under \$100,000 per account; so a company hired by BBV, like Merrill Lynch, has to place CD's in individual banks.
- There has been great interest gained for BBV in the past year, which goes towards the reserve and what is planned for BBV. Roads is the next issue that must be placed on the budget for 2008 to use with the reserve money; it is time to repave the roads and decide what to do with the front entry gate and lower gate entry as to the quality it looks like.
- Around June 4 construction is going to start on Birch Point Road; these entry ways will be torn apart and BBV will not overlay any road that is the responsibility of Whatcom County, Semiahmoo, or Wilder Construction.
- Some of BBV money has been spent at the Marina: all the docks are having floats put in.
- The Security vehicle has had lights added by request of the Security Committee. Court will be at the next Security meeting on June 13; the General Manager no longer has the authority to reduce, raise, or remove any amount of a citation. It is a good suggestion to put citation information in the BBV bulletin. Standing committees make recommendations that are brought to the Board who then approves and proceeds with a suggestion.
- The Golf Course has been made into a beautiful course, and bocce ball and shuffle board courts are being looked into.
- The BBV Lakes are being cleaned. There is an aeration problem on Thunderbird Lake which is being fixed.
- Would like to thank all volunteers and all Board members for their faithful support and back up of efforts.
- Would also like to thank the BBV staff: Steve Brand and Ken Schroeder for the golf course, Jeff Weaver and Bobby Hoffer for maintenance, Karla Foss for grounds and some assistance with the golf course, BBV now has a Compliance Officer with a combination of Marina his name is Howard Kitchen; also thank Bookkeeper Ken Hoffer, Administrative Manager Ann Nydam, and Administrative Assistant, Esther Matter.
- Last Tuesday met with Whatcom County Officials and received a letter from Pete Kremen explaining what can or cannot be expected for the ditch and road work on Birch Point Road. Ralph Falk will be able to say more on the subject.

PRESIDENT'S REPORT: Ralph Falk

- Had a community meeting with some Whatcom County representatives, and expressed the fact that BBV did not want a Spur in Birch Point Road at this time. Since the connector road has not gone through to Blaine Road it is not necessary yet. The Board and others pleaded with the County, and all efforts were denied, the County decided to build the road anyway. Pete Kremen came out on Tuesday and spoke to the Board. Informed the Board that they want to build the road up and have it go down. Even though the connector road is a good idea, residents don't want to go another way because of the scenic route along the Bay. Some people living along Birch Bay Drive would like to see traffic go elsewhere. Pete Kremen at this time is still allowing commute along Birch Bay Drive but it will include the Spur put in Birch Point Road. The storm water from the road will go into a pond, put in where the existing road is

now. BBV objected to the pond and so the County is considering a dry pond allowing water to go to the other side. If anyone wants a copy of the letter from Pete Kremen they are available. Encourages anyone who does not like Pete Kremen's decision to write to him with their concerns.

- This is the election night of two new Board members. Three candidates are running: Ken Davidson, John Brown, and Al Hawks. A thank you to the outgoing Board member, Bob Boyd, for his time as treasurer and keeping the Village financially straight. A thank you to all current and former Board members for their support. A sincere thanks to Meg Grable as she is in her 10th year as General Manager at BBV, and has done an outstanding job of managing the Village. A thank you to the BBV staff for all their efforts: keeping BBV amenities in good shape, and the office staff for the administrative and bookkeeping work. A thank you to all volunteers that have spent so much time, money, and effort into the Village to make it a nicer and better place.
- Many things have been accomplished over the last few months, more is planned for the near future, Meg Grable went over a few.
- The budget meetings for 2008 will begin in the next few weeks.
- BBV members must pay attention to what is going on in the area. This includes the drainage issue around BBV, especially now with the pond and Spur going in at Birch Point Road, along with Bovenkamp's development across the way. It is also important to participate and attend in the Birch Bay Steering Committee meetings, if the Village doesn't, some special interest groups in Birch Bay will have their wishes granted while BBV interests will be ignored.
- A lot of activities will be held this summer by various clubs, families, and individuals. There will also be more walkers, runners, and bikers on the streets, school is not out yet so encourages everyone to drive very carefully around the Village and remember the 20 MPH speed limit and that BBV streets are sidewalks.
- This is the last meeting Ralph Falk is Board President, the Board will elect a new president after this meeting. Ralph has been on the Board for 4 years and president for 2 1/2 years. A thank you to the Board, Staff, Manager, and the Members for their trust and support.
- Being Board President has not been an unthankful job, it has been a positive and interesting experience. Yes he would do it again.

ELECTION OF BOARD OF DIRECTORS

Sherrie Bakke announced the election results:

John Brown 93 votes
Ken Davidson 251 votes
Al Hawks 220 votes

Ralph Falk congratulated and welcomed Ken Davidson and Al Hawks to the Board of Directors.

ADJOURNMENT:

➤ Motion made and carried to adjourn.

Approved _____

Attest: _____

**OPEN FORUM
ANNUAL MEETING
JUNE 1, 2007
HOMEOWNER'S COMMENTS
7:30 p.m.**

- **Sandy Zeitel, Div. 12, Lot 63 – Thanked Ralph Falk, Valery Anderson, and Meg Grable for all their time and energy spent with Whatcom County problems such as the roads in the area and the storm system.**
- **John Gilliland, Div. 2, Lot 35 – Stated that as a share holder of Birch Bay Village (BBV) and therefore having a share of BBV assets like the swimming pool, marina, golf course, etc. would like to see an increase in equity not a decrease. Would like to remind the Board of what they have not done for BBV. The road conditions in BBV are poor, Security is nonexistent, and the entrance to BBV is run down and unkempt and this does not reflect the 350 million dollar equity enterprise of BBV. At the meeting last week to meet the Board Candidates some people brought up questions concerning the conditions of properties, vehicles in driveways, and unattended vehicles, all three candidates agreed that BBV has rules in place for these types of issues but they are not enforced. There is also transparency in the budgets. For instance, the budget does not reflect Managing fees in activities like the Golf Course.**
- **Ralph Falk responded by asking Mr. Gilliland why he did not run for the Board of Directors himself, or at least go to regular session meetings, or help out as a volunteer.**
- **John Gilliland brought up another subject about a Board Member who complained that Budget Meetings sometimes only have one Village Member attending them. Feels that the Chairman and Board need to make Members feel as though they are important and have a say in matters.**
- **Joan Gregory, Div. 6, Lot 23 – Treasurer of the Blaine Food Bank, has noticed that a lot of money and food is donated from BBV, especially from the different Clubs; would just like to say Thank You.**
- **Brian Fagan, Div. 12A, Lot 15 – Brought up speeding in BBV, wrote a letter to the Board but there was no reply. With the increase of teenage kids on the BBV roads it is imperative that the 20 MPH speed limit is enforced or a serious injury can occur. There is no enforcement of the Speed Limit by Security and those responsible for this are the General Manager and Board since the orders for Security come from them. From walking around BBV noticed that 80% of vehicles drive above the 20 MPH speed limit, even the Security Truck will exceed the speed limit instead of sitting on the side of the road with the radar gun issuing tickets. Would like to make a motion that BBV should publish in the monthly bulletin the warnings and citations issued for speeding and other infractions from the previous month; the information should include date, time, infraction cited, speed limit cited, and whether it was a warning or citation.**
- **Ralph Falk responded to say that he never received a letter from Brian Fagan concerning speeding; and suggested that Mr. Fagan bring this suggested motion to the next Security Committee Meeting and then on to the next regular Board meeting.**
- **Harry Sharp, Div. 9, Lot 74 – According to the 2006 Independent Audit Report it states that the Manager is required to fully disclose all contingent assets and liabilities. There are no contingent items shown on the audit statement; there is a contingent liability of \$26,700 which has never been recorded on any BBVCC books or financial statements. Would just like future financial statements to always fully disclose the true cost of BBV's operational expenses. The BBVCC's governing documents must comply with the Revised Code of Washington regarding Homeowner's Associations.**

- **Ralph Falk asked for a copy in writing of what Harry Sharp talked about so that he can clarify some points and research some answers.**
- **Harry Sharp refused submitting a copy of what he discussed do to the fact that he can not go to the BBVCC Office and view employees personal information.**
- **Dottie Whitt, Div. 9, Lot 43 – Agrees with Brian Fagan on the enforcement of the Speed Limit in BBV. Encourages Brian to attend the Security Committee Meetings and even get on the Committee itself. The speeding issue has been discussed and looked at during the Security Committee Meetings and there has been some Security information published in the BBV bulletin, just not every month.**