

DBHA Annual Meeting  
October 21, 2014  
Blue Ridge Club House Seattle WA

BOT Attending – Kathleen Kelley (President and temporary Treasurer) Barb Loners (Long Range Planning) Molly Rothwell (Docks & Buoy's and caretaker liaison) Wanda Garfield (Reservation Chair) Catherine Peng (Secretary). Absent – Nancy Stevens (Vice President)

Members attending and proxies listed –

- 1- Andy and Irma Kruzich
- 2- Tim Coulter
- 3- Jeff and Wanda Garfield
- 4- Scott and Barb Loners PLUS ONE PROXY LISTED BELOW
- 5- Butzberger
- 6- Molly Rothwell – PLUS ONE PROXY LISTED BELOW
- 7- Nancy Davis
- 8- Kathleen Kelley PLUS THREE PROXIES LISTED BELOW
- 9- S. Johnson
- 10-R. Gruen
- 11-Collins
- 12-Kerri Donovan
- 13-Duke and Sharon Campbell –PLUS ONE PROXY LISTED BELOW
- 14-Spoors
- 15-Gary and Helen Young
- 16-Mike Cullum (spouse of adult child) PROXY FOR BAYARD
- 17-Paul and Bev Hoerlein (and son?)
- 18-Debbie and Jon Claus
- 19-Carmen and Jim Claus
- 20-Angela Finney and Rob Mumford (adult child) PROXY FOR GOUCHER
- 21-Catherine Peng PLUS ONE PROXY LISTED BELOW
- 22-Dixie Ramaley
- 23-Carol Bowes
- 24-John Snow, Matt & John T
- 25-John Burbank and Pam
- 26-Kelly Price
- 27-Bryce Kisker
- 28-Jonathan Colwell (adult child) PROXY FOR GOEDDE
- 29-Sandy and Bill Ekse PLUS THREE PROXIES LISTED BELOW
- 30-Askew
- 31-Russell
- 32-Loveless
- 33-Stephanie Murphy
- 34-Jolyn Davis

Welcome! All members and Proxy's to sign in. Quorum present. Welcome to new members Russ and Susan Goedde (unable to attend but was represented by adult child Jonathan Colwell)

Year in review - Dick and Char continue improvements to and for the Head while remaining environmental sensitive. Char has struggled a bit with continued thumb pain although 2<sup>nd</sup> surgery shows more rehab potential. Both Dick and Char are feeling less stress now after prime time. Phew a breather!

### **Molly Rothwell - accomplishments!**

Please see attached for all details. Member discussion below.

Made note of highlights. Many items listed Dick accomplished and did not charge DHBA additional money. Saved us tons! Little things matter too! Please contact the BOT for concerns. Reminded members that we've asked Dick to not mow so much.

### **Barb Loners - Budget Options**

Please see attached for all details. Member discussion below.

#### **Option 1 No Special Assessment**

Discussed bare bones basics with emergent additions.

- 1) Laundry room: Is currently being totally remodeled due to major water leaks.
- 2) The #3 anchorage (Strait Shooter anchorage) is entirely replaced. It would not have held in the winter storms. The other seven are non-compliant and this Option 1 would not have funds to repair/replace them. When we do have funds, Baja Boats will repair or replace to Coast Guard specification. Question asked by member, "Why do we need to repair buoy? Why not put boat in lagoon?" Explained that because we don't have a dredging permit yet we may not get boat into lagoon. (Prop repair is \$400.) Instead of lagoon, boat may end up in Marina. Member suggested keeping boat at Decatur Shores.
- 3) Repair of boat radar.

#### **Option 2 \$625 Special Assessment**

- 1) Covers dredging permits and dredging. Member asked question, "What if we don't dredge?" Lagoon will close up. Discussion about what that would look like. Price is high for permit process and dredging but lagoon provides safe storage for boat, dock and is an environmental wetland.
- 2) Complete remodel of Cabin 8 bathroom (plus all cabin plumbing)

#### **Option 3 - \$800 Special Assessment**

**Will provide extra funds plus removes negative cash flow issues so we can do more capital improvements during winter vs. wait until after prime time.**

We are hoping to get through one to two more years with roofs on Cabin 8 and Cabin 2 but know new roofs will need to happen, when needed is not always predictable, and are costly. Extra funding now enables a build up of cash reserves for bigger much needed repairs.

Discussed outdoor crab cleaning and cooking station to help keep the salt water from boiling over on the stoves. Explained that we are trialing a flat top stove. Member concerned about glass top stove and durability. BOT has experience with glass top stoves and are looking to avoid repair and issues. A constant problem has been removal of burners repeatedly to clean and damaging electrical wiring. Costly and repetitive fix. We thought we would try one flat top for comparison. Another member stated that pans need to be flat bottomed otherwise will scratch. It was explained that all the new pans are flat bottomed.

Member question – when Dick does extra projects, is he paid extra? Yes. We have a job description, HR policy, and labor contracts for caretakers. Job description lists out day-to-day expectations. All outside major jobs he bids on – we can also take outside bids. Dick’s quality and price of work has been exemplary and thus far we have not felt it necessary to ask for other outside bids.

Another member asked about a dues increase rather than a special assessment. Last year we increased monthly dues AND a special assessment. Another member stated she has been on the Board in prior years and knows that members often prefer a special assessment. Dues cover basic day to day operating expenses and some extra. Dues do not cover extra big things like remodels when we need large amounts of cash in a short timeframe. Dues do not help with immediate cash flow. A special assessment helps us cover big expenses all at once. Members have spoken strongly in the past about NOT having loans. Another member made a comment that Dick and Char put out high quality at a very reasonable rate now.

### **Kathleen - Budget.**

Please see attached for all details. Member discussion below.

We ended the year with \$6,000 net, meaning income for the year versus outgo. The \$6,000 does not count the working capital we started the year with, that we must use to cover cash flow, especially during the lean winter months or due to large payments such as property tax or insurance. Caretaker **mileage and transport dollars** high. Transport covered many dump runs and trips needed for remodel materials. Transport for Char’s injured thumb required two surgeries and physical therapy, plus Strait Shooter in repair for 6 weeks.

**Boat expense.** \$39,000 we had budgeted \$10,000. The boat dollars and time away is frustrating but a necessity. Volvo certified mechanic had not been working on boat as expected with prior caretakers. This meant recall items were not done (under warranty) and when those areas broke we had to pay out of pocket. Now that we’ve attained a Volvo mechanic we hope and plan the boat to function with better outcomes in the coming future.

We pay for **telephone bills**. A member thought the amount was very high. Office phone, line, DSL are basic needs of running office, plus is island phone vendor.

**Cabin furnishing and supplies** included items such as new mattress and pillow protectors and covers; knife sharpener; floor steamer; new pots and pans, cutting

boards, a safe ladder, et-cetera. Member asked if a professional was doing the roof because he is concerned about dangers of roofing work and Dick. Yes, a professional company replaced the roof. We spent a little more on a log splitter than planned because we wanted one ergonomically correct and durable to last (\$1,700 with tax).

Now onto 6 page budget document with spread sheets Option 1-3. See attached. Second page is bottom line for **option 1**. No dredging, no remodel. (Laundry room must happen regardless due to water leaks) also covered is a new toilet in 8 but not entire badly needed bathroom remodel.

See page 4 for **option 2**. Last 2 pages for **option 3**. **Option 3** gives us the most leverage for repair, remodel and ability to have cash for unexpected emergencies. It enables us to avoid cash flow issues plus we can do more remodeling during the winter months versus waiting until after prime time. It enables the dredging permits and dredging to be done as needed.

### **Dredging**

We do not want to delay dredging permitting process due to a lack of cash. A member states that he has concerns that the dredging is expensive, asking how long does a permit last? 10 years. Multiple dredging during that 10 year period. Member asked if we are using George Lamb to do dredging? We will bid out the work, including to a company recommended by the permit office. Member asked if we can use prior permitting records to supplement this process? Yes. Board Member Nancy Stevens is spearheading the dredging permit process with plans of using prior records in an attempt to save money on documentation.

### **Caretaker benefits**

Member asked if base pay was for Dick and Char combined? Yes. Also do they want health care benefits? We are in the process of researching this information with them. We hope that going forward we could pay a part of health care.

Any other questions for Treasurer? Are members ready to vote on Options? Yes. John Burbank made the motion, which was seconded, to vote for Option 3 \$800 Special Assessment. By show of hands there were 27 votes yes. Is there anyone opposed? Six opposed. Option 3 has the majority. Thank you.

**Please remember to pay dues and special assessments ON TIME. Delays cause the Association to have cash flow problems. Assessment schedule as follows December 1, 2014 \$250 Jan 1, 2015 \$250 Feb 1, 2015 \$300.**

Break offered to membership. Declined.

### **Board Member Transition and election of new members**

Nancy has offered to go for another term. Stephanie Murphy has opted to join Board. Jeff Wilson treasurer has sold share. Offer made to general membership to join Board. No additional members interested at this time.

Anyone opposed to Nancy? None  
Stephanie Murphy stood up. Helped put together Maple Leaf Reservoir. Is Civil Engineer. Has done Project management for City of Seattle. Any opposition to Stephanie joining board? None.

### **Wanda Garfield and Reservation Policy.**

Please see attached for all details. Member discussion below.

Wanda has been a member since 1978. 3<sup>rd</sup> time working on Board. Participated in reservations for many years. Lottery system. Wait lists are getting longer. Research into bylaws and asked Char for adult children count which is 100 + children making a total of 140 members. Review of reservations. Board members placed in bag for their 1<sup>st</sup> week for their service. All other members placed into bag for round 1. We have no idea if it is member or child. Currently some members are not getting time or cabin. There are not enough cabin weeks in prime time for all members to use all 3 weeks. Especially with as many members with children now.

Member states the real problem is that all members are trying to squeeze all 3 weeks into 9 weeks of most requested prime time. Spouse of an adult child states that he pays dues for the related member. "I don't think it should matter if it is child or member going." Change the expectation. Might help if we have set weeks Sat through Sat. (Multiple members said NO! Terrible crunch for caretakers and often times families go up less than 7 days) Who uses the week does not matter. Another member stated strongly it doesn't matter who uses their weeks (they or their adult children).

Kathleen talked about opposite side where members complain they can't get their time due to adult children using the cabins.

Another member said that she doesn't have kids – feels like her share is diluted.

Another member stated that it is very difficult when a member cancels a reservation late. Difficult to plan time on Decatur with short notice.

Most difficult time frame is July and August.

Another factor. Parents of school aged kids. Schools out 2<sup>nd</sup> week of June. So those families don't ask for those first two weeks of June. Maybe going during Spring Break instead was mentioned.

Another member talked about changing expectation. We do not want to decrease usage. Using cabins generate money.

Remember you can designate prime time ANYTIME. It means you can't be bumped.

What about people who book 2 cabins same week? Wanda recanted story of getting her 3 cabins at the same time in JUNE due to Luck of the draw and low usage month.

Another member talked about the frustration of the lottery.

In the past there were not as many reservation submissions. Submissions have increased.

What other alternative? First come first serve on 3<sup>rd</sup> draw seems totally unfair. Random drawing is fair.

Another member stated that this summer – during reservations 4<sup>th</sup> of July week FULL but ended up in real time that a couple cabins were empty. Much frustration regarding members who cancel late.

Cancel after 10 days is not a real penalty. Please only ask for what you want. Members mismanaged time. Why not penalize members who habitually cancel?

Difficult to figure out in April what work load will be to get away in August.

Member – what amount of boat fee and cabin usage is paid for by adult children?

Delicate issue. Adult children who have grown up and love Decatur would get the message they are not wanted.

Member again states “it’s NOT broken” Don’t fit it. Response was that many members are complaining to Board that there is a problem when they can’t get a cabin and adult children can.

Member – “Most fair system now.” Everyone has been civil until these last couple of years. Very rude people. None of these “rude people” were members. It was adult children.

Historically only 29-34 families submit 1-3 weeks. Last couple of years **38 families asking 2-3 weeks.**

Member states a better plan is to change expectations. Send out a memo to membership reviewing situation and high utilization. Each member will hopefully get 2 weeks prime time the 3<sup>rd</sup> is bonus.

The tweak in '94 wording was made to increase cabin dues.

Another member states none of the options presented work for their family. They bought this membership because they want their adult children to come visit.

Wanda (Reservations) referred again to A document entitled, “Decatur Head Beach Association: Policies and Procedures” statement from 1994 change that

stated “*the shareholders had the discretionary right to request a portion of their three-week Prime Time for their children*”, has in fact been interpreted by some members to mean that all 3 weeks of Prime Time can be reserved for adult children. How to interpret?

HELP ME OUT HERE WHO WAS 1<sup>ST</sup> AND 2<sup>ND</sup> ON THIS MOTION??

Motion made by Jon Claus and seconded by Mike Cullum (M. Bayard son-in-law). I move that “portion” in the statement “*the shareholders had the discretionary right to request a portion of their three-week Prime Time for their children*”, be clarified stating that **a portion can be up to 100%**.

Jeff Garfield states that removal of the word portion changes the meaning and gives adult children all the rights.

All in favor of clarifying wording to state that “portion” can be defined as up to 100%. Sixteen (16) yes All opposed 15 (fifteen) One abstainer One member left early. This vote was counted twice due to the close count.

**Members recommended there be no calls by the Reservation Committee during the drawing on 3<sup>rd</sup> week reservation requests. Remind members that if you did not get your third week during summer, remember you can reserve that prime time week any other time!!!**

Other suggestions to send to membership with prime time request information: It helps A LOT to have a date range (not just a one day range)

Another member states ALL communication should come from member only NOT adult child. BOT should only manage 40 members NOT the children. **Members suggested and agreed the April reservation drawing prime time requests will ONLY come from members from now on, not adult children.**

Another member asked “Could one adult child be the proxy for communication all the time if the member is too old/frail?” Yes in some situations. One adult child could be designated to receive member communication under certain circumstances. The Board will devise a fair way to have a designation assigned and let members know.

Member requested that blue book information be online. This will happen on new website.

Kathleen makes note of time (9:10pm). Sums up discussion. Need to move on. Request and communication FROM MEMBER or one designated adult child.

Another member spoke out thanking Board and Reservation Committee.

### **Kathleen - NEW WEB SITE!!!**

Please see attached for all details. Member discussion below

Handed out information about new web site. [11-5 note: handout will be emailed to all members again on Nov. 7, 2015]. The site is ALMOST ready. Carl Davis – adult son of Nancy Stevens and Charlie Davis - has put together our new DHBA Web Site and has agreed to manage the site. We are so lucky. We will send you a notice in the next TWO weeks to log on. Old Web Site is still up and running and will be until new Web Site completely online.

### **Kathleen - Remodel**

As we do remodel's – we've heard positive and some negatives regarding marble countertops. What do members think of appearance? Is Marble out of place at Decatur? Should we consider other materials such as quartz? A member states the less porous the better. We are switching from carpet to wood floors and even into bedrooms! Any objections? No objections to either marble as countertops and no objections to wood flooring throughout.

Also of note - appliances will be Star Energy to reduce electricity usage. Tankless water heaters use less energy and take up less space. Durability and efficiency are priorities moving forward.

### **Kathleen - Dinghy's**

Present at this meeting are pictures of unclaimed dinghys. Some are broken and have been unclaimed for a number of years. **Please look at picture and write your name if the dinghy belongs to your family.** If you have a decent dinghy in **good shape** willing to sell for a couple hundred bucks to the membership please inform the BOT. **Remember - One dinghy per membership ONLY.** (Pictures attached.)

Last thing. If a member has a complaint about any policy, do not contact caretakers. Contact BOT. Caretakers can't change policy. Also concern with caretakers please contact BOT. All communications are shared between all board members.

Open floor –

Member thanked board for all their work and for the preparation of annual meeting. Most impressive.

Who will be President? Typically decided next board meeting, which has not been scheduled yet but historically in January.

Thank you and goodnight

Adjourned 9:40pm.

Catherine Peng