ANNUAL MEMBERSHIP MEETING MINUTES

SUNDAY HARBOR COMMUNITY ASSOCIATION

Saturday, May 31st 2025, 2:00pm-3:35pm

Blaine Public Library

610 3rdSt, Blaine

1. CALL TO ORDER – President Tim Clark called the meeting to order at 2:06 pm.

2. ATTENDANCE –

Board
Tim Clark, President
Andrew Gamble, Vice-President
Sieneke Stevenson, Secretary
Laurie Jones, Treasurer

Absent was Dale Crosby, Director

Four other director positions are currently vacant.

Other Members in Attendance:
27 members present in person, one member briefly present by phone, in addition to the board.

Proxies:
Avery Lueras had proxy vote for Tiffany Troupe (Ramey).
Christopher Bouchard had a proxy vote for Cynthia Joy Bouchard.
Michelle Fitzsimmons had proxy votes for Chad Fitzsimmons and Tom Soma.
Sieneke Stevenson had proxy votes for Micheala Meucci and Joseph Reamer, and Jayne and Leonard Johnson.
Andrew Gamble had proxy votes for Sarah Gamble, Erin Beebe, Sonia Caissey, Terence Betts, Tannys and Roy Tussing, and Kerry Mace.

Also present was Claire Beszchak, owner of Spark Community Management, our new HOA property management firm.

I. COUNTING OF THE QUORUM; At the annual meeting held in 2023, it was decided that each homeowner in good standing listed on the title/deed are allowed a vote, rather than just one vote per lot. Bylaws state that each member (titleholder) shall be entitled to one vote for each lot. There are 170 titleholders in good standing, therefore the 10% quorum is 17. More than 10% of 170 current homeowners needed to be present in person or by proxy vote. Present in person today were 27 members, 4 Board Members, and 15 proxies, or 31%, so quorum was met.

II. APPROVAL OF MINUTES –

- Minutes of Annual Membership Meeting from 05/11/2024: Motion made to approve by Andrew Gamble, seconded by Laurie Jones. Minutes were approved unanimously by the homeowners present and in good standing.

III. PRESIDENT'S REMARKS:

Prior to the President's remarks, the following legal disclaimer was read, as advised by counsel: "We continue to be aware that a small but very vocal number of homeowners remain unhappy about being in an HOA. This matter has now been referred to lawyers, as a legal letter was received requesting the HOA be dissolved. As attorneys are now involved, we have been advised, as the board of the HOA, that we cannot and will not discuss anything related to this matter. We will refer you back to the legal representatives if the matter is brought up at the meeting today. However, we are confident that as a board, we are operating within our legal authority."

Update on the dock and lights: Secretary, Sieneke Stevenson, presented updates on the status of the dock, which has been removed from the water and disposed of at the dump under the orders of the County and the State, due to the Shorelines Protection Act. Disposal of the dock from the property came at a cost, taken out of the Park's maintenance funds. No other park maintenance was completed this year, but is likely to be needed this coming year to address structural needs, dead trees and driveway maintenance to the boat launch.

Street lights have been changed to LEDs by PSE at the cost of $350 for use of a flagger. No other cost was incurred. This has reduced the electric bills from $330 a month to about $145 per month.

Also discussed updated review and modifications to the insurance policy with our agent, removing some unnecessary clauses, but needing to add a D&O rider to cover Board Members from personal liability if needed. This is a standard rider for board members in any HOA and should have been in place all along. As a result the cost for the policy, has increased from $240.33 per month to $294.08.

Once again, our largest expense this year was legal fees to continue to address letters that were being sent by an attorney on behalf of homeowners who continue to disagree with the legitimacy of the HOA's existence. This cost all of us $5340 in legal fees. Although we had enough in checking to cover the cost and did not need to draw on our reserves, this remains very concerning.

At this point Claire Beszchak of Spark Community Management was introduced. The Board voted to move from Birch Bay Tax and Accounting for our association and accounting services, to an agency called Spark Community Management. The change is not only to save money but also because this is a property management agency that is solely dedicated to managing HOAs. For the financial only level of services, it costs $560 per month. We had been paying BBT&A $665 a month for about the same level of service. BBT&A has also been moving away from managing HOAs and we were one of their last clients of this nature. For some additional fees Spark can also run our annual meetings for us and file our taxes. They will also provide us with a client portal for the

HOA and for individual members, which could eventually replace our current website Sparks will start working with us June 1st, 2025. Claire answered all homeowner questions about the service, and also helped provide some professional guidance throughout the meeting regarding clarification of HOA laws and regulations.

As a result of these cost savings, in spite of some added expenses, there will not be a dues increase or change in the fee schedule. Dues will remain at $160 per year, annually per lot, to cover our basic services like park maintenance and improvements, streetlights, liability insurance, legal fees, and our accounting/HOA service. There is also no proposed change in the budget and will continue the same as last year's.

IV. FINANCIAL REPORT –

- Interim Financial Report for Current Fiscal Year - 07/01/2024 to 04/30/2025 was provided in the packet prior to the meeting, and cover only a partial expense report covering the last 9 months, not an entire year.
- Proposed Budget for Fiscal Year 07/01/2025 to 06/30/2026 of $20,347 remains unchanged from last year and can carry on. The Board of Directors approved this budget on 4/10/25 and the budget was presented in the information packet received by members prior to the annual meeting, as required in the RCWs.
- Proposed Fee Schedule- Dues will remain $160 per year. All other fees will remain unchanged.

V. NEW BUSINESS

- Vote on Proposed Fee Schedule:

27 homeowners were present in-person at the meeting. There were a total of 15 proxies. All other ballots for the fee schedule were received by mail prior to the meeting.

Fee Schedule by ballot (brought in-person, mailed in, and by proxy):
50 yay (86%) 12 by proxy
7 nay (14%) 3 by proxy

Fee Schedule was approved.

No Objections to the Budget were noted.

- Election of Directors (4 open positions)

All nominated board members at the meeting were voted on, by simple majority of the hand count of those present, including:

Laurie Jones, acting treasurer by interim appointment, was approved unanimously for a 2 year term ending 2027.

Avery Lueras offered to run and was nominated by Michelle Fitzsimmons as proxy for Chad Fitszimmons. David Rogers seconded the nomination. 11 members voted for him (35%), 20 opposed (65%). Approval failed. Of concern by members is his continued

expression of disapproval of the existence of the HOA and his belief that it is not a valid organization.

Chris Schauer (not present at the meeting) was presented as an option for the board by Michelle Fitzsimmons, legal proxy for Chad Fitszimmons. She contacted him by phone and he agreed to run. Shasta Pettijohn moved to nominate him which was seconded by Tess Tessler. 9 members approved (30%), 22 opposed (70%) Approval failed. Of concern discussed by members was his availability to actually serve as he was not able to be present today, and that he has been contentious at a previous board meeting.

New Board Member include Laurie Jones, who has been serving on an interim basis, term ending 2027. Andrew Gamble and Tim Clark are completing their terms, scheduled to end 2026. Four Director positions remain vacant. They may be filled by the board when a qualified member is selected or volunteers. Sieneke Stevenson's term has ended but she will continue to volunteer to assist the board with record keeping and minutes.

Over 2/3rds was needed to pass all items, and we had a quorum of voters.

VI. UNFINISHED BUSINESS: None stated.

VII. OPEN FORUM (Open to members in good standing, up to 2 minutes):

Most discussion occurred previously in the meeting, especially regarding the changeover to Spark Community Management. There was also discussion of other uses of our funds. The majority of the room expressed support of the idea of renting a dumpster for community use to aid in a neighborhood clean-up effort. The Board will follow up on this idea. It was done once previously and was very successful. Most of the feedback was very positive from homeowners overall, with one homeowner continuing to express dissatisfaction at being in an HOA and continuing to insist that we are not a legitimate organization, which Claire Beszchak of Spark clarified as being untrue, and cited the relevant RCWs. The Board will also work with Spark on addressing outstanding dues.

ADJOURNMENT: Meeting was adjourned by President, Tim Clark, at 3:35 pm