

## **BUDGET FOR 2014-2015**

The dues part of your bill for 2014-2015 will increase by \$3.86 a month per lot. Included in this increase are utility increases, increased fuel prices, and hiring new staff to meet the requirements stated by the auditor. Also in this increase are:

- Reservoir cleaning
- Hydrant locks
- New heater in water filtration building
- Replacement of chlorination pumps for the water system
- Postage increase
- Server/software update for office
- Electrical work in the office
- Trailer with ramp for hauling lawn mowers.
- Plus many other items

**The Long Range Plan** monthly contribution will also increase from \$8.07 a month per lot (\$80,000 a year) to \$18.00 a month per lot (\$178,416). This raise is required by state law to help us meet the requirements of the Reserve Study to become financially able to meet the reserve requirements and properly maintain our community in the future.

**The dues and the long range plan increase will add \$13.79 per month per lot to your account.**

**If you approve the budget, circle YES on your ballot. If not, circle NO.**

### **Cleanup/Dumpster Days**

Members of the Pines are afforded two opportunities a year to get rid of their junk that is laying around their yard or house through the use of dumpsters provided by the members. This helps makes the Pines look better all around. The cost is \$6,000 a year, \$7.26 per year per lot/.60 per month per lot. If approved, this cost will be added to your dues whether you use the service or not.

**If you approve using adding \$6,000 to the budget for clean up/dumpster days, circle YES on your ballot. If not, circle NO.**

### **LONG RANGE PLAN:**

#### **Repave Port Orford**

The roads in the Pines are very old and are showing extreme wear from traffic, tree roots, and Mother Nature. The cost to repair all the roads at once will be extremely expensive. Therefore, we have decided to do one major road at a time. The contractor who examined the roads has determined that Port Orford is in the worst shape. It is also the most expensive road. The Board would like your approval to take approximately \$225,000 (which includes tax) from the Long Range Plan to redo Port Orford. These funds are already in the account. The construction would include:

- Pulverizing the existing pavement
- Regrade
- Place 3 ½ inches of hot asphalt mix on the regrade (approx. 10,572 square yards)
- Place shoulder rock
- Adjust water valves along the road
- Provide traffic control
- Replace the 4 speed bumps that will be removed during the pulverizing and regrading

- Re stripe

This project will draw the Long Range Plan down to about half, however, it will not affect the \$250,000 we are required to keep as security for our water loans.

**If you approve using approximately \$225,000 from the Long Range Plan to repave Port Orford, circle YES on your ballot. If not, circle NO.**

### **Replace water meters**

In addition to water meters going bad and not functioning properly, the Pines is required to replace them on a regular basis. We are in Phase 2 of this replacement and would like to spend \$20,000 to make a bulk purchase of 100 meters with gaskets and meter modules.

**If you approve using approximately \$20,000 from the Long Range Plan to purchase 100 water meters, circle YES on your ballot. If not, circle NO.**

### **Cut down dead and diseased trees**

Many trees in the Pines on community property are dead, diseased or presenting a hazard to the property and members of the community. The board would like to authorize \$20,000 from the long range plan to cut down these trees when they are found.

**If you approve using approximately \$20,000 from the Long Range Plan to cut down dead and diseased trees from community property, circle YES on your ballot. If not, circle NO.**

### **Purchase Grass Mowers**

The Pines currently has 3 mowers. The two smaller mowers are frequently in the shop for repairs because they are not sufficient to do the job in the Pines. We have spent almost \$6,000 for repairs this last year. We would like to purchase two new mowers. The current smaller mowers will either be used as trade-ins or sold to the members or the public. The two new mowers are listed as separate options, you can approve one or both, or neither.

### **Commercial grade mower – Kubota F26690E**

This Kubota F26690E mower is commercial grade. It is a 2 wd drive, diesel, front mount mower. It has a mulching kit, a 60 inch floating deck, a fold able top so the staff can get under trees better. This tractor can cut in the swales without scalping any part. The mulching kit helps keep the cut grass in smaller piles. The deck can be lifted for easy cleaning. This mower also has snow blower and front blade attachments available, should we need/want to purchase them later. It will replace one of the smaller mowers we currently use.

The mower comes with a 2 year warranty covering manufacture defects in parts and labor, including transport fees for the first year.

We will receive a Homeowner's association discount and delivery and instructions for use are free.

The cost of this mower is, with tax, is no more than \$20,000, (without trade-in).

If you approve using no more than \$20,000 from the Long Range Plan to purchase the Kubota F26690E, circle YES on your ballot. If not, circle NO.

**Small mower – Kubota ZD221-54**

This mower is smaller and is a 21 hp zero turn, diesel, side discharge mower. It has a 54 inch mowing deck. We've also opted for a maintenance lift kit to make cleaning more efficient. It will replace one of the smaller mowers we now use and will be used for the large grassy areas such as the parks (not river park).

The mower also comes with a 2 year warranty covering manufacture defects in parts and labor, including transport fees for the first year.

We will receive a Homeowner's association discount and delivery and instructions for use are free.

The cost of this mower, with tax, is not more than \$13,000, (without trade-in).

If you approve using no more than \$13,000 from the Long Range Plan to purchase the Kubota ZD221-54, circle YES on your ballot. If not, circle NO.

**BYLAW REVISIONS – EFFECTIVE OCTOBER 1, 2014**

The following revisions have been suggested by the bylaws committee, approved by the Board of Directors, and our association attorney. To enact these new bylaws, we must have your approval. Your option is to say yes to all changes or no to all changes. The changes are mostly for clarification purposes and to take some of the excess wording out of the document. Some of the biggest changes are:

- Clarification, not changed, of who is entitled to vote Article II (2).
- The removal of the board's ability to put the Pines in debt for \$5000 or less without your approval. Under the new bylaws, the money must be in the budget already or approved through the long range plan (this does not eliminate the emergency fund). Article IV (6)(e).
- Makes some changes in the way the board officers conduct business. Article V
- The inclusion of a finance committee. Article VI (3).
- Adds a section that explains member's responsibilities in more detail. Article IX(3)

Please refer to the current bylaws to see what these changes do. You may get a copy of the bylaws at the office or on the Pines website at [nisquallypines.com](http://nisquallypines.com).

The changes follow:

Article I (b) changes **proxy** to **absentee** – same definition.

Article I (c) changes to read “ an individual or entity having membership rights in Nisqually Pines Community Club. These bylaws define a member as a recorded owner of lot(s) in The Pines as per Thurston County Records” Deletes (1 – 6).

Article II (2) Qualification - removed section, already covered.

Article II (2) added – “Voting Rights. Voting rights are determined by the ownership of a lot. The record owners of a lot are entitled to one vote no matter how many lots they own. Multiple owners of any lot shall designate

who shall cast a vote for the ownership.”

Article II (3) removes part of the current statement so that it now reads “Members in good standing are those with no current substantial property covenant or other rule violation, and who are no more than 60 days delinquent in the payment of any amount due to the association.”

Article II (4)(a) changes Semi-annual Membership Meetings to General Membership Meetings This term will be changed throughout the bylaws wherever it is used. This section also specifies that there will be two of these meetings per year.

Article II (4)(f) Quorum has been changed to read “A Quorum for the transaction of business at any general membership meeting shall be 10% of the total number of votes of members in good standing, voting either in person, by mail-in ballot, or by absentee ballot.”

Article II (4)(g) Removes procedural activities to shorten Ballots to read “ A member's vote may be cast in person, by mail, or by proxy. The board shall adopt procedures for voting and counting votes that is fair and reasonable, and protects the integrity of the voting process and privacy of individual votes.”

Article III (2) Changes the heading from **Membership Participation** to **Communication**. No other changes.

Article IV(4) Vacancies - changes when a director is elected. “If a director is removed by membership approval or an initiative or referendum, the membership shall elect a successor at the next membership meeting. If a director is removed by resignation, disqualification or dismissed. The board of directors shall appoint a successor within 30 days of acceptance of resignation, disqualification or dismissal. The appointee shall be confirmed by a vote of the members at the next membership meeting. The successor, in either case, shall fill the remainder of the unexpired term of the former director.”

Article IV (6)(b) adds that Notice of regular monthly meetings shall be given by posting a notice on the reader board at the entrance and The Pines website. Notice of other board meetings shall be given by the office staff to the directors at least 24 hours prior to the meeting. Notice of such other board meeting shall also be given to members at least 24 hours prior to the meeting, by posting notice on the reader board at the entrance and The Pines official website.”

Article IV(6)(c) – insert Agenda “Agendas for board meetings shall be posted at least 24 hours prior to the meeting. In order to be fair to members unable to attend, neither the agenda nor any items on it may be modified or amended once posted.”

Article IV(7)(e) Debt - “The board shall not incur debt on behalf of the association unless approved by the members. The membership shall approve all expenditures from the Long Range/Capital Improvement fund.”

Article V – Officers , new sections are added and changes have been made to most of the sections.

Article V(1) “Election. After the general membership meeting, at which directors are elected, the board of directors shall elect its president, vice-president, secretary, and treasurer from among the directors. Two or more offices may be combined in one person, except the offices of president and secretary. In the event of an officer vacancy, the board of directors will elect another board director to fill the vacant office.”

“a. Removal of officer: Any elected officer may be removed by a majority vote of the board of directors.”

"b. Resignation of officer: Any officer who resigns their office shall retain their directorship."

Article V(2.) "President. The president shall preside at all meetings of the directors and members, shall sign as president on all agreements, contracts and instruments authorized by the board of directors, and shall be its chief executive officer. A director may not serve as president until he/she has served on the board of directors for at least one year in the past."

Article V(3). "Vice President. The vice president shall assume the duties of the president or secretary in their absence as determined by the board."

Article V(4). "Secretary. The secretary shall be generally responsible for all meeting notices and the minutes of all meetings of the membership and of the board of directors, and shall have charge of all of the association books, records, and papers."

Article V(5). "Treasurer. The treasurer shall be generally responsible for keeping safely all money and financial accounts of the association, and for preparing and keeping a complete accounting of the financial records of the association for presentation to the members at the annual membership meeting, and at all other times as required."

Article VI makes changes in the operation of committees and authorizes the Finance Committee.

Article VI(1) General. The Board of Directors may form committees at any time for the purposes as it may deem necessary, At least one director shall be a contact for each committee. The Board of Directors shall adopt a resolution establishing each such committee, addressing its makeup, authority and operation procedures. The Board of Directors may delegate, pursuant to law, its authority to take action to any committee that is composed entirely of Directors. The actions of any committee shall be subject to the ratification or disapproval of the Board of Directors. All committees shall take minutes of their meetings, and keep their minutes and other documents in the association offices.

Article VI(2). Adjudication Committee. The board of directors shall appoint a director to serve as a contact with the Adjudication Committee. There shall at be least three Adjudication Committee members. The Adjudication Committee is responsible for resolving claims that a member has violated a term of the governing documents of The Pines, including covenants, Articles of Incorporation, bylaws, and other rules and regulations. A member is eligible to be on the Adjudication committee if he or she has lived in the Pines for at least a year and is a member in good standing. A tenant is eligible if he or she has lived in the Pines for at least one year and has been given written authorization by the property owner. A prospective member can not be an immediate family member of a board member or an employee of The Pines and must submit to a background check.

The Adjudication Committee will perform its duties pursuant to procedures as developed by the board of directors. Such procedures shall include provisions for appeal to the board of directors of any determinations made by the Adjudication Committee. All final decisions of the Adjudication Committee shall be subject to the ratification or disapproval of the board of directors.

Article VI(3). Finance Committee. The board of directors shall appoint a director to serve as a contact with the Finance Committee. There shall be at least three Finance Committee members (excluding current board members). The Finance Committee is responsible for development of the preliminary budget, Long Range Plan and periodic reviews of The Pines finances. A member is eligible to be on the Finance Committee if he or she is a member in good standing. The Finance Committee will perform its duties pursuant to procedures as developed by the board of directors.

Article VIII(2)(a) General Annual Assessment – changes a word from increase to adjust.

Article VIII(3)(d) Remove repetitive statement “Changes in such assessments shall be by a vote of the membership, pursuant to law.”

Article IX(2) – Construction – add at the end “ and the collective interest of the members.”

Article IX(3) Change to Member Responsibilities and Violation of Rules and add the following:

“ A member is responsible for the condition and uses of his or her lot. This means, among other things, that if a member buys a lot that has conditions or uses associated with it that constitute violations of The Pines covenants and/or rules, he or she is responsible for correction of such violations in all ways as if he or she were the owner at the time of the violations.

One of The Pines rules is that members are responsible for ensuring that their lot conditions, and actions of themselves and their family members and guests, also comply with federal, state and local requirements, including but not limited to Thurston County zoning, planning, and health department requirements. The Pines does not have the ability to pay for extensive permitting and enforcement processes, nor does it want to assess its members to pay for these. Instead, The Pines adopts federal, state and local rules to make sure that members comply with those rules, and if members do not, the failures to comply are therefore violations of The Pines rules, including this Bylaw.”

Article IX(5) *New Section* – Application of Bylaws . The provisions of these bylaws shall apply to all circumstances existing at the time of their adoption, except when to do so would substantially impair an existing vested right or interest. If such circumstances exist, the application of the provisions of these bylaws shall be shaped to effectuate their purposes to the greatest degree possible while at the same time interfering with such rights only to the extent reasonably necessary to do so.

Article IX(9) Non-Waiver. Failure of the association to enforce any association covenant, Article of Incorporation, bylaw, or any other rule or regulation against any member shall not operate (1) to waive the right of the association to enforce at any time the same rule or any other rule against the same or any other member; (2) to acquiesce in the future non-enforcement of the same or any other rule; or (3) as the abandonment of the right to enforce the same or any other rule; or (4) to constitute any other defense to enforcement in any particular case. No member may rely on any such failure to enforce for any purpose.

Article IX(10). Amendments. Amendments to these Bylaws may be submitted to the membership by the Board of Directors, or by a petition of the members in good standing to the Board of Directors representing ten percent of the total votes of the association. These bylaws may be amended by the majority vote of the members in good standing voting at a meeting with a quorum. The effective date of each amendment shall be as specified therein.

**If you approve these bylaw changes, please circle YES on your ballot, if not, circle NO.**