



Raccoon Point Road Maintenance Association
PO Box 453
Eastsound, WA 98245

July 20, 2015

Dear Lot Owner,

Enclosed you will find the information for this year's Association meeting. The meeting is scheduled to take place on August 22, 2015, at the Eastsound Fire Station, at 10:00AM.

In this packet you should have the following:

1. Agenda for the meeting
2. Budget information – Current & Proposed
3. Detailed explanation of options for chip sealing the road
4. Proxy form for Association members or a page 4 for non-members who wish to join the Association

If you do not have a proxy form included in your packet, it is because our records show that you have not signed page 4 of the Road Maintenance Agreement. Page 4 is the last page of the Road Maintenance Agreement which registers you as member of the Association with full voting rights. Should you elect to become a full voting member of the Association, you will find a page 4 included in this mailing. Sign the page 4, have it notarized and bring it to the meeting and you will be registered as a member with full voting rights. If you go to the Association web site at raccoonpointroad.org, scroll down to the section labeled Oct 24, 2006, you will find a link to the full Road Maintenance Agreement that you can review to see what you are consenting to as an association member. After the Annual Meeting the Association will file the page 4 in the San Juan County public records at our expense. If after signing the page 4 you are not able to attend the meeting, send page 4 to the following address by August 10, 2015, so that a proxy form can be sent out to you.

All proxy forms are to be returned to the following address by August 20, 2105:

RPRMA
PO Box 453
Eastsound, WA 98245

All votes taken at the Annual Meeting by the members present effect both members and non-members of the Association. We hope to see you at the meeting and even if you are not a full member you are invited to attend. If you are not a full member, you will be allowed to speak on the subjects but you will not be allowed to vote.

Your 2014 - 2015 Board

Raccoon Point Road Maintenance Association



RPRMA Annual Meeting 2015 Agenda
Saturday, August 22, 2015 -10:00am
Eastsound Fire Station - Mt. Baker Road (across from Airport)

***** IF YOU ARE NOT CURRENT IN YOUR ASSESSMENT YOU CANNOT VOTE *****

Proposed Agenda:

1. Call to Order
2. Determination of a quorum based on Lot owners present in person or by proxy
3. Reports by officers:
 - a. President – state of the association and review of prior year's work
 - b. Treasurer - budget vs. actual report for prior year
4. Overdue Assessments
5. OPALCO/ROCKISLAND Discussion
6. Review of road conditions
7. Presentation of proposed annual budget by Board
 - a. Discussion of options and road maintenance plan
 - b. Chip seal discussion
8. Voting by members for annual budget and road maintenance plan
9. Call for nominations (and self-nominations) for new Board members for each Region. Must be a member of the Association to serve on the Board.
10. Voting for Board members by region
11. Any other business for the Association
12. Meeting adjourned

After the Annual meeting, the new Board will meet to elect officers, determine meeting schedule to execute the road maintenance plan and address any other business of the Board. The membership is invited to observe.

Note: If you do not have a Proxy sheet in your packet it means that you are not a voting member of the Association. To become a voting member you need to sign a Page 4 of the Road Maintenance Agreement and have it notarized. You can obtain the document from the web site – www.raccoonpointroad.org or by calling 360)376-2488. If the document needs to be mailed to you there is a cost of \$1.00 to cover copying, postage and mailing. Once the Page 4 is received by the Association, a proxy will be sent or you can bring it to the meeting. The Association pays for the cost of filing all Page 4's.

2014-2015 Budget vs Actual
and
Proposed 2015 - 2016

			2014 - 2015	Budget		Proposed 2015-2016
Income						
	Interest Income		7.06	10.00		8.00
	Membership Dues					
	2014-2015 Assessment		33,974.32	36,500.00		0.00
	2015-2016 Assessment					30,208.07
	Finance Charge		166.45	325.00		192.93
	Past Due Assessments					
	Special Assessment		56.67	0.00		0.00
	Membership Dues - Other		0.00	0.00		0.00
	Total Membership Dues		34,197.44	36,825.00		30,401.00
	Total Income		34,204.50	36,835.00		30,409.00
Expense						
	Administration					
	Bookkeeping Service		1,770.00	2,000.00		2,000.00
	Insurance		2,167.00	2,300.00		2,300.00
	Legal Expense		0.00	500.00		500.00
	Office Expense					
	Copies		0.00	200.00		200.00
	Mailing		299.00	50.00		425.00
	PO Box		48.00	48.00		48.00
	Supplies		99.00	50.00		125.00
	Web Page		300.00	130.00		220.00
	Office Expense - Other		0.00	0.00		0.00
	Total Office Expense		746.00	478.00		1,018.00
	Registration		10.00	10.00		10.00
	Taxes		80.28	80.00		81.00
	Administration - Other		0.00	0.00		0.00
	Total Administration		4,773.28	5,368.00		5,909.00
	Maintenance					
	Ditching		4,507.77	1,600.00		3,500.00
	Dustac		8,100.00	0.00		9,000.00
	Emergency Road Work		0.00	5,000.00		0.00
	Grading & Rolling					
	Fall Grading		3,118.47	3,100.00		8,300.00
	Spring Grading		1,621.20	2,467.00		2,500.00
	Summer Grading		3,042.41	17,300.00		4,200.00
	Grading & Rolling - Other		0.00	0.00		0.00
	Total Grading & Rolling		7,782.08	22,867.00		15,000.00
	Mowing		0.00	1,200.00		1,200.00
	Snow Plow		0.00	800.00		800.00
	Maintenance - Other		0.00	0.00		0.00
	Total Maintenance		20,389.85	31,467.00		29,500.00
	Total Expense		25,163.13	36,835.00		35,409.00
	Net Income		9,041.37	0.00	*	-5,000.00

* \$5,000.00 will come from this years funds.

2014-2015 Budget vs Actual
and
Proposed 2015 - 2016

					2014 - 2015		Budget			Proposed 2015-2016
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Assessment by Region	38K
Region A (18%)	5,437.45
Region B (28%)	8,458.26
Region C(54%)	16,312.36
Total	<u>30,208.07</u>

Assessment by Lot		Lots in area
Region A (44)	123.58	44
Region B (34)	248.77	34
Region C(58)	281.25	58
Total (=Assesments x lots)	<u>30,208.20</u>	

Checking/Savings

Islanders Bank Account

	7-Jul-15	Year End Projection
Islanders Bank Checking	17,369.60	6,577.19
Islanders Bank Reserve	5,000.00	5,000.00
Islanders Bank Account - Other	978.52	
Total Islanders Bank Account	<u>65,540.12</u>	<u>11,577.19</u>
Total Checking/Savings	65,540.12	11,577.19

CHIP SEAL ESTIMATES AND ASSESSMENTS

The work to chip seal RPR consists of two separate events. The first is building up the road base, which would be done by Island Excavating, and the second would be the application of the chip seal, which would be done by Doolittle. Regardless of whether chip sealing is approved the work by Island Excavating needs to be done in order to improve and maintain RPR. The Board has been doing this work a small section at a time over the years. Doing the work in this manner increases the cost because each year there is a need redo part of the previous year's work so the new sections match the previous year's section regarding contours, drainage and stability. The following breakdown presents four options to consider should the membership decide to move forward with a plan to chip seal RPR.

Option one is the cost to prepare and chip seal the road, completing the work in one year.

Option two would complete the Island Excavating preparation work and do one third of the chip seal in year one. The chip seal would be completed in years two and three. Doing the work this way will increase costs because the Doolittle equipment must be brought in from off island for each segment.

Option three is to do the entire work in one or three years and assess each lot an equal amount as we did with the road survey. This means that each lot will be assessed an equal amount regardless of any variances.

Option four is to finance the project.

All four options will be discussed at the meeting, and regardless of your membership standing, it would behoove you to attend as the outcome may affect you.

Island Excavating/Doolittle Estimates

Island Excavating Work by Region - \$118,670.00

Assessment by Region	IX Estimate
Region A (18%)	21,360.60
Region B (28%)	33,227.60
Region C(54%)	64,081.80
Total	118,670.00

Assessment by Lot	Lots in area	
Region A (44)	44	485.47
Region B (34)	34	977.28
Region C(58)	58	1,104.86
Total (=Assessments x lots)		118,670.08

Doolittle Work by Region - \$160,000.00(2014 estimate)

Assessment by Region	Doolittle Estimate
Region A (18%)	28,800.00
Region B (28%)	44,800.00
Region C(54%)	86,400.00
Total	160,000.00

Assessment by Lot	Lots in area	
Region A (44)	44	654.55
Region B (34)	34	1,317.65
Region C(58)	58	1,489.66
Total (=Assessments x lots)		160,000.00

Option 1

Complete Work in One Year

Total Cost - \$287,849.79

Combined Total for IX and Doolittle

Assessment by Lot

Region A (44)

Region B (34)

Region C(58)

Lots in area

44

34

58

1,140.02

2,294.93

2,594.52

287,849.79

Option 2

Complete Work over Three Years

Island Excavating (\$118,670.00) plus 1/3 Doolittle(\$53,333.00)

Minimum doing IX work and one section the first year

Assessment by Lot

Region A (44)

Region B (34)

Region C(58)

Lots in area

44

34

58

654.55

1,416.50

1,601.41

Option 3

Equal Assessments for all Lots

A. Completing all Work in One Year

Single per lot charge with each lot paying an equal share (147 lots)

1,958.16

B. Completing Work over Three Years

First year charge if each lot pays an equal share (147 lots)

1,170.09

The three year option will add approximately \$7,000.00 to the total yearly assessment for two additional years.

Additional Assessment per Lot

Region A (44)

Region B (34)

Region C(58)

Lots in area

44 159.09

34 205.88

58 120.69

Option 4

Finance the entire \$278,000.00 with Islanders Bank

Interest rate 5% - 6.75%

Loan is amortized over 10 years with a balloon payment at 5 years

At five years the balloon payment is due or the loan can be renewed

Monthly payment on loan \$3,179.34 which is interest and principle

Subject to review of the road association financials for two years and adequate cash flow to support the request, otherwise a **guarantor** may be required.