



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

MASKS WILL BE REQUIRED TO ATTEND THE MEETING

RPRMA Annual Meeting

When: August 13, 2022 Time: 10:00 am -1:00 pm

Where: Eastsound Fire Station – Mt Baker Road

The meeting presentation will be posted on the website by August 6

**** Because of the COVID situation, check the website to insure the meeting is still going to be held – raccoonpointroad.org ****

July 13, 2022

Dear Lot Owner,

The following is a review of the 2021-2022 fiscal year.

RPRMA MEMBERSHIP AND RESPONSIBILITIES

When we formed the Association in 2007, it was established that there were two classes of lot owners. Those that signed the RMA which made them voting members of the Association and allowed them to serve on the Board. The second class of lot owners, non-association owners, were those that did not want to have these privileges and did not sign an RMA. The second class, non-association lot owners, have the right to vote on special assessments only.

In a court case in 2012, the court ruled that if you used or benefited from the road, you are required to contribute to its maintenance. This ruling changed the rules for how the HOA's in San Juan County operated and allowed us to place a "Notice of Assessment" on all lots that access Raccoon Point Road. The Notice of Assessment informs, primarily the title companies, that there may be dues owed on a tax parcel. Every quarter I update the list and send it to the two title companies and as many of the realtors for which I have email addresses. To date we have been 98% successful in collecting assessments.

As to the responsibilities of the Association, the RMA states:

The Association is responsible for maintenance of the Road and regulation of its use. Road maintenance shall include, without limitation, repair of ordinary wear and tear to the Road, erosion prevention, snow removal, dust control and any other activities to maintain the Road.

At each meeting we state that the Association owns the first half mile of the road and beyond that all lot owners have only an easement to use the road. In 2009 by a vote of the Association membership we voted to authorize a survey to determine where that first half mile ends. The end point is approximately 100 yards past Coho Point Rd. Cost was \$7,764.00

Why is this important? There have been questions about what the Association can and can't do. We know that in the first half mile we are free to do whatever is necessary to maintain the road. Beyond the first half mile, because of the mix of Association Members and non-Association Lot Owners, we are limited as to what we are allowed to do without the lot owners permission.

Determining which lot is an Association Member and which is a non-Association Lot Owner would require us to survey of the entire road and placement of markers for each lot, which would be expensive and has not been proposed to or by the membership. Without this survey, the Association has the responsibility to keep the road open. This means that if we cannot get a lot owner to respond, we have the right to clear the road of any rocks or downed trees and address any issues that may cause potential damage or impede the use of the road. Specifically, this means we can remove debris, backfill embankments but we cannot maintain culverts or remove trees and rocks from the sides of the road without permission. The responsibility for this maintenance and issues that arise lie with the lot owners.

The Association has the right to invoice the lot owners for any of the above activities, but without a complete survey, we don't know who to invoice. When we have stepped in to remedy a situation, it has also proven that it is far less costly to deal with the issues than to carry out the survey and invoice the lot owners.

Why I have gone to this lengthy explanation will hopefully become apparent as you read through the rest of the report.

INCOME

ASSESSMENTS **AS OF JUNE 6, 2022**

We have been doing well on collecting the yearly assessments. YTD we are shy \$186.90 of our projected assessments. The 10-year Chip Seal Reserve is behind by \$734.25 but we have done well on collecting Special Assessments which came in at more than \$1,420.54 of our projection.

Outstanding for the current year we still have \$11,227.00. Of this amount, \$6,503.00 is from delinquent accounts we know we will not collect until the lot owners sell. Of the \$4,723.48 remaining, \$1,244.44 is from Association Members and \$3,479.99 is from non-Association Members. Association Members are in danger of having a lien placed on their properties at year-end if assessments are not paid. All delinquent accounts are being charged interest at the rate of 15% per year.

2022-2023 BUDGET ASSESSMENT

During the year the Board asked the lot owners, Members and non-members for authorization to use money from the 10-year Chip seal Account to repair the storm damage. The vote needed 85 votes to be approved. The results were 88 for and 6 against.

At some point, this money will need to be replaced. The Board is raising the assessments by the allowed amount of 15% each year until the year before the next chip seal coat. During the last year, the chip seal account would be evaluated to determine if a Special Assessment is needed to carryout the required maintenance chip seal which is needed every 7-10 years.

The 2022-2023 Budget has been put together based on plan that reflects the 15% increase.

BANK BALANCES

Checking Account has \$6,644.54 in it of which \$1,437.08 is in general funds, \$0.00 is our reserve and \$5,207.46 is set aside for fiscal year loan payments for the original the chipseal loan.

The Chipseal loan Balance is at \$36,602.50

The 10-year Chipseal Money Market Fund is at \$39,877.01 prior to transfer of funds to make repairs to the road at 478 Raccoon Point Road.

EXPENSES

ADMINISTRATION

Administration expenses are tracking as projected with the exception of legal expenses. One of the non-Association Members, who later became an Association Member, had a lawyer contact us asking for financial records, survey reports, minutes and engineering studies related to the Key Drive Culverts. We in turn had to hire a lawyer which cost us \$7,800.00 eating up our reserve money and any surplus funds. Once this lot owner joined the Association, all requests were honored.

MAINTENENACE

The winter storm in November of 2021 did major damage to the road. There are three areas that we are currently addressing and depending on the cost and money available, we hope to have made progress before winter 2022.

In order of priority, the first is at 478 Raccoon Point Road. This is the slide area and each year we have no idea where water is going to appear. During the storm water flowed over the road and we suspect washed away *fines* (the particles that hold the road together). This in turn caused the road to drop about 7 inches and broke an Eastsound Water supply line. The plan is to dig up the site, replace the culvert and backfill the road with rock. At the same time, we are going to replace the driveway culverts and connect them to the new culvert going across the road. Estimates for this work is \$35,848.00.

The second area is the side of the road about 300 ft west of Ruby Lane. In this area, water overran the culvert and has washed away part of the embankment. Hopefully we can get some dirt down and spread seed to hold the embankment

The third area that needs priority is the culvert area at Key Drive. About ten years ago this area flooded because there was only a 10" culvert installed that was put in during the 60's. We replaced the 10' with a 12' and 18' culverts. The amount of water that came down from Day Lake Road brought down a tremendous amount of road and rock and plugged the culverts causing the water to overflow the road and damaging the road surface. Estimate for this work is \$8,166.00

The other major expense was for the November storm cleanup which cost us \$7,940.00. This consumed the money we had set aside for mowing and any remaining surplus funds.

Long term we are going to have to re-chip seal the two areas but we can't do it until Doolittle gets enough contracts to come back to work on the island. It costs about \$80,000.00 to bring out all of the equipment and Tom Doolittle tries to share that cost with other HOA's. Estimated cost to chip seal the two areas is \$38,000.00 not counting prep work which will require a special assessment if there is not enough money in the chip seal reserve to cover the costs.

PROXIES

If there is not a proxy in your packet, you are not a voting member of the association. If you wish full voting right, you need to complete a page 4 of the RMA and get it back to the Association by August 1, 2022. To get copy of page 4, please contact me via Email and I will send you a copy of the RMA for you to sign.

If you have a proxy in your packet and you wish to exercise it, it must be return by August 9, 2022 to:

Jamie Cier
238 Raccoon Point Road
Eastsound, WA 98245

Sincerely,

Jim Biddick
President/Treasurer

Your 2020 - 2021 Board

Region A

Jamie Cier – Secretary- (360)376-5060 worleygirljc@gmail.com

Ron Gilleland – Board member – (360)376-2359 rgilleland@rockisland.com

Region B

Zach Fountain – Vice President – (360)376-5468 azfountain@googlemail.com

Bathan Shaner – Board member – (360)376-3730 bathanshaner@gmail.com

Region C

Jim Biddick – President/Treasurer – (360)376-2488 jimsyled@rockisland.com

Tom Baillie –Board Member – (360)376-2780 tbaillie@uw.edu