

Spring 2010

Newsletter Date:
May 2010

PSA Board of Directors

Information Letter

Welcome to the Latest Spring News from your PSA Board

A Letter from our President

Dear PSA Members and Neighbors:

The PSA Board thanks all of our volunteers and concerned members who have been involved with PSA plans and activities during this very busy time of changes. We appreciate input from all of our members. Your participation is welcome. Much has been accomplished by your Board.

PSA has completed the 2-year audit and received a good report. There will be a ballot at the Annual Meeting in July, 2010 concerning a future audit. The legal reasons why a ballot is necessary and the expense/payment for any continuing audits will be explained in the Finance Committee report. The 2010 First Quarter vs Yearly Budget Summary report is in this Newsletter.

The water system upgrade is nearly complete. There are still some issues with the system's contractor.

The PSA Board signed a contract with Northwest Water Systems, a professional water management firm, for administration and billing of PSA's water system. Northwest Water Systems developed a tiered water billing system based upon PSA's own situation. At a special Membership Meeting at the PSA Park, NW Water outlined the specific water rates and how the water rate figures were developed. The PSA Board has voted to accept the suggested tiered water system. Three banking Water Reserve Accounts have been opened at Key Bank for the water reserve funds allocated for future expenses. They are: PSA Water System Capital Replacement Reserve Savings, PSA Water System Capital Improvements Reserve Savings, and PSA Water System Operating Reserves. This newsletter contains an explanation of the billing procedure. Please read it. You will also receive a copy from NW Water with your initial billing.

The PSA Board thanks you for passing the "Corrections to the PSA 2005 Bylaws". These corrected Bylaws, which are now filed with Mason County, reflect the original 2005 PSA Bylaw language voted upon back in 2005. The ballot totals were 77 YES votes to 11 NO votes.

The 2010 employee contract was signed with Nancy Fullerton to continue as PSA bookkeeper.

The Facilities Committee interviewed and selected PSA's new year-round caretakers, Patrick and Sarah Healy, who have settled in at the park. We feel very lucky to have them here. Please introduce yourselves to them. A photo and introduction are also in the newsletter.

An evaluation of the floating dock is taking place by the Facilities Committee. You will be notified about any rebuild or replacement plans concerning the floating dock. Our new Website is up and running, thanks to our Communications Committee. Members can view and download Bylaws, Rules, Financial Reports, calendars, meetings, past Newsletters and much more. The website is www.paradise-service-associates.org.

Letter From our President –Continued

This is early, but there will be elections for expiring PSA Board positions at the July 2010 Annual Meeting. More information will be available for any one interested. Please contact any Board member or myself for information. Your PSA Board wants to make sure that your concerns are being addressed.

Merrisue Steinman

PSA President

360-426-2232

gsteinman@wavecable.com

Finance Committee Report

Our 2-year audit covering 7/1/07-6/30/09 has been completed by McSwain & Company in Olympia, WA. This audit is posted on the website www.paradise-service-associates.org. The page titled "Independent Auditors' Report" is a summary of what the auditors found and they state in the third paragraph that the PSA financial statements are in conformity with accounting principles. This opinion means that an organization such as PSA is conducting its financial duties appropriately. There is a new state law that HOA's that collect \$50,000 or more in dues or assessments must have a yearly audit unless the members of the HOA vote specifically to NOT have an audit for that year. This is different from PSA's Bylaws that in the past stated that no audit is necessary unless the Members vote FOR an audit. An audit will cost \$7000-\$8000 per year according to McSwain & Company. Such a yearly accounting cost of up to \$8000 would mean that yearly dues would have to be increased 14 percent to cover such an expense. It was suggested by the accounting firm that in order to cover the additional yearly \$7000-\$8000 cost, that an assessment of 14% of annual dues be paid by each member each year if the Membership votes to have an audit for each year. PSA will have a Membership vote on whether to have an audit for 2010 and impose an assessment to cover the costs of such an audit. Printed copies of the audit can be provided to you upon request to Merrisue Steinman.

A Summary of the PSA Income & Expense & Report comparing the first quarter of 2010 with the year's budgeted amount is included in this newsletter. A more detailed Report can also be found on the Website. A printed copy can be sent upon request. PSA is within its budget.

The Finance Committee will disperse the Water System Reserve Funds into the three new bank accounts set up for such Reserves in the proportions assigned by Northwest Water's plan for the water system billing. There will be no co-mingling of the Capital Replacement and Capital Improvement Reserve Funds with the current yearly budgeted income and expenses of the Water System. The Operating Reserve Funds (3 months of expenses) will be temporarily available only if there is an unexpected drop in income.

Lori Gross, PSA Treasurer, Co-Chair Finance Committee

Merrisue Steinman, PSA President, Co-Chair Finance Committee

Meet Our New Park Caretakers

Meet Patrick and Sarah Healy—Our new Park caretakers and neighbors!



Patrick and Sarah started their new year-round positions as PSA's caretakers on April 1, 2010. They bring previous Homeowner Association park management experience to PSA and are enjoying our community and Mason Lake. Patrick is a retired Law Enforcement Officer for the State of Washington and Sarah has been a motor coach driver/guide in Alaska. Both enjoy outdoor activities. Patrick founded bikersfightingcancer.org and both Sarah and he are very active in this charitable organization. They have gorgeous Harleys.

Say hi and introduce yourselves so Patrick and Sarah can get to know you. Patrick will be taking your pictures; both members and immediate family. There will also be a form for you to fill out where you indicate owners, and immediate family names. Patrick will keep a portfolio of members and their immediate families on file so that he gets to know each of you better and also is better able to screen for non-member attempted access. Thank you in advance for your cooperation in making this a smooth transition period for Patrick and Sarah.

Water Committee Report

We wish to remind Members that water billings will now be based upon the amount of water passing through the lot owner's water meter box. There is an additional billing charge to build up funds for Capital Improvements, Capital Replacements, and an Operating Expense Reserve (3 months expenses).

Please be alert for any wet areas or leaking water on the ground, since if the leak is not corrected and is on your property, it could result in an unnecessarily higher water bill for you. If you think there is a leak on your property or in the road right-of-way by your property, please call Gary Steinman at 360-426-2232 and he will help you.

Bill Davies, Water Committee Chairman

Communications Committee Report

The new website is now fully functional. The new site is: Paradise-service-associates.org

The passwords to member only files are as follows: username: paradise; password: grapeview. Keep checking in as we update our information regularly. As usual we look for your feedback to continually improve our website.

Our goal is to also provide a newsletter, at least electronically, once a quarter. We are trying to keep mailing expenses down, so any suggestions you have in this regard would be helpful.

The revised and recorded PSA Bylaws are now posted as well as the first quarter financials in detail.

Boyd Smith and Susan Koenig—Co-Chairs—Communication Committee

PSA First Quarter 2010 Budget Report

PSA 2010 Budget vs First Quarter 2010 Income & Expenses

Income	<u>Budget</u>	<u>1/01/2010 to 03/31/2010</u>
General Income (dues, misc)	64,410	57,649
Water System	51,120	17,649
Total Income	115,530	75,298
Expenses		
Facilities	32,587	1,611
General / Administration *	31,823	18,689
Water System	51,120	4,868
Federal taxes (due on interest income)	-	2,973
Total Expense	115,530	28,141
Net Income over Expenses	-	47,157
Remaining Income to be Assessed		<u>40,233</u>
Expense within Budget for the remainder of 2010		<u>68,373</u>

Note:

This is a summary version of income and expense for the budget of 2010 versus actual income and expense from 1/1/2010 to 3/31/2010.

* 1st Quarter expenses include \$6061 for Audit and \$5079 for Ins

A full version and bank account balances are available on the website and a hard copy can be provided upon request.

Facilities Committee Report

Facilities has been working on a number of projects since the last newsletter. One of those projects is an assessment of the condition of the damaged load/unload ski dock. This dock is no longer repairable and must be replaced. The supporting structure is rotting and is no longer safe to use. The Facilities Committee has received three bids for replacement. The PSA Board approved the load/unload dock replacement at their May meeting. However, permits must be obtained which may take up to six weeks. Our goal is to have the dock in place by the July 4th week end. Until then we will be operating without a load/unload dock.

The grass in the upper park is now growing well and ready for spring-summer use. Also pet waste containers will be provided soon for the upper grass areas. Please use them as a courtesy to others.

Rules Committee Report

After a thorough review of our Bylaws and Rules it has been determined that there are no renter rights for use of the PSA Park. This will be addressed in more detail at the PSA Annual Meeting in July. If you have any questions regarding this issue, please contact, Boyd Smith, Rules Committee Chair, or Merrisue Steinman, President of PSA.

PSA Water System Billing Policy 2010

Billing Policy:

Billings and notices will be sent by Northwest Water Systems to the property owners. Billing will be on a retroactive bi-monthly (every other month) basis for water service. Billings may include a service fee, usage or metered fee, flat fee or other method as determined by the Board to best meet the needs to maintain service levels, meet regulatory requirements, contingencies or capital projects. Payments will be applied to the oldest balance first. Please note example at end of this letter.

1. The meter will be read the last week of the billing cycle.
2. The bill will be mailed by the 10th of the following month.
3. Payment is due 1st of the month thereafter.
4. 1st rebilling; payment not made by the due date will be charged a \$10.00 past due penalty for each additional rebilling.
5. 2nd rebilling; nonpayment of bill at this stage will cause a certified letter and letter by regular mail to be sent to the property owner with a cc to PSA Bookkeeper stating the following:
 - Loss park privileges
 - Loss of voting rights
 - Past due penalty fee of \$10.00
 - Notification sent to the property owner that the water will be shut off after 15 days from date of this notification.
6. Fifteen days after notification, water will be shut off and a reconnect fee of \$60.00 will be added.
7. 15 days later, billing will be submitted to PSA bookkeeper for filing of a lien.
 - The lien will be filed and a \$150.00 filing fee will be applied.
 - All funds owed to PSA become immediately payable.
 - 12% interest per annum due on all unpaid balances until paid in full.
 - Prior to release of the lien all monies will be paid and an additional \$150.00 fee for release of lien.
8. 120 days past due date, Northwest Water Systems will submit all bills related to this account to PSA Bookkeeper. This account will then be turned over to attorney for foreclosure procedure and all cost to be paid by the property owner.

Checks returned for Insufficient Funds will be charged a \$25.00 fee and a past due penalty fee of \$10.00.

Each month the \$10.00 Capital Reserve Fund Fee will be added to water billing, and will continue regardless of the state of the account.

All bills will be sent to property owners only.

All inquiries and payments for the water billing must be sent to the following address:

PSA Water System Billing Policy 2010—Continued

Please make **payments** made out to:

**Paradise Service Associates
Northwest Water Systems
PO Box 123
Port Orchard, WA 98366
1-888-881-0958**

All other monies due to Paradise Service Associates, such as annual dues and Water System Loan payment, will continue to be sent to:

**Paradise Service Associates
441 E Olympic Dr
Grapeview, WA 98546
(360)426-2560**

Change of address, phone numbers, or change in ownership must be sent to both addresses above.

Sincerely,

Paradise Service Associates
Board of Directors

Example of billing cycle May 1 – June 30:

Bill sent out by July 10th, due August 1st

Sept. 1st - Past due penalty of \$10.00 added and regular bill will be sent

Oct 1st - Past due penalty of \$10.00, certified letter, with copy of letter stating loss of park privileges & voting rights, notice of water shut off in 15 days

Oct 15th - Water shut off

Nov 1st - Lien

Dec 1st - Attorney - foreclosure procedure

PSA Board of Director Expiring Terms and Board Nominations

Please note that the following PSA Board Members terms are expiring July of 2010:

- William Davies
- Lori Gross
- Larry Pazaski
- Merrisue Steinman

Each of these Board members will be seeking a new term of office. If you are interested in becoming a PSA Board member please submit your intent, the reason you would make a good Board member, and a short biography. You may contact any Board member to provide that information, or call if you have any questions. The deadline is June 7th, 2010 to allow time for printing and mailing of ballots.

Name & Mailing Address	Paradise Estates Address	Phone/Cell Phone and Email	Term	Roles & Responsibilities
Marlene Casmaer PO Box 2155 Belfair, WA 9500		426-3230	2009-2012	Secretary
William Davies 371 Mason Lake Drive E Grapeview, WA 98546	371 Mason Lake Drive E Grapeview, WA 98546	426-3901 (no email)	2007-2010	Chairman – Water Committee Appointed 6-26-08 replacing Chuck Huff
Lori Gross 2024 Pike St NE Auburn, WA 98002	431 E. Olympic Drive Grapeview, WA 98546	253-735-5057 – home 253-234-2242 – work 253-250-7456 – cell Work: loi@mortgagemasterwa.com Home: ledgergirl@earthlink.net	2007-2010	Treasurer Appointed to fill Bob Johnson's vacancy
Rob Koenig (Susan) 2109 27 th St SE Auburn, WA 98002	270 E Olympic Dr. Grapeview, WA 98546	360-229-4229 – Home 253-350-7339 – Cell rskoenigrs@msn.com	2008-2011	Chair - Facilities Committee
Bob Miller	350 E Olympic Dr. Grapeview, WA 98646	426-0464	2009-20012	
Larry Pazaski (Story) PO Box 217 Belfair, WA 98528		360-432-9777 pazazz@wavecable.com	2007-2010	Co-Chairman – Water Committee
Boyd Smith 41 E Mason Lake Dr E Grapeview, WA		360-426-1339 doctorhos@wavecable.com	2008-2011	Chairman – Rules Committee Communications Committee-Chair
Gena Smith 41 E Mason Lake Dr E Grapeview, WA 98546	Same	360-426-1339 grammagen@wavecable.com	2009-2012	Vice President
Merrisue Steinman (Gary) 301 E. Wallace Kneeland Blvd., #224-313, Shelton, WA, 98584	20 E Mason Pl., Grapeview, WA 98546	360-426-2232 merrisuegarystein@msn.com	2007-2010	President-Appointed to fill Garry Davies unexpired term
George Young	220 E. Olympic Drive Grapeview, WA 98546	426-9817 toy4two@wavecable.com	2008-2011	Appointed to fill Tim Vack's unexpired term.

Very Important Information Inside—Please Read Carefully.



Return all correspondence To:

*PSA Board of Directors
261 E. Shore Drive
Grapeview, WA 98546*

**PSA Board of Directors
261 E. Shore Drive
Grapeview, WA 98546**

Place
Postage
Here

Address label
