

GLACIER SPRINGS PROPERTY OWNERS ASSOCIATION

2014 Annual Report

By the Glacier Springs Property Owners Association Board

TO THE MEMBERS OF THE GLACIER SPRINGS PROPERTY OWNERS ASSOCIATION

We look forward to seeing you at the upcoming 2014 Annual General Meeting (AGM) of the Glacier Springs Property Owner's Association on Saturday, October 25, 2014, 1 p.m. at the Kendall School. Please note the date and try to attend. If you can't attend, ***please sign, mail or email in your proxy that's enclosed in this packet.*** Email: info@glaciersprings.org; or mail to PO BOX 126, Maple Falls, WA 98266. If we don't have quorum, we will need to reschedule the AGM at a significant expense to the community.

The enclosed Board reports are summaries of many of the efforts that have occurred on your behalf over the past year. Some of the key highlights from the past year:

- **Water System**—Expenses for the system were over budget due to negative tests that required more frequent testing, burst water service connections, and unanticipated repairs (see Water System Report for details). We have been selling water to Glacier Green since September of last year and that is going well. Larry Watts and Rick Benson remain as our water system operators on a mostly volunteer basis. Thank you, Larry and Rick, for maintaining our precious resource.
- **Financial**—Our financial status continues to be good. As always, it is critical that all dues and assessments are paid on time or the Association could be put at financial risk. The Board continues to review our financial status and ways to insure reasonable financial reserves for the future of the Association. The Board unanimously voted to raise the annual dues for the first time in 13 years. Please see the enclosed proposal to raise dues for more in-depth information.
- **Improvements and Building**—Remember: Check our web site at www.glaciersprings.org for Zoning Committee information and requirements ***before*** starting any building or improvements on your lot. This includes wood sheds, fences and decks. You must get Zoning Committee approval prior to any construction.
- **Glacier Springs Neighbors**—Glacier Springs is lucky to be surrounded by accessible and beautiful property. Please be respectful of these properties and remember there is no camping, motorized vehicles, fires or shooting allowed.
- **Canyon Creek Restoration Project**—The multi-year Canyon Creek Restoration project is in the final stages. We will get an update at the AGM on the project from John Thompson of Whatcom Co. Public Works. One of their partner's in the project, Nooksack Salmon Enhancement Association, will have a work/planting party on **Saturday, Nov. 8 from 9 a.m.-12 p.m. Meet on Canyon View Drive. Tools, gloves, coffee and refreshments provided.** For more information go to <http://www.n-sea.org/work-parties>.

I'd like to thank my fellow board members for their tireless commitment and work. Our varied opinions and discussions are so important for all the issues that come across our table. All board members are volunteers and put in many hours of time. It has been my honor to serve as board president for two and a half terms.

Respectfully,

Stacia A.M. Green
Board President

Financial Statements for Fiscal Year ending August 31st, 2014*

STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash and Cash Equivalents		119,324
Accounts Receivable		4,360
Fixed Assets: water system		851,781
Accumulated depreciation		(209,559)
Land		1,759
Total Assets		767,664
LIABILITIES & EQUITY		
Liabilities		
Accounts Payable		11,070
Total Liabilities		11,070
Equity		
Contributed Capital		91,656
Retained Earnings		669,529
Net Income		(4,591)
Total Equity		756,594
Total Liabilities and Equity		767,664

STATEMENT OF INCOME AND EXPENSES		
ORDINARY INCOME		
Dues		22,140
Water Connection Fees		1,200
Late Fees		356
Total Ordinary Income		23,696
ORDINARY EXPENSES		
Depreciation		30,111 [†]
Licenses, Fees and Taxes		9,400
Maintenance and Repair		6,947
Professional Fees		6,805
Insurance		2,727
Travel and Mileage		2,283
Utilities		880
Leases (DNR for water system)		693
Postage and Delivery		629
Printing and copies		282
Memberships, Subscriptions		196
Web Site		175
Supplies		121
Training and Conferences		120
Space Rental		99
Telecomm		18
Total Ordinary Expense		61,486
Other Income		
Glacier Green water connection		30,000
Glacier Green usage, base fees		1,112
Frontier Easement		2,000
Interest income		86
NET INCOME		(4,591)

* Unaudited

[†] Per accountant, this reflects changing useful life of assets from 50 years to match the IRS life of 25 years.

GSPOA Annual Report 2014

2014 Financial Health

I am pleased to report that the financial health of the Association remains exceptional. This is due to the guidance of fellow board members and the continued diligence of members.

Our water system, delivering award-winning H2O, continues to be monitored and maintained on a mostly volunteer basis by Larry Watts and Rick Benson. Being our most valuable resource, and a necessity of life, we owe these two a huge “thanks.” However, as the needs of this community grow and our system ages, we need to plan for the future. Providing funds for future upgrades and paying a water system operator are the reasons why the membership is being asked to approve an increase in dues. This decision was not taken lightly by the board.

Speaking of dues, I want to sincerely thank members for their timely payments. This helps us formulate and stay on budget. Presented for your approval at this meeting is the FY 2015 budget.

Once again, I would like to thank the membership for their support and my fellow board members for their guidance.

Ben Gelman
GSPOA Treasurer

FIXED ASSET EXPENSES

Total additions	8,306
TOTAL	8,306

Zoning Committee Report

Oct. 25, 2014

I. Members of the Zoning Committee include Kevin Roosma and Seth Powell. Other board members assisted the committee as needed.

II. Zoning Committee Approvals

- Two houses
- Two hot tub structures
- One wood shed

III. Zoning Covenants Violations

The following violations resulted in notification of the members in violation

- Two violations without prior committee approval (both were resolved without fines)

All property owners should be familiar with the requirements of the Covenants, By-Laws and Glacier Springs policies. These are easily found on the Glacier Springs website at www.glaciersprings.org.

Community Relations Committee Report

Oct. 25, 2014

One Notice of Concern regarding livestock kept on property. Resolved without fines.

Covenants and By-Laws Committee Report

Oct. 25, 2014

This committee did not meet.

Water Committee Report
Oct. 25, 2014

Our water system is labeled the Glacier Springs Water System (Whatcom County) and is a Group A system overseen and regulated by the Washington State Department of Health (DOH) ID number 277559. Our water comes from a sanitarily developed spring, and is fed into the distribution system by gravity, after circulating through 68,700 gallons of storage in two tanks. The DOH maintains online records of all public water systems in the state and you can refer to this URL for our current system using their online Sentry Internet database interface:

<http://www4.doh.wa.gov/sentryinternet/Intro.aspx>.

Here is a short list of facts and information accumulated over the last year, and if you have any questions about your water system, please contact me at rickbbenson@gmail.com. If you have a broader question for the board, send an email to info@glaciersprings.org.

- **Headline News:** On Dec. 18, 2013, your water operators were obligated to sign a Bilateral Compliance Agreement at the request of the DOH. This is significant for the following reasons:
 - The purpose of this agreement is to assist GSPOA in returning to compliance with the coliform rule, Chapter 246-290 WAC. The reason for this was that during 2013, our system had four non-acute maximum contaminant level (MCL) coliform water quality violations, in May, August, October, and November. These results indicate that there is an opening to the environment somewhere in our system and labeled as non-acute because they do not pose a threat to health as lab analysis test results showed.
 - At the state level, water systems are permitted to operate by the DOH. We now are operating under a yellow operating permit, meaning that we had to submit a corrective action plan and begin intensive remedial action working closely with DOH engineering and monitoring staff within 30 days of signature. This was done immediately.
 - We are required to increase our bacterial monitoring throughout the distribution system and at the source, and are submitting detailed reports and updates to DOH before and after any work is done. It's cooperative and we currently are compliant with all requirements of this agreement.
 - If we successfully mitigate and continue to get the coliform monitoring results to remain within the guidelines of WAC 246-290-300 over a period of one year, we will return to operating under a green operating permit.
- As a result of our DOH mandated Sanitary Survey that was performed on April 8, 2014 (these are essentially a site visit that is an intensive inspection and audit of books and system records, looking for potential problem areas), we contracted with Mt. Baker Silo (who built both tanks) to perform maintenance work on the original (age 42) 18,000 gallon tank to seal the seam where the top sits on the wall, replace the vent and replace the access lid (metal fabrication) to eliminate any potential infiltration of rain water into the tank. We continue to work with them as more evidence of potential seam leaks are discovered. We can elaborate on this at the AGM if questions are raised.
- After working diligently to complete the installation of sample testing stations at all required locations, and installing or fixing water flow meters at every important and needed data collection point, we now have a complete system of components that will help us to deliver the excellent spring-fed water and document everything required for accounting any change.

- Your water committee has provided input for the justification to the increase of membership dues and it's clear that we need to have this support for the continued successful operation of our fantastic water system that we should be proud to have water rights for.

In closing, we all need to thank Larry Watts who dutifully volunteers to work on your system as our primary field engineer and has spent many hours managing all of the time-intensive variables that we currently face. There is no question that without Larry, we would be potentially facing difficult and expensive alternatives.

Respectfully submitted,

Rick Benson