

# LAKE ENTIAT LODGE ASSOCIATED

Annual Meeting of Members

April 21, 2012

## **WELCOME and INTRODUCTIONS**

Brandon Fix, President of Lake Entiat Lodge Associated, called the meeting to order at 9:01 AM. The meeting was held in the multi-purpose room of the Orondo Elementary School, Orondo, Washington. There were members in attendance representing 97 lots. Mr. Fix began with introductions of the Board of Directors. Lake Entiat Lodge Associated Staff and Management Company representatives in attendance were Ken Flynn, Managing Agent; Jeri Fifer; Community Manager and Jason Knight; Water Manager and Maintenance Supervisor.

Brandon Fix	President and Director
Nick Nelson	Vice President and Director
Dan Lungren	Director Absent
Scott Blair	Director Absent
Greg Zeller	Director
Don Sass	Director
Darrell Richards	Director
Kevin Kalberg	Secretary/Treasurer

Mr. Fix thanked all present and absent Board members for their service to the community. Mr. Fix also offered thanks to the volunteers who helped with the refreshments and sign ins for the meeting; Lynn Wheeler, Karen Nelson, Carol Sass, Kim Richards, Bruce Andahl, J Anderson and Shelby Howe.

Board President; Brandon Fix shared that there would not be any motions accepted nor action taken on any issues not listed as a vote on the 2012 Annual Meeting Notice. He also stated that the floor would be open for questions at the end of the meeting.

There were four open director positions on the Board this year. Mr. Fix asked each of the candidates, running for Board positions, to introduce themselves; Dan Russell, Marcia Kindig, Walt Wheeler, Don Sass & Greg Zeller each stood and gave a brief statement. Brandon Fix asked if there were any nominations from the floor and there were none. Ballots were called for and collected.

The Board provided time for two local community service groups to present their respective fundraising programs to the membership. The Orondo School Christmas Gift Program was presented by Pam Cook.

Dollars for Scholars Program was presented by Rose Auvil. Both thanked our community for their support. Information will be provided on the bulletin board in the clubhouse.

## **GOLF CART ORDINANCE SHERIFF REPORT**

Douglas County Deputy Sheriff, Rick Poppy, informed the membership present that the golf cart zone ordinance was for a trial period of one year ending in October of 2012. He then answered member questions concerning the golf cart ordinance details. You must have reflectors, a rear view mirror and seat belts for all passengers to drive on Sun Cove roads. If driving ½ hour before sunrise or after sunset, you must have headlights and taillights on your cart. All rules of the road must be followed and the department will be enforcing DUI violations as well. He reiterated that drivers must have a valid driver's license.

Brandon Fix reviewed the Sun Cove Golf Cart and RCW rules and stated that staff will only be enforcing them on Association owned roads and property (begins at the guard shack at the bottom of Sun Cove Road) and that fines are immediate with no warnings given. Unlicensed drivers can cause a lot owner to be fined \$500. Owner Jean Tucker shared that all owners should assist in enforcement since staff cannot be everywhere at all times. If reporting a violation to staff, Brandon asked that a photo be included if possible to validate claim.

## **APPROVAL OF MINUTES**

The minutes of the April 16, 2011 annual meeting of the members were reviewed.

***After a motion duly made by Brandon Fix and seconded by Darrell Richards, the minutes were unanimously approved as submitted.***

## **Election of Directors:**

After the ballots were counted, Dan Russell, Walt Wheeler, Don Sass & Greg Zeller were announced as the elected new Board members.

## **2011 FINANCIAL REVIEW**

Kevin Kalberg, the Association's Treasurer, presented a summary of the 2011 financial position. Kevin shared that Special Assessments are not the best operating procedure and that balancing our budget and preparing for the future insures that our dues match our needs. Ken Flynn covered the details of the recently performed Reserve Study. He shared that the Association is in a very good position having funded the reserve account at 90% of the fully funded amount calculated as needed for the assets owned by the Association. Kevin thanked Ken Flynn, managing agent, staff and the Board for maintaining control and providing stability to the expense line on behalf of the Association.

Mr. Kalberg summarized the key elements in the operating statement and reviewed the Boards scheduled budget process. The budget process begins in September with a review by the Board in preparation for approval. In November, the Board again reviews the proposed budget to verify that all revenue estimates are in line with the estimated expenses. The Budget is then approved by a vote of the Board. Once the Board approves the budget a ratification meeting is scheduled, per the bylaws, within the next 90 days. The Budget is adopted as presented if and only if it is not rejected by 51% of the members in attendance or represented by proxy at this special meeting. The best way that a member can influence the budget is by attendance and participation in the discussion at the September, October and November Board meetings.

Owner Pat Knowles asked where the \$47,000 surety bond from the dredging of the cove mitigation project had been placed. Kevin shared that it had been moved into the Capital Fund by the Board of Directors in 2011. Dan Russell shared that the funding for this project was in fact a Capital Project and that the Board could exercise the movement of these funds back into the Capital account. He stated that a separate Special Capital Fund, approved at the 2008 annual meeting, was set up for "Future Planning" such as pool deck expansion, clubhouse remodel, etc... and that the Board offered to get membership approval prior to its use.

### **SPECIAL CAPITAL FUND**

Nick Nelson, co-chair of the Facilities/Maintenance Committee, presented to the members two capital items to be paid for out of the Special Capital Fund for a total expenditure of \$88,000. One member asked if the owners could vote to approve each item separately. Board consensus was to allow this.

**Goose Poo Sweeper** for community grounds

**Clubhouse Remodel Project** including roof replacement on clubhouse, gazebo and pump house, new insulation in ceiling, kitchen appliances, kitchen flooring, sound system, window replacement, bathroom and kitchen cabinet replacement and new lighting.

Ballots were collected and tallied. It was announced that Kevin Kalberg, Board Treasurer and non-voting Board member, would witness the counting of the ballots at the meeting.

Darrell Richards, co-chair of the Facilities/Maintenance Committee, shared details about the Landscaping Project. He recognized the following volunteers in this project; Carol Sass, Leila Stetner, Karen Nelson, Charlene Anderson, Nick Nelson, Otto Ross and Pat Knowles. Pat Knowles shared that Darrell Richards and Jeri Fifer also worked hard to make this project happen.

## **OTHER BUSINESS**

**Trail report-** Ken Flynn shared that Phase 1 of the trail system would be completed by June 15 at the latest and the goal is to complete it prior to Memorial weekend. Phase 1 was presented at the Annual Meeting in 2011 with a budget of \$72,500 and is expected to come in under budget by \$6,500. The Board had requested that the Management Company gather facts and hire a planner to complete a site plan for Phase 2-4 of the trail system. He also stated that no agreements have been made with neighboring entities at this time and that the Board would have to handle any negotiations if or when necessary once the membership voted to construct any future phases of the trail. The Board hopes to have solid cost estimates and a long range plan to move forward to present to the membership at next year's annual meeting. Greg Zeller told the members he feels that Phase 4, down Sun Cove road, would most likely be the most costly phase.

**Social Committee Report–** Don Sass reported that the community yard sale is scheduled for May 26<sup>th</sup> and that owners manage the sale on their own property. The committee only handles advertising and signage. The community Golf Tournament and Putt Putt Challenge, led by Brian Wheeler, will be on June 16<sup>th</sup> at Desert Canyon. Owners can register from the web site or with the Community Manager. The 4<sup>th</sup> of July celebration will occur on a Wednesday this year. Mr. Sass shared that he welcomes volunteers and has many signed up already for 2012.

**Temporary Dumpster-** The dumpster will be placed during the first week in of May and retained until full. Please remember the temporary dumpster is for small spring cleaning type of items out of your house or garage not for appliances or furniture.

## **SPECIAL CAPITAL VOTE RESULTS**

After the ballots were counted, the results were shared with the members. The Clubhouse remodel project passed 94 to 3. The Goose Poo Sweeper purchase passed 78 to 19.

## **QUESTIONS FROM THE FLOOR**

Owner Terry Schmitz asked the Board for clarification regarding Phase 2-4 of the trail that the Board will present to the owners for a vote prior to proceeding. Brandon Fix said that for Special Capital Funds to be used, the Board would present to the members, as historically has taken place.

Owner Alzira Dean asked for clarification on public access being negotiated regarding future phases of the trail. Brandon shared that the current Board is not in favor in any way of allowing public access on Association owned property.

Owner Jim Blue asked if the Board had prepared options for the Association voting process to change; such as allowing proxy or mail out ballot voting. Brandon stated that this would require a Bylaw change

and that the Board welcomes any volunteers to assist in the re-writing of the current Bylaws/Rules/Covenants. Volunteer involvement, in the past, has been lacking in this area. The Rules committee chair had been unable, due to a heavy work schedule, to complete a proposal for the Board to review prior to the Annual Meeting. It was suggested that an ad-hoc committee be formed to complete this task.

## **ADJOURNMENT**

There being no further business to come before the membership and following a motion duly made and seconded, the meeting was adjourned at 11:20 AM.

Submitted by Jeri Fifer, Acting Assistant Secretary