LAKE ENTIAT LODGE ASSOCIATED
Annual Meeting of Members
April 25, 1992

WELCOME AND INTRODUCTIONS

Mr. Otto Ross, President of the Lake Entiat Lodge Associated, called the meeting of members to order at 10:10 am on Saturday, April 25, 1992. The meeting was held in the Association Clubhouse, Orondo, WA. There were members representing 112 lots in attendance. Mr. Ross introduced the Board and Officers of the Association.

Otto Ross, President & Director
Terry Schmitz, Vice President & Director
Tammy Doherty, Director
Dan Russell, Director
Emmett Holmes, Director
Lynn Wheeler, Director
Jay Cooley, Treasurer
Jean Holmes, Secretary
Alex Osenbach, Managing Agent
Mary Anne Hawkridge, Management Company Employee

APPROVAL OF MINUTES

The minutes of the September 1, 1991 meeting of members, which were distributed at this meeting were reviewed. After a motion duly made and seconded, the minutes of the September 1, 1991 meeting were approved as submitted.

FINANCIAL REVIEW

Association Treasurer, Jay Cooley, reviewed the Balance Sheet and Statement of Income for the year ended December 31, 1991 with the membership. Collections were considerable ahead of budget. Several expenses were over budget, yet the Association realized an after-tax profit of $15,697. To clarify the large amount in the category "Other", the majority of this amount is the cost of the dock permit process. The Management Fee is based on a percentage of collections and therefore increases in direct relation to the fees collected. The results of the first quarter of 1992 were also reviewed. There is an apparent trend of an increased number of owners paying the full year dues in January and therefore collections are presently ahead of budget. In total, expenses are on line with budget.

WATER SYSTEM IMPROVEMENTS

Alex Osenbach reviewed the status of the water system improvements. At the September 1, 1991 meeting of members, a special one-time water assessment was passed by the membership. Collections of the water assessment to date is approximately $124,725. To date, we have spent and/or committed $84,000. The 10" main to connect the new pump to the reservoir is estimated to cost $55,000 if the route taken is along Lakefront and up the road along the existing route. We have been negotiating with the Chelan County PUD to obtain an easement under the power lines and initially had a verbal agreement with them for the easement. The Commissioners refused to sign the easement and responded with a permit which could be revoked with 6 months written notice. After further negotiations they have agreed to a permit which would

require a five year written notice to revoke the permit. As the right of way in question is directly below an existing Douglas County overhead power line. The estimated cost of this route is $36,000. Once the permit is signed, the engineers can proceed on the design process and work is anticipated to commence approximately June 15th. The engineers also attempted to work with several owners to obtain easements along their property. One owner stated that they would be willing to grant an easement, if the Association paid a substantial sum of money. In the meantime, Reid Pump will install a centrifugal pump in the second well to use for irrigation and the existing well will be used to fill the reservoir. Several presure breaks have been experienced during the past several weeks in the attempt to convert to the new system. As you can appreciate, frustration levels are high and the Association asks for your understanding through these final phases.

DOCK REPORT

Terry Schmitz advised that the dock permit process involves many agencies, many more than could ever be initially anticipated. The present holdup is in obtaining the County permit, which is required prior to the Corps of Engineers proceeding. Our consultant is confident that there is no difficulty in obtaining the approval from the county. The membership was advised that the $8,000 budgeted for the project has now been expended. At the September 1, 1991 meeting, the membership decided to postpone the assessment date of $100 per lot on the dock issue until this meeting.

After a motion duly made and seconded, the membership voted on the following resolution:

RESOLVED THAT: The assessment date of the $100 be postponed until the next annual meeting or until a special meeting is called when new information on the status of permits is received.

The motion was defeated with 46 in favor, 63 opposed and 1 undecided.

Following further discussion on the matter and after a motion duly made and seconded, the membership voted on the following resolution:

RESOLVED THAT: As soon as permits for the docks are obtained, the membership will be notified by mail with a billing enclosed for the $100 assessment.

The motion was passed with 103 in favor and 9 opposed.

ELECTION OF OFFICERS

There are presently four Board of Director's terms expiring. The expiring terms are Tammy Doherty, Emmett Holmes, Otto Ross and Lynn Wheeler. The following members have expressed a desire to seek election to the Board of Directors: Neil Doherty, Bob Grow, Emmett Holmes and Otto Ross. A brief resume of the candiates qualifications was given. Mr. Ross called for nominations from the floor. Ed Myers was nominated and accepted and his name was added to the ballot.

The membership cast their votes and the new Directors are Neil Doherty, Bob Grow, Emmett Holmes and Otto Ross.

OTHER

Garbage continues to be a growing problem. The continued use of the garbage dumpster by Contractors for disposal of building material and by owners for disposal of furniture is considered to be the major problem. The possibility of individual garbage collection does not seem feasible due to the great number of absentee owners. A reclycling effort by members will be investigated and details provided in an upcoming newsletter.

There will be no gasoline available for sale. New regulations governing underground tanks is in force and a changeover to an approved above-ground tank would cost $10,998.

A set of rules with fines associated with each violation is being prepared for consideration. It is apparent that those who continually violate the rules will not stop until a monetary penalty is associated with the violation. The Association would then have the ability to lien the property if the fines are not paid.

We are experiencing growing pains as is evident with the following survey completed by Otto Ross:

Improved lots (water only with trees/grass)	39
New Construction (homes built within 1-2 years)	55
Homes built within 3 - 5 years	14
Homes older than 5 years	64

The members were advised that Charlie Moppin had voluntarily resigned his position and we are presently filling the position on a temporary basis with David Crouch until a full-time replacement can be found.

Several members have volunteered their time and in some cases their equipment to assist in the betterment of the community. We wish to thank the following individuals: Otto Ross, Pat Knowles, George Schatz and Bob Purvis.

ADJOURNMENT

There being no further business to come before the membership, the meeting was adjourned at 11:45 am.

Respectfully submitted

Jean Holmes
Secretary

Correct:

Otto Ross
President