

# Lake Entiat Lodge Associated

Meeting of the Board of Directors

June 14, 2013

**APPROVED**

## **TIME AND PLACE**

The Board of Lake Entiat Lodge Associated met Friday, June 14, 2013. The meeting was held at the Sun Cove Clubhouse in Orondo, Washington and called to order by Board President Dan Russell at 6:05 pm.

## **PRESENT**

The following Directors were present: Dan Russell, Nick Nelson, Darrell Richards, Greg Zeller and Walt Wheeler. Directors, Brandon Fix & Don Sass, attended via telephone conference Community Manager; Jeri Fifer and Grounds/Facilities/Water Manager; Jason Knight were also present. Representing Schuchart Services were Alex Osenbach and Scott Hutchinson. Ten association members were in attendance.

## **APPROVAL of MINUTES**

Mr. Russell presented the Annual Membership draft minutes.

***Mr. Nelson made a motion to accept the 2013 Annual Membership meeting minutes as presented. Mr. Richards seconded and the motion carried unanimously.***

Mr. Russell presented the May 18, 2013 Board Meeting Minutes for approval.

***Mr. Wheeler made a motion to approve the May 18, 2013 Board of Directors meeting minutes. Mr. Fix seconded and the motion carried unanimously.***

## **FINANCIAL REVIEW**

Mr. Osenbach reviewed the financial status as of May 31, 2013;

1. Cash Balance operations \$112,009 reserves \$617,277 total cash May 31, 2013 of \$729,377 compared to 5/31/2013 of \$793,560
2. Reserve balances;

Capital Improvement	\$21,850
Water system Improvement	\$64,905
Loan repayment	\$345,792 (prior to the transfer of \$150,000 to water fund)
Special Capital	\$172,374
3. Reserve for doubtful accounts \$10,074. 5 owners in a collection status. Ledoux is in a bank foreclosure and we probable we will be writing off this balance of \$10,074. The provision should be increased by \$13,891 to a total of \$23,965. We will make this adjustment in June.
4. Total revenues of \$221,272 compared to budget of \$210,274 The increase is mostly due to the finance and late penalties of \$6,198
5. Operating expenses of \$166,162 compared to budget of 171,196
6. Operating profit of \$55,109 budget of 39,078. Improvement of \$16,031 about \$10k less than last year

7. Some expense above budget and some below, there was no significant expense out of line.

## **WELL UPDATE**

Mr. Russell shared that the new well estimate is \$304,721. This is approximately \$80,000 less than the original estimate received from the first bid and shared with the members at the annual membership meeting in April. Completion is anticipated to be in mid-July. No work will be done over the 4<sup>th</sup> of July week.

The electrical contractor suggested obtaining a generator to run the pump for the day when the transformer upgrade would be completed. The cost was estimated at \$2,500. Mr. Sass suggested that this be done as we are far into fire season to be without water, even for a day. An owner in attendance, Mr. Singletary, suggested using his company, Star Rentals, to save some money on a generator. Mr. Nelson will work with Mr. Singletary and the electrician to coordinate the work.

***Mr. Nelson made a motion to allow Mr. Russell to approve the expenditure of up to \$2,500 for a generator to be used for the Well #4 project. Mr. Richards seconded and the motion carried unanimously.***

Mr. Nelson shared the estimates he gathered for mature flowering cherry trees. The trees will be planted in the fall as replacements for the pine trees removed during the well project. Sun Cove will be responsible to provide holes for the trees and the irrigation drip system needed for the 1<sup>st</sup> year.

## **COMMITTEE UPDATES**

### **Management Transition**

Mr. Russell detailed the history of the transition to onsite management. With Mr. Osenbach retiring at the end of the year, the board has decided to begin taking steps in anticipation of his departure. An administrative assistant will be hired to assist Mrs. Fifer in the Association office onsite.

Accounting, Human Resources and Financial Statements will still be performed by Schuchart Services at this time and a one year contract is being considered to begin July 1, 2013. The accounting staff at Schuchart will remain the same. The association will pay a lower fee to the management company.

***Mr. Nelson made a motion to accept the contract and to be signed by board president Dan Russell with Schuchart Services with an allowance for any board comments or changes by June 21, 2013. Mr. Richards seconded and the motion carried unanimously.***

Additionally, Mr. Osenbach shared that in 1986, when Schuchart Services was hired to work for the association, only 70 homes existed. Currently there are over 380 homes and the needs of the community now far exceed what can be handled by an offsite management company. He wanted to let all members know that Mrs. Fifer has been handling on site management during the last 3 years and continues to expand her knowledge and expertise in her position. He expressed his confidence in her abilities and her continued growth in this position. He wanted to thank the association for the opportunity to work for them for the last 25 years.

### **Trail Update**

Mr. Richards reviewed with the board information he had received from Pipkin Construction and Project Groundworks for Phase 2-4 of the trail system. Phase 4, along Sun Cove Road, considerations such as; utilities, drainage, driveway aprons, water vaults, fire hydrants and grade will make this the most costly portion

and time consuming phase to complete. The board requested that additional bids be gathered before a decision can be made on any of the remaining trail phases.

#### Maintenance/Facilities/Personnel-

Mrs. Fifer shared that all staff members had recently completed CPR/1<sup>st</sup> Aid/AED training.

Mr. Nelson found 2 storage containers at a reduced cost. Storage has been a continuing issue and as the Community Expansion Plan is being reviewed, this is the next best option to solve the issue. Storage will be used to house the lawn mower, Electric car, Smithco sweeper, summer furniture, etc.. during off-season months.

**Mr. Wheeler motioned to spend up the \$3,000 to purchase the storage containers and pay for delivery. Mr. Richards seconded and the motion carried unanimously.**

The board thanked Mr. Ross, in attendance, for his generosity in using his private property for placement of the containers.

Signage was discussed and Mr. Fix asked to be involved in the inventory and plan for the new signs needed.

Mr. Nelson shared photographs and two bids received for an erosion issue between the courts and Sun Cove Drive. Since the two bids offered different solutions, the board asked to provide a like scope of work to the original bidder for a comparison bid.

#### Social

Mr. Sass explained that the 4<sup>th</sup> of July planning is going well but we are in need of about 22 more volunteers willing to commit an hour of their time. Also discussed was the hiring of an off duty deputy to be onsite for July 4th, 5th and 6th. A sheriff deputy will be on site from 6:00 p.m. to 2:00 a.m. on these days

#### Communications

Mr. Fix relayed information about the Golf Tournament taking place at Desert Canyon June 29<sup>th</sup>. He also shared that Ms. McClellan and Mrs. Fifer are doing a great job keeping the website updated.

#### Rules/Bylaws-

Mr. Russell mentioned the tragic homicide that occurred in the early morning on June 9<sup>th</sup> in the community. The community is very concerned and saddened by the incident and our thoughts go out to the Mak family for their loss.

It was discussed that although this was a random situation, the role of the safety services employees needs to be reconsidered. It was suggested that property owners should call the sheriff office or 911 if after requests "neighbor to neighbor" are ignored. Staff can assist when on shift by calling the homeowner but they will not go onto a property where a party is occurring. Out of control parties will have to be handled by the trained professional, not seasonal staff members.

Parking on the roadways has and continues to be challenging so the board requested that Mr. Wheeler assist Mrs. Fifer with enforcement options. Of particular concern is the need for emergency vehicles to have adequate access. For now, staff will issue warnings on vehicles leaving less than 14' of clearance. Possible considerations could be "parking boundaries" that maintain a 14' clearance.

Mr. Divine, an association member, asked why the sheriff presence has declined in the community. He mentioned he has witnessed the auxiliary driving through occasionally but sheriff vehicles are seldom seen. It was also mentioned that BUI, Boating Under the Influence, will be more strictly enforced this year. The board requested that Mr. Wheeler and Mrs. Fifer contact the sheriff office about increasing patrols.

Mr. Wheeler went over the plan to mark the side of the dock at the launch cove to allow for a loading only zone.

Mrs. Fifer shared information about a new surveillance system and or motion sensor lighting being considered. Further research will be done to determine options.

### **OPEN FORUM**

Ms. Kindig, owner attending, requested permission for the firemen to carry donation “boots” during the 4<sup>th</sup> of July parade. All agreed this would be acceptable.

### **Owner Correspondence**

Mr. Tarrant had requested that the board consider allowing him to declare his property as a Short Term Rental in perpetuity allowing him to not file paperwork as a renter on an annual basis. He believed this will relieve some of the paperwork currently required by the association yearly. The board agreed that, per our rules and covenants, all owners that choose to rent must abide by the same standards and timelines and no special consideration or processes will be granted to individual owners

### **ADJOURNMENT**

***Mr. Sass made a motion to adjourn the meeting at 8:35 pm and Mr. Wheeler seconded. The motion passed unanimously.***

Submitted by:

Acting Assistant Secretary; Jeri Fifer