

Lake Entiat Lodge Associated

Meeting of the Board of Directors

February 24, 2010

Time and Place

The Directors of Lake Entiat Lodge Associated met on Wednesday February 24, 2010. The meeting was held at the Coast Bellevue Hotel, 625 116th Ave NE, Bellevue, Washington 98004. The meeting was called to order by President Dan Lungren at 4:05 PM.

Present

The following Directors were present Dan Lungren, Greg Zeller, and Todd Watson and via telephone conferencing Bryan Wheeler, Margaux Mason, Nick Nelson and Brandon Fix. Treasurer Kevin Kalberg was in attendance. Alex Osenbach was in attendance representing the Association's management company. Grace McClellan the Site Manager, was also in attendance via telephone conferencing. Mr. Osenbach acted as secretary for the meeting.

Approve Board Meeting Minutes

The Board reviewed the minutes of the November 18, 2009 meeting of the Directors. Following a motion by Mr. Watson and seconded by Mr. Zeller, the minutes were approved as submitted. The Board also review the minutes of the January 23, 2010 Member Budget Meeting Minutes. Following a motion by Zeller and seconded by Watson, the minutes were accepted as submitted

2009 December Financial Statements

The Board reviewed the December 2009 Financial Statements. December 2009 cash balances had increased \$133,837 in this year and liabilities were down by \$135,447. These numbers reflect the Board's goal to maintain budgeted expense levels and the lower level of reserve expenditures. The Association had an operating surplus for the year of \$11,327. It was noted that \$23,083 was added to the provision for doubtful accounts due to the fact that little progress was made to collect from a number of seriously delinquent owners. Reserve balances at December 31, 2009 were:

Capital Improvements	\$81,556
Water System Improvements	\$36,269
Loan Repayment	\$173,664

Waterfront Improvement \$48,195
Special Capital Improvement \$77,700

The January 2010 Financial Statements were also reviewed. January resulted in an operating surplus of \$48,106 compared to a budgeted surplus of \$44,118. It was noted that \$20,676 was added to the provision for doubtful accounts and that the full \$17,000 budgeted for this purpose was applied in January. There were 14 owners that exceeded two quarters delinquent for nonpayment of the 1st quarter's fees. There are now 36 owners delinquent for more than 2 quarters.

The Board spent considerable time discussing the actions to take regarding delinquencies. The number of 36 owners is not that disturbing for this time of year but the magnitude of the debt of several of these owners is quite large. The Board was assured by Mr. Osenbach that every possible measure is being taken to collect the money owed. It was suggested by Mr. Kalberg that we investigate the ability to put a personal judgment against owners that are in a position that their property might be foreclosed on thus keeping the moneys owed to the association alive after foreclosure as it is a personal debt.

Clubhouse Rental Application

The Board was provided with a recommendation for adopting a formal application process for events that are held in the Clubhouse and in Common areas of Sun Cove. These recommendations were prepared by Grace McClellan. There were several items contained in the application that were discussed; a) the requirement for the owner to provide a certificate of insurance, b) fee based on the estimated number of guests, c) the possibility of maintaining a calendar of reservations on the website.

The board did not approve the recommendation at this time and will review these items at the March 24 meeting.

Committee Reports

Social Committee – Bryan Wheeler reported that there were no updates on planned future social events. A golf tournament has been discussed but the planning of the tournament has not been confirmed.

Communications – Brandon Fix reported on the new website. Each member will have their own log in information. Brandon discussed the content of the new website and the options we

have to increase communication among our members. Each member will need to login and follow the instructions in their email to get the full advantages contained in the new website.

Long Range Planning – Greg Zeller reported that the members of the committee have met. The notes from the meeting were distributed to the Board. Mr. Zeller pointed out the items being considered for 2010: dock lighting, Pool deck lighting, community landscaping, plans for up-river lagoon, and the installation of no wake buoys. The committee is continuing to review the private road issue with the county and a trail system throughout the property.

Mr. Zeller also presented to the Board a proposal from Craig Kruger. Craig Kruger, a community designer, was contacted and submitted a proposal for the preparation of a master plan for possible improvements and future development ideas. The proposal contains four phases; research, conceptual plan, landscape concept and presentation graphics. Following discussion and a motion duly made and seconded the following resolution was unanimously adopted, motion by Mason, seconded by Watson.

Resolved that; the Board authorizes that Mr. Zeller to execute a contract with Mr. Kruger for the first two phases of his proposal for \$3,000.

Facilities, Maintenance, Operations, and Personnel Committee – No report this month on any specific item.

Rules Committee – Discussion on Member Dues delinquencies. Must ensure those on the delinquency list do not have access to the clubhouse. Discussion related to publicizing names of those who are delinquent in their dues. A completed / updated set of rules should be available for Board review in March.

Mr. Watson left at 6:00 PM

Shed Resolution - No action was taken at this time.

Mitigation Plan - No action was taken at this time.

Lagoon Boulder

Letter was received by Robert Hill regarding removal of a boulder in the boat launch main lagoon. The boulder in question is located outside the area that was dredged in the boat launch lagoon. At this time no further dredging or rock removal is allowed under the terms of our

permit. A year ago the association installed a warning line across the down river side of this lagoon which kept boats from entering the shallow area. The staff will reinstall this line this year as a warning to boaters of the problem.

Irrigation of Spoils Pile - No action was taken at this time.

Recycle Program - No action was taken at this time.

Next Meeting

The next Board Meeting will be held March 24, 2010 beginning at 4:00 at the Coast Bellevue Hotel and on Friday April 23, 2010. The Annual Meeting will be held April 24, from 9:00 – 12:00 at the Orondo Elementary School.

Board of Director Positions up for Election

There will be four Director Positions up for election at the April meeting. At this time there is one Director who will not be seeking reelection to the Board. All members are encouraged to run for the Board, if you wish to run for the Board please submit a short resume to Grace McClellan so that your name will be added to the ballot.

Change in By-Laws

Mr. Lungren received an email regarding the voting process used by the Association which asked for consideration of a change so that member could vote without being present at a meeting. The Board was provided with a copy of the Bylaws which addressed this question. After a discussion and a review of the Bylaws the Board determined that the Bylaws handled this question and no further action was taken.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 6:30 PM.

Submitted by
Alex Osenbach
Managing Agent