

LAKE ENTIAT LODGE ASSOCIATED
MINUTES OF THE ANNUAL MEETING OF MEMBERS
APRIL 22, 1995

WELCOME & INTRODUCTIONS

Mr. Neil Doherty, President of Lake Entiat Lodge Associated, called the meeting of members to order at 9:10am on Saturday, April 22, 1995. The meeting was held in the gymnasium of the Orondo School, Orondo, WA. There were members representing 112 lots in attendance. Mr. Doherty introduced the Board and Officers of the Association. Also introduced were Lake Entiat Lodge Staff and Management Company representatives.

Neil Doherty, President & Director
Dan Russell, Vice President & Director
Jack Divine, Director
Renee Mus, Director
Dean Murphy, Director
Marcia Kindig, Director
Nick Nelson, Director
Jean Holmes, Secretary
Ernie Newby, Caretaker
Raul Gonzalez, Grounds Person
David Betz, Managing Agent
Scott Holliday, Management Company Employee
Mary Anne Hawkrige, Management Company Employee

Mr. Doherty reported that the Association was in a relatively good financial position. The grounds are in excellent condition and overall, the Association is progressing in a positive direction due to the diligence of the Board's actions. He also reported that the legal action against a member regarding a covenant violation has been terminated as the offending member has sold his property.

APPROVAL OF MINUTES

The minutes of the April 30, 1994 meeting of members, which were distributed at this meeting were reviewed. Following a brief discussion regarding the minutes, and after a motion duly made and seconded, the minutes of the April 30, 1994 meeting were approved as submitted.

FINANCIAL REVIEW

Mr. David Betz presented the financial review of the Balance Sheet and Statement of Income for the year ended 12-31-94. With the aid of an overhead projector, the financial statements were detailed. A summary pie chart categorized the expenses as follows:

- 51% of all expenses related to grounds/security payroll and grounds, pool and building maintenance
- 13% related to utilities
- 13% related to legal, taxes, insurance and miscellaneous expenses
- 8% related to administrative/office expenses
- 15% management fee

The cash balance at 12-31-94 amounted to \$164,418, with \$87,180 in the operating fund and \$77,238 in the capital fund. Accounts receivable amount to \$19,701, a decrease of \$5,203 from the previous year. Total operating revenue was \$182,961 and total expenses amounted to \$159,072. After depreciation, the 1994 year end surplus amounted to \$5,484.

DOCK REPORT

Herb Gilbo reported to the membership that the dock project is virtually complete. All permits obtained have been signed off by the issuing agencies and lien releases have been obtained from all contractors. A few minor adjustments amounting to approximately \$200 remain and the Association has retained a holdback of \$1,500 to ensure that the cost of completing these adjustments are covered. Our personnel will be trained in the regular maintenance program recommended by the contractor. Power is established on the docks and a line to bring power to the docks should be completed in the spring. It was recommended that a "Use at your own risk" sign be placed at the old docks.

BY-LAW AND RULES & REGULATION CHANGES

A proposal to ban smoking in the clubhouse was discussed. The decision to bring the item to the membership was a direct result of damage to Association property by cigarettes and is not intended to be a issue of smoker's vs. non smoker's rights. With the use of the ballots provided, the membership was requested to vote on Issue #1 - "Should smoking be prohibited in the community clubhouse?" The membership voted 97 in favor and 5 opposed. The clubhouse will be smoke free effective immediately.

A proposed amendment to the By-laws of Lake Entiat Associated was discussed. The proposal to add to Article IV, Section I, states "The members of Lake Entiat Lodge Associated are responsible for their actions resulting in any damages to community property. The Association has the right to bill the owner for the cost of any repairs or replacement of community property. The charges will be handled in the same manner as dues and fees."

A lengthy discussion ensued regarding the amendment.

Following a vote of the membership, the proposed amendment was passed by a vote of 90 in favor and 17 opposed.

Marcia Kindig discussed the rules and regulations questionnaire included with the meeting package. The Board is continually being pressed by members to act upon certain items. The most common issues/complaints are listed with a place for comments. A system for placing a fine on certain offenses and the dollar amount recommended is also included. Additional

concerns may be listed on the reverse side of the questionnaire. Members were requested to complete the questionnaire before leaving the meeting.

Jack Divine responded to a question of authority regarding the ability to make the change. As provided in the documents, the By-Laws may be amended by two thirds vote of the members present and voting at any regular or special meeting. Once in the bylaws/covenants, the Board must enforce the documents once the membership indicates its desire to incorporate into appropriate documents.

ELECTION OF DIRECTORS

Directors terms are expiring for Jack Divine, Dean Murphy and Dan Russell. The term of Jean Holmes as Secretary is also expiring. The ballot lists Dan Russell, Dean Murphy, Dale McCallum, Ray Simone and Otto Ross as candidates for Directors. Nominations from the floor add Jack Divine and Herb Gilbo. No nominations from the floor were received for the Secretary's position. Jean Holmes is re-elected as Secretary by acclamation. Tabulation of the ballots resulted in election of Dan Russell, Dale McCallum and Herb Gilbo.

OTHER BUSINESS

The addition of a sand volleyball court (probably near the picnic area) is being planned.

In an attempt to curtail vandalism, security cameras will be installed in the clubhouse at a cost of approximately \$2,000. Following a discussion on the matter, the pool area may be included.

The Managing Agent defined the walkway easements for the membership with the aid of the overhead projector. The designated walkway areas are directly adjacent to the pump site and two others in the First Addition.

Owners whose property is mistakenly used as a walkway easement should post their property with no trespassing signs.

The post office has agreed to a route extension in the development. Proposed NDCBU boxes are costly (approximately \$80 per owner). A committee of five volunteers (Joanne Sauter, Mickey Adams, Audrey Schatz, Priscilla Podlich and Jay Anderson) was established to determine where to place; how to pay for and how to include the total development in the process.

The proposed new water tank will be funded by the Capital Improvement Fund. Placement will be adjacent to existing tank and a completion would be expected in approximately 1 1/2 years. The water quality of the system was discussed. It is checked monthly by the County and has been determined to be safe.

NEW BUSINESS

The County has approved the lignositing (oiling) of the County roads. Estimates are that most of the county roads in the development will be treated. There was a discussion regarding the transfer of the private roads to the County. If such a transfer did take place, when the PUD

developed their property adjacent to the 1st addition, that would open the development as an access for the general public to the PUD owned land. Following a discussion the membership voted on the following issue: "Should the Association contact the County and request that they oil all the private roads in the development with the cost being picked up by the Association?" The vote was 99 opposed and 4 in favor.

There was a discussion regarding a party held in the clubhouse in New Year's Eve and whether or not that should have been excluded as a three day weekend.

Parking in the community designated area and suggestions for improving the area was discussed.

A suggestion to extend the current three year limit for camping on facilities was discussed.

Suggestions to light the tennis court with a 10:00pm limit and extending the pool deck area will be discussed by the Board of Directors.

Richard Van Gerpen is interested in contacting other owners who may be interested in surveying their property. A possible rate reduction could be obtained with a number of owners jointly requesting the service.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 11:50am.

Respectfully submitted

Mary Anne Hawkridge
Acting Secretary

Correct:

Neil Doherty
President