LAKE ENTIAT LODGE ASSOCIATED

Annual Meeting of Members

April 29, 2017

**WELCOME and INTRODUCTIONS**

The Annual meeting of Lake Entiat Lodge Associated was called to order at 9:05 AM by Board president, Dan Russell. The meeting was held in the multi-purpose room of the Orondo Elementary School, Orondo, Washington. He announced that members in attendance represented 109 lots of which 4 new members introduced themselves. The board of Directors were then introduced and thanked for their commitment and volunteer service to the community.

Dan Russell, President

 Nick Nelson, Vice President

 Darrell Richards, Director

Ryan Haggard, Director (not in attendance)

 John Howgate, Director

Greg Zeller, Director

Bill Tucker, Director

J. Anderson, Treasurer

Mr. Russell introduced the Lake Entiat Lodge Associated staff in attendance and recognized them for their service: Jeri Fifer, Community Manager; Jason Knight, Water/Facilities/Grounds Manager; and Jessicah Curry, Administrative Assistant.

Thanks were also offered to the volunteers who provided service of refreshments and member sign-in support: Patricia Sells, Kim Richards, Jason Gamble, Melissa Erickson, Lynn Wheeler, Karla Wheeler, Peggy Cornish, and Teri Qually.

**APPROVAL OF MINUTES**

The minutes of the April 16, 2016 Annual Meeting of the Membership were presented.

***After a motion made by Neil Doherty and seconded by Jody Oster, the minutes were unanimously approved as submitted.***

**2016 YEAR IN REVIEW**

Mr. Russell provided a review of Association business for 2016, which included 9 Board meetings and one Long-Range Planning Membership meeting.

**2016 FINANCIAL REVIEW**

Mr. Anderson, Association Treasurer, explained the four reserve account funds: Capital, Water System Capital and Water Loan. He shared that the 2016 financials summary and provided highlights.

He also shared that the delinquency rate is the lowest it’s been in years, and that members may now pay assessments via credit card and E-check.

WATER LOAN REPAYMENT FUND RETIREMENT

Mr. Anderson shared that the Association will be retiring the Water Loan Repayment Reserve account as the loan will be paid in full this fall which is three years early. Mr. Anderson stated the estimate of approximately $30,000 will remain in the Water Loan Repayment Reserve account by year end 2017 and presented his recommended to transfer these funds to the Capital Reserve account. Mr. Russell opened the floor for questions. After lengthy discussion, Cindy Bradeen made a motion to authorize the transfer of all remaining funds from the Water Loan Reserve Account upon retirement, to the Capital Reserve account with a second by Mr. Zeller, and Mr. Russell called for the vote. Mr. Harney, member attending in house, called for a point of order. Mr. Russell then called for a vote to end the discussion. With none opposed, the ballot collection commenced. Treasurer/Secretary, Mr. Anderson, provided verification of the ballots.

MAINTENANCE/REPLACEMENT RESERVE ASSESSMENT

Mr. Anderson reported that the Board had hired a Reserve Study professional who reported that the Association reserve accounts were inadequate for proper replacement and maintenance of existing amenities at only 20% funded. To help build adequate reserves and avoid unplanned for lump sum “Special Assessments” to fund replacement and repairs, Mr. Anderson proposed the members approve an annual increase of $338 to the Maintenance/Replacement Reserve account in 2018. As this amount was being allocated to the Water Loan Repayment Reserve account until the end of 2017, it will not increase the overall assessment amount members were used to paying.

A member asked for clarification on the differences between the current reserve accounts and whom has spending authority for each. Mr. Tucker detailed that in 2018 the Capital Reserve Account will be renamed Maintenance/Replacement Reserve Account to insure these funds are accessed and approved by the Board of Directors for current amenities. The Water System Reserve account is self-explanatory and controlled by the Board of Directors.

Mr. Russell opened the floor for discussion to consider continuing the $338 annual assessment payment beginning in 2018, allocated to the Water Loan Repayment Reserve Fund until the end of 2017, into the renamed Maintenance/Replacement Reserve Account. Member Kevin Kalberg made an amended motion to authorize the continuation of the $338 annual assessment, beginning in January 2018 for 60 months, with all funds being allocated to the Maintenance/Replacement Reserve Fund. The motion was seconded by Pat Harney.Mr. Russell called for comments and discussion followed. Mr. Russell then called for a vote to end discussion. With none opposed, the membership was instructed to use the ballot Topic A for the amended motion. A point of order was called by a member that a motion had not yet been made. The amended motion was restated by Mr. Anderson;

*To authorize the continuation of a $338 annual assessment beginning January 2018 for 60 months to fund the Maintenance/Replacement Reserve account.*

Collection of the amended ballots commenced. Treasurer/Secretary, Mr. Anderson, provided verification of the ballots.

***Mr. Russell shared that the vote to authorize the transfer of all remaining funds from the Water Loan Reserve Account upon retirement in 2017, to the Capital Reserve account*** ***had passed, 105 FOR, 3 AGAINST.***

**FIREWISE**

Mr. Tucker relayed that there would be a community wide fire hazard debris pickup service available to the members on May 20th as part of the Association’s FireWise endeavors. He also thanked the FireWise committee members; Marcia Kindig, Patricia Sells and Dave Wilson for their participation.

***Mr. Russell shared that the vote to authorize the continuation of the $338 annual assessment, beginning in January 2018 for 60 months, with all funds being allocated to the Maintenance/Replacement Reserve Fund had passed, 77 FOR, 44 AGAINST.***

**ELECTION OF OFFICERS**

Mr. Nelson, Mr. Richards, and Treasurer J. Anderson, whose terms were ending in 2017, had declared their desire for re-election. Mr. Haggard was not running for re-election. The other two Board candidates, Bill Kneadler and Michael Harn, provided a short biography and statement of declaration of their desire to represent the community as a Board member.

The Election of Directors ballots were called for. Mrs. Fifer, Community Manager, verified the ballots.

**ORONDO COMMUNITY SCHOLARSHIP PROGRAM**

Scott Shriner, the President of the Orondo Scholarship Fund, shared details about the fund and thanked the community for their ongoing support.

**COMMITTEE REPORTS**

LONG RANGE PLANNING

Long-Range Planning co-chairs, Mr. Zeller and Mr. Tucker, shared several project options if assessments increased, stayed the same, or decreased.

They then presented the option to establish a Special Capital Reserve Account, to be controlled by membership vote, by creating a reserve fund for new amenities with a $200 annual assessment beginning in 2018. After extensive discussion, Ryan Bukoskey, member attending online, made a motion to authorize the $200 annual assessment, from 2018 to 2022 (60 months) to fund a Special Capital Reserve Account for new amenities. The use of these funds will require membership approval at annual or specially called membership meetings. After a second by Randy King discussion followed. Mr. Russell then called for a vote to end discussion. With none opposed, he requested the vote. Treasurer/Secretary, Mr. Anderson, provided verification of the ballots.

**ANNOUNCEMENT OF THE ELECTION OF OFFICERS**

Mr. Russell announced the newly elected Board of Directors: Bill Kneadler, Nick Nelson and Darrell Richards. Jay Anderson will resume his role as the Association’s Treasurer.

FACILITIES AND MAINTENANCE

Mr. Nelson shared that community member Otto Ross has allowed the membership the utilization of his property for the disposal of yard waste, and requested that members contact him in order to obtain his permission to dispose of yard waste in advance of dumping.

WATER SYSTEM UPDATE

**Consumption** - Water Manager, Jason Knight, shared that consumption numbers for member’s properties are available for viewing on the Association website, as well as via an annual ‘Water Usage Checkup’ letter.

**Cross-Connection Control Program** – Mr. Knight also shared that the Association has created a program wherein one Backflow Assembly Tester has been hired to service the backflow devices of all requisite community members at a discounted price, and provided instructions how to ‘opt into’ the program, and what to do in the event that they choose not to.

**Conservation** - Tips and reminders about Water Conservation were shared with information showing that the majority of members are within the target usage range. Approximately 30 properties are using over 200% of the annual target.

To close, Mr. Russell reminded members that the Association does not monitor water leakage during the winter other than for water conservation (leak loss) purposes. As such, members need to protect their homes against freezing.

RULES AND REGULATIONS

Mr. Richards presented the members with details on a potential ‘community wide approach’ to the Association Rules, noting the golf cart and dogs off leash rules, which would ensure that anyone coming past the monuments signs would fall under the umbrella of the Association’s Rules regardless of whether they are on community property or on the County roadways. The Rules and Regulations Committee is continuing to work on this community wide approach to allow for consistency within the community.

***Mr. Russell shared that the Special Capital Reserve Account implementation had passed, 65 FOR, 50 AGAINST.***

COMMUNICATIONS

Mr. Howgate reminded members that the revamped Sun Cove website is a main tool wherein members may find current relevant information and answers to their questions and that the Association does not manage or monitor a community Facebook page.

SOCIAL EVENTS

Mr. Howgate shared the need for more volunteers for the 4th of July event. A rock and roll band, “Sanity’s End,” will play on July 1st. Aaron Crawford will play on the evening of July 2nd, with all other events to remain on July 4th. He invited the members to attend the Pancake Breakfast, scheduled for tomorrow at the clubhouse and, informed members of the garage sale event over Memorial Day Weekend.

Mr. Howgate also shared that the extraordinary 2016 fireworks show was due to the fact that Waterville’s show had been cancelled because of high winds, and that the Association had been gifted their show. This year, therefore, the show will not be as extensive as the previous year.

Mr. Richards gave information on the upcoming Golf Tournament at Bear Mountain Ranch, June 24th.

Mr. Russell opened the floor for questions.

**ADJOURNMENT**

There being no further business to come before the membership, and following a motion made by Mr. Nelson and seconded by Cindy Bradeen, the meeting was adjourned at 11:57 am.

Submitted by Jeri Fifer, Acting Assistant Secretary