

LAKE ENTIAT LODGE ASSOCIATED

Annual Meeting of Members

April 13, 2019

WELCOME and INTRODUCTIONS

The Annual meeting of Lake Entiat Lodge Associated was called to order at 9:00 AM by Board president, Dan Russell. The meeting was held in the multi-purpose room of the Orondo Elementary School, Orondo, Washington. Members in attendance represented 131 lots with 94 in house and 37 online. New members introduced themselves and were welcomed by the membership. 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

Bill Tucker, Director

John Peterson, Director

Bill Kneadler, Director

Neil Doherty, Director

J. Anderson, Treasurer (not in attendance)

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

APPROVAL OF 2018 MEMBERSHIP MEETING MINUTES

The minutes of the April 28, 2018 Annual Meeting of the Membership were presented.

After a motion made and seconded, the minutes were unanimously approved as submitted.

2018 YEAR IN REVIEW

Mr. Russell provided a review of Association business for 2018.

- Board of Director held 10 meetings
- Major Maintenance/Replacement Reserve Account established
- Pool Resurfaced and new lights installed
- Rules and Covenant amendment discussions
- Douglas County encroachment enforcement
- Remote attendance offered

Mr. Peterson was thanked for the many hours dedicated to the discovery of information and for providing options available to the association regarding the Douglas County encroachment enforcement challenge presented.

Mr. Russell announced that members who had registered to attend the meeting remotely, would not receive ballots in house for control measures for voting.

2018 FINANCIAL REVIEW

Mr. Russell provided the 2018 financials summary and highlights with the delinquency rate continuing to remain low.

He recounted that the Board of Directors begin budget preparation with the goal to keep a \$0 increase in the annual assessment. A \$56 annual assessment increase for 2018 was identified after diligent work on each budget line was performed in October and November 2018. Of the increase, \$17 was attributed to recent lot consolidations which decreased revenue. The remaining \$39 was for operating expense increases necessary to keep association business and amenities at the high level the members have come to expect. He invited members interested in assisting with the development of the annual budget to attend the September, October & November Board meetings.

RESERVE ACCOUNTS

Mr. Tucker disseminated the difference of collecting reserve funds (savings) as compared to the challenge of unexpected special assessments being imposed. Properly funded reserve accounts allow for planned expenditures as funds are available as owned assets reach the end of their useful life or fail. The Special Capital, however, is set aside for new amenities and requires a membership vote for all expenditures made from this fund.

He reported the balance of each account as of December 31, 2019; Major Maintenance/Replacement- \$209,370, Water System- \$136,621 and Special Capital- \$88,920.

He shared the 2018 Major Maintenance/Replacement Reserve expenditures as; truck, snow plow, pool resurfaced, pool lighting, amended pool entry, traffic control device, access control system, surveillance cameras and dock replacement permits.

The Water System Reserve expenditures were; replacement motor on both well pumps.

He announced the planned 2019 Major Maintenance Reserve expenditures as: golf cart, clubhouse & office flooring, pool heater, compactor surveillance camera, clubhouse sound system and replacement of the grounds cart. Nothing is planned at this time for the Water System Reserves in 2019.

LONG RANGE PLANNING

Mr. Tucker introduced the committee member; Patricia Sells, Paul Dobraz and Scott Blair.

He reported that the committee had met several times to provide potential amenities to present for membership Special Capital funding approval. Top priorities identified were; a park restroom, multi-use courts, park benches/tables and a dump trailer. The options are limited for 2019 as only one year of assessments have been collected to fund this reserve account. He shared the needs for the dump trailer purchase; to extend the life of the Smithco Sweeper, provide more staff efficiency and cost saving over

rentals of a trailer. He also shared that if the dump trailer and benches/tables options are approved, it will not affect the larger expense options in the next few years.

The floor was opened for member comments and member were directed to the ballots for a vote.

Special Capital Expenditure Vote

Trail Update

Mr. Richards proclaimed the news that the crossing agreement with the Greater Wenatchee Irrigation property had been completed after many years of dedication towards this goal. This section of the trail system will be completed this spring and allow members to cross from the park to the upriver association owned 3 ½ acres of property. He reminded all that the privilege will be removed if members do not respect the signage posted per the agreement.

The final trail phase, along Sun Cove Road, was placed on the long range plan due to the high cost discovered.

House Fire

Mr. Richards shared the sad news of the house fire that had occurred in March in the community. He noted that any member wishing to donate items can do so in the clubhouse and that a gofundme page had been set up for the family displaced. He thanked Darlene Terry for volunteering to coordinate the donations received and thanked the members for their generosity.

Special Capital Expenditure Ballot Results

Mr. Russell announced that the results of the Special Capital expenditure vote:

Dump Trailer (up to \$5,000) was approved with 120 yes to 11 no votes.

Park Tables/Benches (up to \$10,000) was approved with 92 yes to 39 no votes.

ELECTION

Mr. Russell directed members to the ballot and asked if anyone wished to run for the Treasurer or a Director position. As none came forward, Mr. Russell called for a motion to elect Mr. Anderson as Treasurer;

Member Terry Schmitz motioned to elect Jack Anderson as Treasurer, seconded by member Mark Donnebrink, and after a verbal vote was taken, motion was unanimously approved.

The election of directors ballots were called for by Mr. Russell, with a request to member Jack Divine to assist with verification of the ballots.

ORONDO COMMUNITY

Jenna Knight revealed information about a new group that had been recently started; Orondo Partnership. The group is open to all with a goal to bring businesses and residents together to build community. Fundraisers, potlucks and other social events will be planned and advertised.

Rose Auvil shared the Orondo Scholarship Fund is celebrating 25 years and thanked the community for their ongoing support.

COVENANT AMENDMENT REVIEW

Mr. Russell reported that with challenges identified the past few years along with new ideas presented, the Board had met in February 2019 to review the Covenants to determine which may need to be presented to the membership for amendment(s). Attorney costs have grown due to challenges made against the current Covenants.

He reminded all that Covenant changes require a majority (51%) vote of approval, which is a timely and costly process. With that in mind, a member survey will be performed to attempt to gain direction if a vote is needed or not before proceeding further. Changes being considered are:

- FireWise/Lot Maintenance inclusion
- Number of buildings allowed on a lot
- RV storage
- Trailer lots
- RV use on lots

He stated that the current association governance is complaint based as the desire is to avoid the creation of a police/task force.

YARD WASTE/ROSS PROPERTY

Mr. Nelson thanked member Otto Ross for his gracious offer to allow member use of his property for the disposal of yard waste. He reminded members they must contact Mr. Ross in advance of using this privilege and to respect the signage and Mr. Ross's instructions. Mr. Ross will be closing the burn and leaves piles until fall due to fire concerns however, grass clippings will still be allowed.

RECYCLE PROGRAM

Mr. Nelson provided the fact that the recycle costs have been steadily increasing and with the fact that Waste Management was unable to provide estimated cost to continue service in our area, the Board made the difficult decision to discontinue this service until further notice. If estimated costs can be provided in the future and the membership could decide to increase the garbage annual budget and re-establish the service.

FIREWISE

Mr. Tucker reported the committee continues to review all options to help make the community safer from wildfire and that he would be meeting with Department of Natural Resources soon regarding possible funding opportunities available.

He reminded all that the association Fire Hazard Debris Pick-up Service would be offered again this spring and thanked his committee members, with a special shout out to member Patricia Sells, for the many volunteer hours committed again in 2018.

COMMUNICATIONS

Mr. Tucker reminded members that the governing documents, meeting minutes, event announcements, and much more is available for ease of access on the association website www.suncove.net. He stated that Facebook is not official communication and is not always factual so it is best to contact the association office for information not found on the website.

He shared the biggest change in communications was the addition of remote attendance to Board meetings began being offered to the membership in 2018.

SOCIAL EVENTS

Chair, Bill Kneadler, shared that the 4th of July firework vendor had reported they would have to increase the amount for the normal half hour show. They had recommended a 10 minute show unless the budget was increased. As the budget had been set in October, unless members wish to make donations, increasing the budget was not an option. He then shared that there would be 3 concerts this summer; July 5th with Aaron Crawford and member sponsored concerts on July 19th and August 31st.

Member Don Sass shared the new social event established in 2018, Sip N Dip and invited all to attend the next event. Members gather in the clubhouse to socialize with their neighbors bringing a “dip” to share and their own choice “sip”.

Mr. Kneadler reminded all of the Pancake Breakfast the next morning from 8-11am followed by a farewell open house for departing employees Jason Knight and Jessicah Curry from 6-8pm.

ANNOUNCEMENT OF THE ELECTION RESULTS

Mr. Russell announced the newly elected directors: Bob Hawk, Chad Evans and Kim Martin.

CLOSING

Mr. Russell opened the floor for additional questions or comments and as no further business presented, and following a motion made by Mr. Dobraz and seconded by Mr. Prentice, the meeting was adjourned at 11:47am.

Submitted by Jeri Fifer, Acting Assistant Secretary