



LUMMI ISLAND SCENIC ESTATES COMMUNITY CLUB INC.

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MINUTES OF THE ANNUAL GENERAL MEETING AUGUST 22, 2015

Subject to approval and correction at the Annual General Meeting on August 27, 2016

CALLED TO ORDER: by President Mark Sexton at 10:06 am

Mark Sexton introduced the Board Members: Tim Slater, Ken Swanson, Doug Cash & Bridged Lott

EXCUSED: none

STAFF PRESENT: Glenda Peterson

VOTING STATUS: 34 absentee ballots received, 46 members checked-in & 14 proxies received.
Quorum

APPROVAL OF THE MINUTES: Motion: Jack Small made a motion to approve the August 22, 2015 Annual Meeting Minutes. The motion was seconded by Sue Asplund. Motion passed.

Mark Sexton discussed the lawsuit and needing more community involvement, with ones of the biggest needs in the financial department as a Treasurer.

Mark discussed that the Insurance Company has hired a new law office to represent Scenic Estates and is also reimbursing the legal fees for the last two years and they are working directly with the Board of Directors. There will still be legal expenses from the Corporate Attorney. Mark also stated that since there hasn't been time to hire a General Manager the 2016 proposed budget has a decrease in dues from \$655 to \$602.

Member asked what the time line is for the lawsuit. Mark states that we are in the middle of the discovery phase with a deadline of June 2016 to give all correspondence. Trial date is set for October 20, 2016.

Member asked the progress of the other pending lawsuits. Mark states that he believes they are all on hold until they see what the outcome of this one is since some of the issues are the same.

COMMITTEE REPORTS:

ADMINISTRATION – Tim Slater discussed the time frame of the lawsuit. He also encouraged more community participation. Tim discussed his bylaw proposal and having 10 members sign on to present a proposal instead of 2. He states that The State of Washington requires 8% to sign a petition which would be about 32 members instead of 10 he is proposing. He also discussed the reserve summary he prepared. According to the Reserve Study we will be fully funded at \$335,000 but we still need to contribute to prepare for any expenses that come up.

A member asked how much it is costing the plaintiffs if they lose. Mark states our Insurance Company is paying to defend us so it is up to them to recoup their fees from the plaintiffs.

Tim discussed the water hookup and water connection charges. We have paid engineering costs to have the amount of water connections increased to avoid the huge connections costs to members like other Cities have.

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Member talked about the proposed bylaw change from having 10 members sign versus just bringing it straight to the board for approval. She suggested filling out an application on line and presenting it to the board. Mark stated that it is the same as in the bylaws that it just changes the number from 2 to 10 members. A member stated that a member had proposed 53 changes by himself in the past and this is to prevent this from happening taking too much board member and employee time.

FINANCE REPORT – Ken discussed how everyone bought into Scenic Estates and received the rules and regulations and the bylaws and the amenities that it has to offer. This lawsuit is affecting the values in the estate, and people need to get involved and be proactive in saving the Estates. Right now there are 32 properties for sale on the island and 40% are in Scenic Estates. So far there have been 12 residential sales on the Island and in Scenic Estates there has been 1. Because the pending lawsuit has to be disclosed, it is affecting the value of the properties. He also states the Reserves are in great shape. So far this year we have collected 81% of the dues and last year we collected 88% at this time.

OPERATIONS REPORT – Cash reported that the CPR class will not be done after the meeting due to scheduling conflicts and is taking suggestions on when would be a good time to reschedule. Discussed getting an AED on the facilities. There are first response bags at the fire hall. There are atleast 4-5 members at Scenic Estates that can respond.

Member recommended putting a stair on the dock for accidental falls and flotation devices.

Cash discussed fire wise and chopping down trees. Encouraged people to clear the brush around their homes.

Discussed WiFi at the clubhouse. It was originally put on lock because someone was going over the limit. We have an agreement with Mt Baker to keep the costs down if we put a lock on it. He is open for suggestions on how to keep it under control. Cash also stated that people can log onto their own xfinity accounts and data plans and there are other places on the Island that offer free WiFi.

We did put the new dock in and used some of the money out of the Reserves. Eventually we hope to get all new docks.

Member asked how many people used the dock that aren't members and a member stated that he has had contact with people who claim they know someone who has told them it was ok. We do have a system where people are to pay and get a decal. This is only an issue a couple months out of the year.

We are also in the process of getting a winch to help put the docks in the water to help with costs.

Member suggested having work parties to get to know your neighbors and clean up.

Cash discussed a member that had a leaking toilet for a couple weeks. Just as a reminder for people to keep an eye out. If you leave for a couple weeks, turn your water off.

COMMUNICATIONS REPORT – Bridged mentioned that we have 50% of the members email addresses and encouraged updating addresses. Discussed the social events and wanting to do more but we need to get more people involved. She also discussed the lawsuit and how it decreases the values and for members to be proactive. She also thanked the board members for being such a great board. She also introduced Cheryl as being the social committee director.

Member reminded everyone that the Board meetings are every Sunday at the Clubhouse. He also discussed the social events and discussion was followed about having an Octoberfest.

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Meeting Adjourned: at 11:53 a.m.

2015 AGM RESULTS

Board of Directors:	Votes
Mark Sexton	84
Doug Cash	84

2016 Budget and Dues

86 yes versus 3 no votes

Audit

82 no votes versus 7 yes votes

ByLaw Change

83 approved votes versus 6 no votes