



LUMMI ISLAND SCENIC ESTATES COMMUNITY CLUB INC.

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MINUTES OF THE ANNUAL GENERAL MEETING August 27, 2016

Subject to approval and correction at the Annual General Meeting on August 26, 2017

CALLED TO ORDER: by President Mark Sexton at 10:16 a.m.

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

EXCUSED: none

STAFF PRESENT: Glenda Peterson

VOTING STATUS: 31 absentee ballots received, 54 members checked-in & 10 proxies received.
Quorum

Mark introduced the Reserve Consultants for their presentation. Denise Dana handed out a summary that was made available to the members and she discussed how a Reserve Study is a funding plan to be used to avoid an assessment and provide maintenance. They give 3 different funding levels per the law. They use a projection of 4-6% inflation for this year. The interest rate is hard to project. LISECC just completed a level 2 study which is an onsite study. They give you a 5 year snap shot and what to expect. Mark states we are reroofing the clubhouse this year as well as chlorine tanks. Dana explained how the fully funded balance comes from taking each component and taking their life span. This has nothing to do with the balance sheet and the value, the reserve study is for maintaining, not the replacement value. They are required to give 3 funding recommendations. LISECC is 96% funded and the recommended contribution for 2017 is \$45,000. Leslie Dempsey asks the consultants about a letter that was sent out by a member stating to just take the money out of the reserves to cover the insurance increase. The consultants state by law you have to have a repayment plan to pay that back within 2 years since it is an operating expense.

APPROVAL OF THE MINUTES: Bob Merrison makes a **motion** to approve the 8/22/15 minutes with the correction of the "third" Sunday for the Board meetings. Sue Asplund seconded the edited minutes. **Passed.**

Mark discusses a letter that was sent out by Mr. Allison stating the Boards lack of transparency. Mark states we sent out a letter over a month before the AGM discussing the insurance and the time spent and cost of piecing together a policy. He discusses the budget and how we figure out the actual expenses and then divide that by the 399 members. He also recommends an audit which is included in the budget. The accountant recommends every 3-5 years.

COMMITTEE REPORTS:

ADMINISTRATION – Tim Slater talks about the process of putting together a budget and starting with the expense side to figure out the dues. There was a deduction last year to refund the General Manager fund. He discussed the insurance and how much time was spent to put together an insurance packet with two brokers working together. Also discussed building the reserves and how that helps the property value.

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FINANCE REPORT – Ken Swanson addressed Mr. Allison's letter and them being transparent. We are at 82% dues collected for the year and at 50% for the expenses. The increase in the budget this year is for the insurance increase, audit and CPI increase. Ken and Cash discuss the water tier and it increasing but is not set in stone and will be addressed at a later time. Cash encouraged people to contact him with any suggestions.

OPERATIONS REPORT – Cash thanked all the members for their support and how well the Board is working. He also talked about having the rules put up on a platform. There has been an issue with people parking at the boat launch. The new docks are working great and he is still talking about getting a new ramp. They are putting a new roof on the clubhouse this year. There hasn't been a problem getting the docks in and out ourselves. There was discussion about other members using the boat launch. The pavement has been put on hold because of the ramp it up project. Cash also discussed the free wifi at the clubhouse being on a trial basis. Members need to contact the office to get the password. People complained about how long it took to get the ballots in Canada. A member suggested emailing the AGM material instead of mailing to cut costs. We are unable to at this time because of the seal on the ballots. A member complained about dogs at the clubhouse and would like more signs posted. A member wanted to know what we can do about cars parked on the side of the road and firetrucks not being able to get through.

COMMUNICATIONS REPORT – Bridged thanked everyone for coming and happy to see so many new people at the meeting and running for the Board. She encouraged people to get involved to form a social committee.

Meeting Adjourned: at 12:22 p.m.

2016 AGM RESULTS

<u>BOARD OF DIRECTORS</u>	<u>VOTE</u>
Leslie Dempsey	80
Gloria Maxwell	79
Tim Slater	79

2017 BUDGET & DUES INCREASE

Approved with 74 votes versus 12 no

2016 AUDIT

Approved with 68 votes versus 17 no

\$100 INSURANCE ASSESSMENT

Approved with 74 votes versus 12 no