**LAKE MINTERWOOD BEACH CLUB**

**P.O. Box 311, Vaughn, WA 98394**

**2014 Annual Meeting Minutes**

**Key Center Library Saturday, April 19, 2014 7:00 p.m.**

**1. Call to order** President Bob Sandquist called the annual meeting of the Lake Minterwood Beach Club membership to order at 7:10 pm. Bob asked other current trustees present Bob DeLaney, Robin Harvey, Ellie Klauminzer, Joe LeRoy, Chad Master, and Judy Scott) to introduce themselves and state their current roles on the Board of Trustees. Absent Trustees were Rick Anderson (hospitalized) and Josh Bissenas (work). Altogether, 81 members were represented in person, by proxies, or by submitted ballots. The meeting adjourned at 8:50 pm.

**2. Presentations by guest speakers Gary Klauminzer’s presentation (See para. 8 below).**

**3. Reading and approval of Minutes of the last LMBC Annual Meeting held April 20, 2013.**

 **NOTE: Those minutes were mailed to members in June 2012.**

Ellie Klauminzer moved that minutes of the 2013 Annual Meeting be accepted as published and not read at this meeting. Robin Harvey seconded. Passed unanimously. Minutes were mailed sent in June 2013.

**4. Introduction of members running for election to the Board of Trustees**.

LMBC members Rick Anderson, Joe LeRoy and Judy Scott had each expressed their interest in continuing to serve the Lake Minterwood community by serving on the board as a trustee. Bob Sandquist called for any other nominations. There were none.

1. **Financial report. Presentation of LMBC budget proposed for the 2014-2015 fiscal year (Aug.1, 2014 - July 31, 2015)**

The trustees presented a financial report covering the last completed fiscal year (Aug. 1, 2012 thru July 31, 2013), the current fiscal year (Aug. 1, 2013 thru Mar. 31, 2014), and the proposed budget for Aug. 1, 2014 thru July 2015. [ This budget information and comments thereon were mailed to members on April 3, 2014 prior to the meeting. ] Additional comments follow.

LMBC’s operating budget each fiscal is based on income from dues. If all 268 lots paid up, yearly income would be $64,320. However, dues received in any given fiscal year varies. In FY 2012-2013, $64,320.00 was projected but $65,653.96 was actually received. Budgeted expense was $64,320.00 while actual expense came in lower at $60,256.86. The difference of actual dues income less actual total expense amounting to $5,397.10 was placed in reserves.

The current fiscal year’s expenses to date in most categories are very comparable to last year’s expenses at this same time. A new budget line item, lake analysis and repair expenses, was able to be accommodated within the overall maintenance budget in FY 2012-13 because several other maintenance items came in lower than budgeted. For the coming 2013-14 fiscal year, budgeted income at $240 per lot (no increase in dues) is $64,320 and budgeted expenses are $64,320, the same as the current year.

**LMBC’s current financial status is shown below.** Current year funds of $13,153.41 are in LMBC’s money market account at Key Bank. Throughout the year, money from current FY funds is transferred into the checking account as needed to pay expenses. Reserves of over $111 thousand include a $25 thousand plus in a certificate of deposit with Union Bank and $85 thousand plus in LMBC’s Key Bank money market account. In today’s economy, interest on these accounts doesn’t amount to much. While $111 thousand in reserves may seem like a lot, but reserves are needed in case the pump or well needs to be replaced, work is undertaken to limit seepage from the lake, and we need to purchase new mowers. Accounts receivable, some $21 thousand owed to the LMBC by members in arrears on their accounts, is accounted as an asset. This total is not too different from prior years, and ultimately most of this money is collected, often when a home sells.

When a new home is built in Lake Minterwood, the builder posts a $1000 construction bond with the LMBC to ensure the project is completed as approved by LMBC’s Architectural Control Committee. Upon satisfactory completion, the bond is refunded to the owner. Meantime, the LMBC earns interest on these construction bonds. Thus these bonds are also listed as a liability on the chart below.

 **LMBC FINANCIAL STATUS AS OF MARCH 31, 2014**

**ASSETS**

 **CHECKING $ 3,604.38**

 **SAVINGS**

 **RESERVES SAVINGS IN CERTIFICATE OF DEPOSIT $ 25,561.41**

 **RESERVES SAVINGS IN MONEY MARKET (MM) $ 85,385.11**

 **CURRENT FY BUDGET FUNDS (THRU 7/31/14) IN MM $ 13,153.41**

 **NEW HOMES CONSTRUCTION SURETY BONDS IN MM $ 3,000.00**

 **ACCOUNTS RECEIVABLE $ 21,809.71**

 **TOTAL SAVINGS $148,909.64 $ 148,909.64**

 **TOTAL ASSETS $ 152,514.02**

**LIABILITIES**

 **CONSTRUCTION BONDS $ 3,000.00**

**ACCOUNTANT REVIEW OF LMBC’s FINANCIAL RECORDS: FINDINGS:**

* “The financial reports are fairly presented for the fiscal year in conformity with standard accounting procedures.”
* “No evidence of missing, misappropriated, or mishandled funds.”
* “Examination did not disclose any significant weakness in record keeping procedures.”
* Quickbooks software is current.

**OTHER FINANCIAL MATTERS**

* Continued Payment Plan Options. These let members avoid liens by setting up plans to spread out dues payments. The LMBC is investigating setting up a PAYPAL payment option.
* Expenditures in the completed fiscal year, current fiscal year, and proposed for FY 2014-15 were reviewed. This information and commentary was sent to members along with the ballot/proxy for the annual meeting. Two new line entries in the maintenance category were discussed. Previously, depreciation of certain assets (pump, mowers) was not displayed. For the IRS, these assets are depreciated on a 25-year basis. Seems long, yes, but if the IRS is happy, so are we! Secondly, a line for “Lake Analysis and Repair” was added to reflect this work. In FY 2012-13, this new work was accommodated within the overall maintenance budget as expenses in other maintenance areas were lower than anticipated. In the current fiscal year, some of this work may need to be covered by funds from reserves.

**6. Call for Ballots and Vote Results**  President Bob Sandquist called for ballots. LMBC members Carl Gilfoy and Don Thomson counted ballots. Bob Sandquist announced the results: Rick Anderson, Joe LeRoy and Judy Scott were elected trustees to serve 3-year terms. LMBC’s operating budget for FY 2014-2015 was approved without a dissenting vote.

**7. Review of the past year** The trustees gave a power-point presentation of highlights of the past year (April 2013 to April 2014) and spoke to their particular areas of responsibility. The word charts are condensed and included herein. **The complete power point presentation with photos will be posted on the LMBC website: www.lakeminterwoodbeachclub.org.**

**ADMINISTRATIVE MATTERS:**

* FOUR NEWSLETTERS & MEMBERSHIP INFO MAILED
* NEWSLETTERS MAILED OR HAND DISTRIBUTED TO ALL RENTERS
* NEWSLETTERS NOW PRINTED IN COLOR, ATTRACTIVE FORMATTING
* MAINTAINED LMBC WEBSITE
	+ LMBC DOCS: COVENANTS, BYLAWS, COMMUNITY & FISHING RULES
	+ NEWSLETTERS, FLYERS, ACC FORM, RESERVE FACILITIES FORM
	+ NUISANCE ANIMAL AFFIDAVITS, PIERCE COUNTY RESPONDS INFO**.**

**ARCHITECTURAL CONTROLL COMMITTEE MATTERS:**

* RECEIVED IN CY 2013: 28
* RECEIVED IN CY 2012: 31
* RECEIVED IN CY 2011: 43
* RECEIVED IN CY 2010: 29

CY 2013 PERMIT TURN-AROUND:

* 8 APPROVED IN 1 DAY OR LESS
* 11 APPROVED IN 2-3 DAYS
* 2 APPROVED IN 4-5 DAYS
* 4 APPROVED IN 6-9 DAYS
* 2 APPROVED IN 10-16 DAYS
* 1 APPROVED IN 17-30 DAYS

WIDE VARIETY OF APPLICATIONS:

 TREE REMOVALS

* PAINTING
* ROOFS
* FENCES
* OUT BUILDINGS
* NEW CONSTRUCTION
* ACC INFRACTIONS ARE HANDLED BY FULL BOARD OF TRUSTEES

**SECURITY MATTERS:**

* ADDED SIGNS AT GATE ENTRANCES -- “NO PARKING”, “FIRE LANES”
* CONTINUED TOW AWAY ARRANGEMENTS WITH MTN VIEW TOWING
* SHERIFFS ISSUE SPEEDING TICKETS
* SECURE LOCKUP OF BEACH HOUSE AT NIGHT
* BETTER ONGOING COORDINATION W/ SHERIFFS REGARDING:
	+ VANDALISM, VEHICLES PARKED LONG-TERM, SPEEDING, DRUG ISSUES

**WELCOMING AND GOODWILL:**

* SPONSORED ENVIROCORPS FOR LITTER PICKUP
	+ PICKUP ALONG KEY PEN. HIGHWAY BY LAKE MINTERWOOD
* DONATED TO KEY PEN. PARKS FOR REMOVING TIRE TRASH
* NEW OWNERS AND RENTERS WELCOMED
* CARDS SENT ON APPROPRIATE OCCASIONS

**FACILITIES MATTERS:**

* LIFE JACKET STATION INSTALLED AT BEACH HOUSE
* INSTALLED 54 WOOD POSTS IN JUNE 2013
	+ REPLACED DAMAGED CHAIN LINK FENCE
* EXTENSIVE CLEANUP OF GROUNDS IN AUGUST 2013
* 125 CU. YDS. SAND ADDED TO BEACH AUG. 2013
* 15 CU. YDS. PEA GRAVEL ADDED TO PLAYGROUND AUG.’13
* CLEANED & SERVICED BEACH HOUSE BATHROOMS WEEKLY
* CONTINUED NIGHTLY LOCKUP OF BEACH HOUSE
* EXTENSIVE REPAIR OF BEACH HOUSE SEPTIC SYSTEM
* LAKE MINTERWOOD SIGNS UPDATED & RE-INSTALLED
* WEEKLY TRASH PICKUP AT DAM CONTINUED

**LAKE MANAGEMENT:**

* **CONTINUED  NW  AQUATIC  ECO-SYSTEMS  CONTRACT  THRU  CY 2014**
* **TREATED FOR AN INFESTATION OF CATTAILS**
* **MAPPED DEPTH PROFILE OF LAKE MINTERWOOD**
* **MONITORED FOR TOXIC ALGAE & E-COLI BACTERIA**
* **REGULARLY MONITORED DAM INTEGRITY**
* **STOCKED LAKE WITH TROUT (three separate times)**

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**WELL AND PUMP STATUS:**

 WELL DUG 1985

 AQUIFER NEEDED CLEANING

 JETTED/MUD-BUSTED 4/2014

PRIOR PUMP NEW IN 2008, MET SPECS

 FAILING SINCE 2010 W/ FLOW @ 138 GPM

 REPLACED PUMP 4/2014

 FLOW NOW 192 GPM MEETING SPECS

**LAKE WATER LEAKAGE ANALYSIS & MITIGATION**

It has been known for several years that Lake Minterwood has “a leak.” It is thought that leakage is primarily through the beach area because contrary to recommendations, the developer in the 1960s did not construct a proper dam at the beach end of the lake. Rather, local materials were just bulldozed. Over time, leakage paths have developed and remediation efforts to date haven’t solved this problem.

**WHY SPEND MONEY FIXING THE LAKE ??**

**Add to community ambiance**

 Keep up our property values

 Improve fish habitat (deeper/more O2)

 Better lake swimming and boating

 Match level to existing dock and launch heights

 Reduce algae and weeds (& treatment costs)

 Improve the quality of water front

 Maintain Lake Minterwood’s status as a reservoir

**Cut costs**

 Extend the lifetime of the well

 Reduce our annual electric bill

 Avoid frequently replacing pump

 Extend maintenance life of the pump/well

 Satisfy homeowners insurance (cover hydrants)

 Keep pumping rate within permitted rate

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Robin Harvey developed a mathematical model of the lake that accounts for gains and losses of water. Robin’s analysis has given the LMBC a much better understanding of the problem and a way to better understand the depth(s) where leakage/seepage is occurring and sources of water losses. In order to more specifically identify the areas across the beach where leakage is occurring, radar analysis and trenching were done as noted below.

* RADAR MAPPED GRID UNDER BEACH
	+ DEEPEST FILL AREA IS UNDER NORTH-SIDE OF BEACH

 DUG 10-18 FT DEEP EXPLORATORY TRENCH 2/3 WAY ACROSS BEACH“BD3” TEST

* + MATCHED SOIL TO RADAR DATA ON SOUTH SIDE OF BEACH
	+ FOUND & PLUGGED ONE LEAK AREA, ABOUT 10 GPM DEPENDING ON LEVEL
	+ TRENCHING UNABLE TO REACH HARD PAN UNDER NORTH-SIDE
	+ COULD NOT FIND MAIN BODY OF LEAK, LIMITED BY TECHNIQUE/CODES
* CURRENTLY REVIEWING OPTIONS TO STEM LEAKAGE ON NORTH SIDE OF BEACH

**POSSIBLE CAPTURE OF DRAINANGE WATER**

Robin Harvey also discussed drainage in the north of Lake Minterwood. Seasonally, some flooding occurs north of 113th Street & 146th Ave. Court with runoff flowing to the north side of the dam. The board is considering how to improve drainage and at the same time divert this seasonal flow into the lake. The concept is run a drain pipe under 113th Street above the dam and add a cascade on the lake side of the dam. Adding water this water to the lake could save on pumping costs and dry out the base of the dam assisting inspection.

**LMBC-SPONSORED COMMUNITY EVENTS DURING 2013**

* **ANNUAL KIDS FISHING DERBY– JUNE 8TH, 2013**

1st “KIDS ONLY” DERBY DUE TO STATE FISHING LICENSE REQMTS

* **COMMUNITY-WIDE GARAGE SALE JULY 20-21, 2013,** **GOOD PARTICIPATION**

 **▪ ANNUAL COMMUNITY PICNIC – AUG 11TH, 2013 with**  **FUN, FOOD, GAMES**

**LAKE MINTERWOOD UPCOMING COMMUNITY EVENTS FOR 2014**

**YOUTH FISHING DERBY SATURDAY, JUNE 14TH**

 **( AGE 14 & UNDER) VOLUNTEERS NEEDED !!**

**WATER SAFETY CLASS IMMEDIATELY FOLLOWING DERBY**

**COMMUNITY-WIDE GARAGE SALE SAT. / SUN. JULY 18-20**

**COMMUNITY PICNIC & GAMES SUNDAY, AUGUST 10TH**

**ADULT FISHING DERBY ?? SAT. TO BE DETERMINED (PENDING VOLUNTEERS)**

**8. Comments by LMBC Members** LMBC member Gary Klauminzer presented a preliminary proposal to place solar panels on supports at the back of the dam at the north end of the lake. Such a system could generate almost 10 Kilowatts, an amount that would approximately offset the power required to run the motor pumping water into the lake during the summer season. There are many factors to analyze and firm up before seriously considering to invest in such a project – specific location so as not to affect the dam, how the panels would be set up so as not to adversely affect the ambiance, and funding and government incentives. The trustees asked Gary to continue researching and refining his proposal.

**9. Thanks and appreciation.** Thanks were expressed to **Anne DeLaney** and others who have regularly cleaned up the roadsides within Lake Minterwood. Thanks were expressed to the **members of the board of trustees** for their service, all of which is on a volunteer basis.

**10. Next Events** These were noted in the chart above. Regular meetings of the board of trustees are held on the third Monday of the month at the library. All members are welcome to attend.

**11. Adjournment** President Bob Sandquist adjourned the annual meeting of the Lake Minterwood Beach Club at 8:50 pm.

Respectfully submitted:

Robert DeLaney

Secretary

Lake Minterwood Beach Club