

LAKE MINTERWOOD BEACH CLUB
P.O. Box 311, Vaughn, WA 98394

2016 Annual Meeting Minutes
Key Center Library Saturday, April 16, 2016 7:00 p.m.

1. **Call to order** President Robyn McGilvrey called the annual meeting of the Lake Minterwood Beach Club membership to order at 7:10 pm. Robyn asked other current trustees present Rita Cornella, Bob DeLaney, David Dowling, Robin Harvey, Ellie Klauminzer, Judy Scott, and Randy Vint to introduce themselves and state their current roles on the Board of Trustees. Trustees John Baxter was absent (excused). Secretary Bob DeLaney advised that a quorum was met by members present in person or by submitted ballots. The annual meeting adjourned at 8:25 pm.

2. **Reading and approval of Minutes of the last LMBC Annual Meeting held April 18, 2015.**
These mailed to members in June 2015 and posted on-line at 4LMBC.org. Ellie Klauminzer moved that minutes of the 2015 Annual Meeting previously approved by the board of trustees be accepted as published and not read at this meeting. Anne Harvey seconded. Passed unanimously.

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

LMBC members David Dowling and Ellie Klauminzer expressed their interest in continuing to serve the Lake Minterwood community as a trustee. Barbara Temple-Thurston introduced herself and expressed her willingness to serve. Further information about the candidates had been mailed to members on April 4, 2016.

4. **Financial report and presentation of budget proposed for FY 2016-2017 (Aug.1, 2016 - July 31, 2017)**

The trustees presented a financial report covering the last completed fiscal year (Aug. 1, 2014 thru July 31, 2015), the current fiscal year (Aug. 1, 2015 thru Mar. 31, 2016), and the proposed budget for Aug. 1, 2016 thru July 2017. This budget information and comments thereon were mailed to members on April 4, 2016 prior to the meeting. Additional comments follow.

LMBC's operating budget is based on dues. The operating budget is conservative in that it does not include any additional income that might be received from property transfer fees, ACC fines, interest, etc. as there is no certainty any such funds will be received. If all 268 lots paid their \$240 current dues, yearly income would be **\$64,320.00**, the budgeted amount. However, in FY 2014-15, only **\$62,841.08** was actually received, \$1,478.92 below budget. In FY 2014-15, total budgeted expenses were \$64,320.00. Actual expenses for budgeted items were **\$61,925.43**, \$915.65 or 0.63% below budget. **For the coming 2016-17 fiscal year, the proposed budgeted income and expense are both \$64,320.00. Dues remain the same at \$240/lot/year.**

In FY 2014-2015, some expenses paid from LMBC's reserves. First, \$30,000.00 from reserves was used to purchase the new playground equipment. Secondly, \$9,581.58 in unbudgeted lake analysis and repair expense was incurred. In that fiscal year, the LMBC received additional income of \$6,745.28 from interest, fines, property transfer fees, ACC fines, etc. These funds plus the \$915.65 below budget savings (see above) helped pay for lake analysis and repair expenses **so only \$1,920.66 came from reserves.**

LMBC's current financial status as of April 13, 2016 is shown below.

<u>ASSETS</u>	
<u>CHECKING</u>	\$ 2,887.42
<u>SAVINGS</u>	
RESERVES SAVINGS IN CERTIFICATE OF DEPOSIT	\$ 25,639.14
RESERVES SAVINGS IN MONEY MARKET (MM)	\$ 42,069.68
OPERATING FUNDS FOR FY 2015-2016 IN MONEY MARKET	\$ 37,979.85
NEW HOMES CONSTRUCTION SURETY BONDS IN MM	\$ 3,000.00
TOTAL SAVINGS	<u>\$108,688.64</u>
<u>SAVINGS + CHECKING</u>	<u>\$ 111,576.06</u>
ACCOUNTS RECEIVABLE	\$ 26,316.64
<u>TOTAL ASSETS</u>	<u>\$ 137,892.70</u>
<u>LIABILITIES</u>	
CONSTRUCTION BONDS	\$ 3,000.00

Remaining funds for the current year are \$40,867.27 (\$37,979.85 in LMBC's money market account at Key Bank and \$2,887.42 in our checking account). Throughout the year, funds from the current FY money market account are transferred into the checking account as needed to pay expenses. LMBC's reserves currently total \$67,708.82 comprised of \$25,639.14 in a certificate of deposit with Union Bank and \$42,069.68 in LMBC's Key Bank money market account. In today's economy, interest rates on money market accounts and CDs are low.

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. The LMBC earns interest on these construction bonds. Upon satisfactory completion, the bond is refunded to the owner. Thus these bonds are also listed as a liability on the chart below.

Over \$26 thousand in accounts receivable is counted as an asset. This amount owed by LMBC members for back dues, interest, lien charges, or ACC charges is not too different from prior years. Liens have been placed on properties owing more than one year's back dues.

FINANCIAL HIGHLIGHTS

ACCOUNTANT REVIEW OF LMBC FY 2014-2015

"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."

OTHER FINANCIAL SAFEGUARDS

Two signatures are required on each LMBC check.

Trustees review all expenditures at each monthly meeting.

OTHER FINANCIAL MATTERS

- **QuickBooks On-line system implemented.** This enables LMBC's bookkeeper, treasurer, accountant, and QuickBooks consultant to all see LMBC's financial information as needed. The software is always current thus avoiding the need to periodically buy upgrades, and that for only one computer.
- **Continued payment plan options.** Members can avoid liens by setting up payment plans to spread out dues payments. Several members are doing this. It does cause more work for our bookkeeper.
- **PayPal option available on LMBC website.** Members can pay charges with debit or credit cards thru PayPal and several have.

- **Renewed 1-yr. CD at Union Bank.**
- **LMBC MASTERCARDS** now being used for LMBC purchases. These are useful for larger purchases. Formerly, trustees had to pay out of their own pockets and wait to be reimbursed.

5. Call for Ballots and Vote Results President Robyn McGilvrey called for ballots. Secretary Bob DeLaney advised that from the ballot/proxy votes already in hand, it was obvious that David Dowling, Ellie Klauminzer, and Barbara Temple-Thurston had been elected as trustees and that the proposed budget was approved. In the interest moving the meeting along, Bob suggested proceeding directly to the review of the past year's highlights. He said that LMBC members Scott Ludlow and Shareen Desimone would count and certify the ballots immediately following the briefing. All present concurred in this. **The certified results were: LMBC members David Dowling, Ellie Klauminzer and Barbara Temple-Thurston were unanimously elected trustees to serve 3-year terms ending in April 2019. LMBC's operating budget for FY 2016-2017 was approved with only one dissenting vote.**

6. Review of the past year The trustees gave a power-point presentation of highlights of the past year, each speaking 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.4LMBC.org.**

ADMINISTRATIVE HIGHLIGHTS

- Newsletters are now placed on-line at LMBC's website, 4LMBC.org
- Members are notified by postcards when new newsletters are posted
- Newsletter notifications or hard copies are given to all renters
- LMBC'S Website was significantly upgraded [THANKS GARY KLAUMINZER!!!] Website has:
 - LMBC Documents: Covenants, Bylaws, Community Rules and Fishing Rules
 - LMBC Board Meeting Highlights are posted monthly
 - Newsletters and flyers
 - LMBC Forms: ACC Form, Reserve Facilities Form
 - Neighborhood Walking Map
 - PAYPAL facility for paying dues
 - Nuisance Animal Affidavits, Pierce County Responds Information

ARCHITECTURAL CONTROL COMMITTEE HIGHLIGHTS

In CY 2015, the ACC received 28 requests for approval of projects ranging from new home construction, to fencing, tree removal, re-roofing and painting. As shown below, 71% of the requests were approved within one day or less! and 82% within a week. Those taking longer generally involved new construction or time needed to arrange a meeting with the property owner. Lake Minterwood has few remaining buildable lots. Any fines for ACC infractions must be approved by the board of trustees, not just the ACC.

- RECEIVED 2015/2016 28
- RECEIVED IN CY 2014: 29
- RECEIVED IN CY 2013: 28
- RECEIVED IN CY 2012: 31
- RECEIVED IN CY 2011: 3
- RECEIVED IN CY 2010: 29

- CY 2015-16 TURN-AROUND
- 20 APPROVED IN 1 DAY OR LESS
- 1 APPROVED IN 2-3 DAYS
- 2 APPROVED IN 4-5 DAYS
- 2 APPROVED IN 6-9 DAYS
- 0 APPROVED IN 10-16 DAYS
- 3 APPROVED IN 17-30+ DAYS

SECURITY HIGHLIGHTS

- Ongoing coordination with Sheriffs regarding vandalism, vehicles parked long-term, speeding, drugs
- LMBC provides monthly update notices to sheriffs of vacant properties, seasonally occupied properties
- Continued tow away arrangements with Mountain View Towing
- Securely locked up beach house at night
- Cleared brush to improve visibility & safety at corner of Minterwood Drive and dam
- Minterwood car pass signs are being planned. Members will get two passes to place in their car windows when parked at the beach, dam, or 113th St. cul-de-sac. This will help identify poaching, etc.
- FOR EMERGENCIES: DIAL 911 FOR NON-EMERGENCIES: SHERIFF, 798-4721, OPTION 1

WELCOMING AND GOODWILL HIGHLIGHTS:

- Sponsored EnviroCorps to pickup litter along Key Peninsula Highway adjacent to Lake Minterwood PO
- 32 New owners and renters were welcomed. They were given LMBC information and candy.
- Cards were sent to members on appropriate occasions.

FACILITIES HIGHLIGHTS:

- New playground equipment was purchased and installed in August 2015. The new playground has been very well received by the community.
- Hazardous trees were removed by the dam and play area.
- Removed two trees that fell from Tract B onto a member's shed causing damage.
- Contracted with Gary Cornella for grounds-keeping services for 2016.
- Community Cleanup on April 9, 2016 included curbside pickup of member's large items at no cost. COMMENT: "MUCH JUNK, TOO LITTLE HELP" The trustees will review how this is done in the future.
- Cleaned and serviced the beach house bathrooms weekly.
- Continued nightly lockup of beach house.
- Continued all-year weekly trash pickup at the dam.
- New trash cans were installed at all current locations.
- New doggie pickup stations have proven to be popular and useful.

LAKE MANAGEMENT HIGHLIGHTS:

Lake Committee Responsibilities:

- Water Quality
- Weed Control and Lake Mapping
- Fish Stocking
- Pump and Well
- Status of water supply system, maintaining LMBC2 Lake Monitoring System
- Leak Mitigation Projects
- Evaluating an option to reroute flood waters into lake

Actions:

- Continued contract with Northwest Aquatic Ecosystems into CY 2016
 - Treated lake for Algae and cattails
- Monitored for toxic algae and E-Coli bacteria
- Regularly monitored the dam for integrity
- Regularly monitored and tested water quality. Test results were as shown in the table below.

Location	Date	Counts per 100 mill
SWIMMING AREA	5-21-2015	120 & 150
SWIMMING AREA	7-09-2015	20 & 20
SWIMMING AREA	8-26-2015	< 1.7

WASHINGTON STATE REQUIREMENT FOR SWIMMING BEACHES < 200
 PIERCE COUNTY RATING STANDARDS FOR E-COLI
 QUALITY FRESH WATER STANDARDS:

AA Extraordinary < 50 A Excellent < 100
 B Good < 200 C Fair < 400 (Level for Concern)

- Responded to WA State Dept. of Ecology proposed changes to Shoreline Management Plans
- Proposed Shoreline Management Regulations impact “Lake Mint4erwood. They assume our lake meets the criteria of “large lakes”, i.e. over 20 acres and is a “navigable lake.”
 - Board is responding with a formal letter questioning if the required confirmations for these criteria are met.
 - Developed properties are grandfathered in zoning
 - Proposed new regulations would affect new docks and dock replacements
 - Future Dept. of Ecology plans: eliminate bulkheads, work with owners regarding native species
- **FISH STOCKING:**
 Stocked 3 times in 2015: May 31, July 11, and August 23
 LMBC is permitted by WA State Dept. of Fish and Wildlife to stock fish 3 times this

year:

- \$2000 worth in April
- \$1000 worth 4 days prior to Kids Fishing Derby June 4, 2016

- 1000 later into summer
- \$4,000 per year provides ~1000 rainbow trout (some BIG ones).
- WSDFW requires: fishing license & adherence to WA State fishing regulations.
- The LMBC Board doesn't have manpower to enforce these rules.

• **LAKE MINTERWOOD PUMP AND WELL STATUS:**

History over 1985 – 2016 shows:

- Well capacity is declining
- Pumps last 5 years or less
- Aquifer level is as good as it has been
- Forecast for the 2016 lake season:
 - Present pump/well flow rate of 162 gallons/minute is marginal
 - Expect lake level to be about the same as in 2015

2015 LMBC SPONSORED COMMUNITY EVENTS:

- **ANNUAL KIDS FISHING DERBY– JUNE 6TH, 2015**
 “KIDS ONLY” DERBY DUE TO STATE FISHING LICENSE REQMTS
- **COMMUNITY-WIDE GARAGE SALE JULY 17-19, 2015 HAD GOOD PARTICIPATION**
ANNUAL COMMUNITY PICNIC – AUG 9TH, 2015: DEDICATED NEW PLAYGROUND, FUN, FOOD, GAMES

2016 UPCOMING LMBC-SPONSORED COMMUNITY EVENTS:

YOUTH FISHING DERBY , SATURDAY, JUNE 4TH for age 14 & under. **VOLUNTEERS NEEDED !!**

A WATER SAFETY CLASS IS PLANNED FOR IMMEDIATELY FOLLOWING DERBY
COMMUNITY-WIDE GARAGE SALE FRI/SAT / SUN JULY 15-17
COMMUNITY PICNIC & GAMES SUNDAY, AUGUST 7TH

8. Thanks and appreciation On behalf of the community, the board of trustees expressed thanks to the following LMBC members for their service to the Lake Minterwood community:

RICK ANDERSON, BOB SANDQUIST, AND BOB DELANEY for their service on the Board of Trustees.

ANNE DeLANEY & JUDY SCOTT for regular trash pickup along Minterwood streets. Regrettably, people discard trash along streets in Lake Minterwood. Nearly every week, Anne and Judy pick up trash and recyclables and dispose of them properly. Judy also keeps up the flowers at the Lake Minterwood sign at the entrance to Lake Minterwood.

Work party volunteers but especially **Joe and Robyn McGilvrey** for all the work they did on getting the new playground equipment installed.

JOE & ROBYN MCGILVREY, DAVID DOWLING, GARY CORNELLA for all their work during the neighborhood junk pickup on April 9-10, 2016.

DALE McQUEEN, a former trustee and board president, made a flower planter at the Minterwood Drive entrance to the beach, planted flowers in it, did much cleanup, and helped with new signage.

WORK PARTY VOLUNTEERS -- More generally, the board thanks members who helped clean up the park areas and beach, clear brush from the corner of Minterwood Drive and 113th Street, and showed up to help with the fishing derby, the community garage/yard sale, and the

community picnic, served on committees, etc., -- helping with things large and small to make our community a great place to live. THANKS ONE AND ALL !!!

The Board of Trustees on behalf of the Lake Minterwood community presented Bob DeLaney with a commemorative bowl filled with good Lindor candy in recognition of his 18 years as a trustee serving as LMBC Secretary, Treasurer, and newsletter editor. Bob said the candy was for his wife Anne as a small reward for putting up with him doing all this for so many years.

9. Next Events These were noted just above. Regular meetings of the board of trustees are now held on the **third Wednesday** of the month at the library. The next regularly scheduled meeting of the board of trustees is May 18, 2016 at 7:00 pm at the Key Center Library. All members are welcome to attend.

Respectfully submitted:

**Robert DeLaney
Past Secretary
Lake Minterwood Beach Club**

NOTE: Members are encouraged to visit LMBC's web site www.4LMBC.org to view the power point presentation given at the annual meeting. It has all charts, slides, and photos that accompanied the above discussion.