

Lake Limerick Country Club, Inc.

E. 790 ST ANDREWS DRIVE
SHELTON, WASHINGTON 98584

BOARD OF TRUSTEES

AGENDA

FEBRUARY 17, 1989

ROLL CALL

MINUTES, JANUARY 20, 1989

JAY HARMON, MASON COUNTY ENGINEERS

COMMITTEE REPORTS:

GREENS -	GEORGE OLSON
WATER -	GARTH ANDERSON
LAKE/DAM -	DAVE BEST
ARCHITECTURAL -	JOHN STRICKLIN
MAINTENANCE -	JACK KING
INN -	HELEN WOODRUFF
LONG RANGE PLANNING -	AL WILSON
NOMINATING -	VEE GAFFNEY
EXECUTIVE -	PATTI GRONSETH

FINANCIAL REPORT - NAN STRICKLIN

ANNOUNCEMENTS

NEW BUSINESS:

Lake Limerick Country Club, Inc.

E. 790 ST. ANDREWS DRIVE
SHELTON, WASHINGTON 98584

426-3581

BOARD OF TRUSTEES
AGENDA
FEBRUARY 18, 1989

ATTENDANCE

MINUTES

FINANCIAL REPORT - NAN STRICKLIN

COMMITTEE REPORTS

GREENS COMMITTEE	- JERRY FAIRBANKS
INN COMMITTEE	- JACK KING
WATER COMMITTEE	- JERRY SOEHNLEIN
ARCHITECTURAL COMMITTEE	- PAT FEIST
LAKE/DAM/CREEK COMMITTEE	- PATTI GRONSETH
MAINTENANCE COMMITTEE	- GEORGE OLSON
LONG RANGE PLANNING	- ROB WILSON-HOSS
EXECUTIVE COMMITTEE	- FRANK PELK

NEW BUSINESS

OLD BUSINESS

CORRESPONDENCE

ADJOURN

LAKE LIMERICK COUNTRY CLUB, INC.
BOARD OF TRUSTEES
FEBRUARY 18, 1989

The meeting was called to order at 9:00 a.m. by President Frank Pelk.

Trustees attending were Frank Knoll, Jim Nutt, Rob Wilson-Hoss, Nan Stricklin, Pat Feist, John Getty and John Thompson. Trustees Dave Rumberger, Patti Gronseth and George Olson were given excused absences.

Also attending were Jack King, Jeff Jackson, Jerry Soehnlein, Jerry Fairbanks, Bernie Nolan, Chuck Stewart and Jerry Boles.

Motion was made by Tr. Getty, seconded by Tr. Thompson and carried by the Board as follows:

To accept the minutes as written for the January 21, 1989 meeting.

President Pelk commented that Jerry Hoeye is to price two more gas burners for the kitchen, that the person living on Pratt's property has left and that Hackell has applied for a septic system.

GREENS COMMITTEE - Jerry Fairbanks, Chairman

January's green fees were \$550.00.

Mr. Fairbanks reported that the Greens Committee had reviewed the data Jeff Jackson had prepared and feels that the annual amounts run with what the Pro's report reflected. Mr. Fairbanks stated that the Senior Singles and Senior Couples groups are the largest groups buying annual green fees. Senior Couples played 4325 rounds, divided by 9943 equals 43.5% of rounds played which come to 43.76% of greens revenue. Senior Singles played 1480 rounds which equal 14.9% of rounds played, which came to 15.3% of greens revenue. He pointed out the regular members, for what ever reason, play less and usually play on the weekends. Non-member annuals play 2.7% rounds and paid 6.7% greens revenue. Tr. Wilson-Hoss questioned who off sets the rest and Mr. Fairbanks explained that its a case where the regular members and non-members pay more on a percentage basis than they play, that we can't control what the member choses to do. He then reported that it was the committee's consensus that the fees are generally fair and equitable. Tr. Wilson-Hoss stated he had trouble with the concept of certain categories that underwrite the play of other people within that category and not underwriting the play of everyone.

At this time Chuck Stewart addressed that Board concerning an easement approved to go thru a greenbelt on Division Four, Lot 096 which would allow access to children and families of Lake Limerick to a proposed ballfield. He stated several instances, he believed, where applications to go thru a greenbelt had been denied by previous Boards, including a request by Mason County to straighten part of Mason Lake Road. He also questioned the Board's reasoning for granting the easement. He stated that he felt that if there was to be policy changes, a majority of the people, not the Board should give permission.

Tr. Thompson suggested that there be a Board sponsored party for the kid's of Lake Limerick, perhaps on the Labor Day weekend. This will be discussed at a later date.

Also suggested by Tara, a news flyer addressed to the kids, with coming events and activities geared for them.

The Sweetheart's Dance was a complete success.

Linen service will be cut back because the company doesn't feel Lake Limerick is that profitable. The furniture has been anchored down in the lobby and the doors should be installed this month.

WATER COMMITTEE - Jerry Soehnlein, Chairman

Mr. Soehnlein reported that the water rights for Well #6 have been established. The P.U.D. #3 power application has been sent in for approval and Well #6 should be on line this summer. Most freezing problems were caused by owners who did not winterize their lines. A maintenance list has been put together.

ARCHITECTURAL COMMITTEE - Tr. Pat Feist

The Architectural Committee feels that the notice in the Newsletter concerning new mobile homes only in Division Four and Five should be sent to all property owners in these divisions.

The committee feels that when a property owner is in violation of the Declaration of Restrictions, a letter should be written and ask them to attend a meeting to explain what they are doing and then to have the committee explain to them what the rules and restrictions are and ask for their solution to the problem.

Four applications were approved.

The owner of Division Three, lots 221 and 222 has voiced his concern of off road vehicles crossing his property and going thru the greenbelt to get to Hoefert's property. The owner has contacted the Sheriff's department and the committee will work with him as much as possible.

A letter has been sent to the owner of Division One, Lot 179 whose home is in disrepair.

Tr. Feist distributed a draft of the job description for Architectural Field Representative for Board approval.

Motion was made by Tr. Feist, seconded by Tr. Getty and carried by the Board as follows:

To recommend the Board of Trustees adopt the job description

and recommend that the Executive Committee advertise the position thru the Newsletter and hire someone for the position of Architectural Field Representative.

Chuck Stewart questioned the need for this position, stating he felt Lake Limerick was duplicating the county and state requirements. President Pelk, Trs. Feist and Getty tried to explain to him that Lake Limerick has restrictions above and beyond county and state requirements. Mr. Stewart then questioned why Lake Limerick employees shouldn't be instructed to check out all Architectural applications during their working day. Tr. Thompson and Mr. Fairbanks explained to him that the employees did not have to be exposed to what, at sometime, could be a stressful confrontation and that we don't pay employees to go check things out. If we can't find volunteers to dedicate the time needed for the position, then the Board has the responsibility to Lake Limerick Country Club to insure the restrictions are enforced. Mr. Stewart stated that he watches his area and all members should do the same.

LAKE/DAM/STREAM COMMITTEE - Tr. Patti Gronseth, by Jerry Fairbanks

Mr. Fairbanks discussed the income tax status of the flood detention structure project, should the special assessment be voted in at the Annual Meeting. All taxes (local, state and federal income) and legal fees are included in the proposed special assessment package.

Mr. Soehnlein presented an outline of a letter the Lake Committee wants sent to the membership addressing the history of the Department of Ecology Dam Safety's mandate, alternatives, the flood detention structure proposed, sedimentation basin, other future projects, costs and recommendations. A Town Meeting will be scheduled for April 08, 1989. If the project is approved, work will begin immediately with a completion day on October 27, 1989 at 1:30 p.m. He also commented that a meeting with the Club's accountant concerning the depreciation of the project (10 years or possibly 20 years) needs to be held as soon as possible.

Motion by Tr. Wilson-Hoss, seconded by Tr. Stricklin and carried by the Board as follows:

The Board of Trustees authorizes pledging the assets of the corporation to finance this project if the assessment is passed by the membership.

Discussion followed that this motion was necessary due to the new federal income tax status the Club would be placed in by the taxable income from the special assessment. The assessment to be voted on will be a three (3) year assessment at \$50.00 per year.

Department of Ecology's request for volunteers to monitor water quality in the lakes was rejected. A letter will be sent to owners in Division Three concerning ropes and buoys in the lake asking them to remove them within 30 days.

Discussion was had on the lake level and installation of the weir board, April 01, 1989.

MAINTENANCE DEPARTMENT - Tr. George Olson, by President Pelk

It was reported that the golf employee will be back to work on February 20th, after a temporary one month lay off. The office and Board Room have been painted and new lights and fan were installed. The doors for the Dining Room entrance have been received. The roof needs to be repaired and the deck will be repaired after the freeze.

LONG RANGE PLANNING COMMITTEE - Tr. Rob Wilson-Hoss

A written report will be prepared about the meeting with the Club's accountant. Taxable income is a concern. Investigating the Club's tax status has revealed that there could be non-taxes entities, such as funds for planned lake and water projects. This would cause the governing body of Lake Limerick Country Club to become two separate boards, one for non-profit activities and one for profit operations. Tr. Wilson-Hoss feels that having two different boards would be unfeasible, what could be a workable solution would be to establish, in the budget, two different reserve funds. One reserve would be for maintenance/repair, the second reserve for "big ticket" items. These funds would be kept in separate bank accounts, with a set of rules and restrictions of how these monies are to be used. With the Club not pushing past debts into future budgets, as has happened in the past, the Board needs to start considering utilizing reserve accounts for the future.

EXECUTIVE COMMITTEE - President Frank Pelk

President Pelk reported that a set of housecleaning rules was given to the Pro by Mr. Fairbanks, with the requirement of trail fees for the Pro's golf carts be eliminated. The painting and repairs of the Clubhouse are coming along. The Pro held a snow tournament during the bad weather and we are waiting for a quit claim deed from Candra Coleman.

NEW BUSINESS

At this time, Mr. Stewart again questioned the Board on his concerns of the easement granted thru the greenbelt on Division Four, Lot 096. He feels that it is leaving the door open to a developer and that the Board could be aiding a developer's efforts. President Pelk objected

to the allegations that the Board was not working for the total good of Lake Limerick Country Club, that the easement granted was for the protection of Lake Limerick Country Club and the land for the ballfield is to be deeded to Lake Limerick Country Club. Tr. Feist stated that the Board felt that they had made a rational decision concerning not allowing any type of development to become an extension of Lake Limerick Country Club -- Lake Limerick Country Club will never supply any amenities to an outside development, if they even occur.

President Pelk reported that he will attend a Gambling Commission seminar for Bingo and Card Room licensees, as required by the state. Tr. Wilson-Hoss discussed a foreclosure, in which the owner was asking the Board to withhold proceedings because the property was up for sale. The foreclosure proceedings will go on as scheduled. The issue of FHA/VA loans not made available to Lake Limerick prospective buyers was discussed. The reason for these loans not being made available to Lake Limerick is because our water system is a private water system.

Tr. Wilson-Hoss reported on a bill, drafted by Senator Brad Owen, that would make past due assessments, etc., not forgiven if the property is sold at a tax foreclosure sale. A letter to other home owner associations has been sent detailing this bill.

Tr. Stricklin reported that Brad & Dunstreet have a "good risk" rating for Lake Limerick Country Club.

OLD BUSINESS

Mr. King reported on the Nominating Committee in lieu of Lou Redman's absence. Candidates for the Water Committee are Herb Henning, Del Hartwell, Jr., Don Mugford and Pat Paradise. Candidates for the Board of Trustees are Frank Knoll, Clyde Combes, Bernie Nolan, Larry Sisson, Al Wilson, Helen Woodruff and Patti Gronseth. Jerry Boles requested that his name be added to the candidates list for both the Water Committee and the Board of Trustees.

The deadline for the Newsletter is March 18, 1989.

Motion was made by Tr. Wilson-Hoss, seconded by Tr. Getty and carried as follows:

Move to adjourn the meeting.

Respectfully submitted,

Lauren E. Barrett
FILL IN NOTE TAKER

LAKE LIMERICK COUNTRY CLUB, INC.
SPECIAL BOARD MEETING
FEBRUARY 25, 1989

The meeting was called to order by President Frank Pelk.

Trustees attending were Pat Feist, Frank Knoll, Dave Rumberger, Jim Nutt, Nan Stricklin and John Getty. Trustees Rob Wilson-Hoss, Patti Gronseth, John Thompson and George Olson were excused.

Also attending were Jerry Soehnlein, Dave Best, Jerry Fairbanks and Chuck Stewart.

The meeting was called to discuss financing and federal income tax impact if the special assessment is passed. Mr. Soehnlein talked about the significance of the balanced budget Lake Limerick Country Club has (for the first time) and the fact that we no longer have carry overs from previous years. He went on to explain how capital expenditures are depreciated up to 20 years and that expenses are wiped out after one year. It has been recommended by the Club's accountant that if the special assessment passes the monies will need to be in a separate account to check the flow of the money. It was discussed that the money for this project should be borrowed to defer the income. If the monies for this project were brought in all at once, rather than over a three year period, we could pay as much as 33% of assessment collected to federal income tax and we can borrow the money at 12% with interest write off.

Mr. Soehnlein discussed the fact that the flood detention structure and sedimentation ponds will be able to be depreciated at a 20 year rate, which will equal the 20 year depreciation losses now depreciated out. He diagramed the federal income tax impact on the project (attached) and stated the importance of a three year assessment over a one time assessment.

After much discussion, it is Mr. Soehnlein's feeling that Phase I, rather than Phase I & II together (deferring Phase II for three years) would benefit the membership due to the federal tax status the Club would be thrown into.

A letter describing the options we have will be sent out to the membership the first week of March explaining the whole situation. A Town Meeting will be held April 08, 1989 to answer questions on this matter and the issue will be voted on April 22, 1989 at the Annual Meeting.

Meeting adjourned at 11:06 a.m.

Respectfully submitted,

Lauren E. Barrett