

LAKE LIMERICK COUNTRY CLUB, INC.
BOARD OF TRUSTEES
ELECTION OF OFFICERS
APRIL 22, 2000

The meeting was called to order by Darrell Winans at 4:00 p.m.

Members attending were: Keith Smith, Scott Carey, Don Cox, Tom Taylor, Bill Buff, Chuck Hancuff, Mary Lou Trautmann, Gene Metz, Esther Springer-Johannesen.

The purpose for this meeting was to elect officers; no other business was conducted.

Nominations were open for the position of President.

A motion was made by Bill Buff, seconded by Esther Springer-Johannesen and passed as follows:
to nominate Darrell Winans for President:

A motion was made by Bill Buff, seconded by Mary Lou Trautmann and passed as follows:
To close the nominations

Darrell Winans was elected President by acclamation, it was passed unanimously.

Nominations were open for the position of Vice President.

A motion was made by Esther Springer-Johannesen, seconded by Mary Lou Trautmann, and passed as follows:

to nominate Scott Carey for Vice-President

A motion was made by Bill Buff, seconded by Gene Metz and passed as follows:
To close the nominations

Scott Carey was elected Vice President by acclamation, it was passed unanimously.

Nominations were open for the position of Treasurer.

A motion was made by Mary Lou Trautmann, seconded by Scott Carey and passed as follows:
to nominate Bill Buff for Treasurer:

A motion was made by Don Cox, seconded by Gene Metz and passed as follows:
To close the nominations

Bill Buff was elected Treasurer by acclamation, it was passed unanimously.

Nominations were open for the position of Secretary.

A motion was made by Scott Carey, seconded by Bill Buff and passed as follows:
to nominate Esther Springer-Johannesen for Secretary:

A motion was made by Tom Taylor, seconded by Mary Lou Trautmann and passed as follows:
To close the nominations

Esther Springer-Johannesen was elected Secretary by acclamation, it was passed unanimously.

The meeting was adjourned at 4:07 p.m.

Respectfully Submitted by:
Sheila Hedlund
Executive Administrative Assistant

Preliminary Minutes, not approved by the Board of Trustees. For Review Only.



LAKE LIMERICK COUNTRY CLUB, INC,

790 E. St. Andrews Drive

Shelton, WA 98584

Phone (360) 426-3581, Fax (360) 426-8922, e-mail lakelim@hctc.com

BOARD OF TRUSTEES April 15, 2000

ROLL CALL:

Vice President Darrell Winans called the meeting to order at 9:00 a.m. Trustees attending the meeting are, Secretary Scott Carey, Trustee Gene Metz, Trustee Ruby Bailey, Trustee Esther Springer-Johannesen, Trustee Nan Stricklin, and Trustee Mary Lou Trautmann.

Trustees absent are President Dick Lombard, Trustee Don Cox, Trustee George Buckley, and Treasurer Bill Buff.

APPROVAL OF MINUTES:

Motion made by Tr. Scott Carey, seconded by Tr. Mary Lou Trautmann, and carried by the Board as follows:

The Board of Trustees approved the minutes of March 18, 2000 as presented.

FINANCIAL REPORT: Scott Carey

Secretary Scott Carey recapped the March Income and Expense Financial Reports.

Motion made by Tr. Mary Lou Trautmann, seconded by Tr. Scott Carey, and carried by the Board as follows:

The Board of Trustees approved the March 2000 financial reports.

Motion made by Tr. Esther Springer-Johannesen, seconded by Tr. Scott Carey, and carried by the Board as follows:

The Board of Trustees approved the Consent Agenda with the following additions: 3. Fish Ladder.

ITEMS FROM THE CONSENT AGENDA:

Consent Agenda Item 1. Absentee Ballot Count

Vice President Darrell Winans noted 246 absentee ballots have been returned to the office, the quorum has been met.

OLD BUSINESS

1. Lake Limerick Lot Sale Status

Wilson-Hoss's office, the club attorney, has only received inquiries, no offers, on the Lake Limerick Country Club lots. The sale of the lots will be turned over to the real estate agent on April 21, 2000.

2. Resolutions 2000-1

The resolution for the General Manager position was approved by the attorney and sent to the County for recording.

NEW BUSINESS:

1. Restaurant Ice machine

The restaurant ice machine failed completely. The existing machine was purchased used in 1992 and the repairs have been extensive. The Inn Committee and Executive Committee decided to purchase a new ice machine for \$2,242.29. There were three bids and this was the lowest quote.

2. Spillway Fencing

The liability insurance company completed our survey 3/10/2000. One of their recommendations is raising the fence at the dam spill area and putting barbed wire at the top. The current bid with no gates or barbed wire is \$7,000.00. The board will table the fence for now. Dave Chestnut will contact Dam Safety Dept of Ecology in order to comply with their regulations. He will also get quotes for large colored signs reading "stay off the spillway".

3. Fish Ladder

The maintenance department has replaced all but the bottom weir boards at the fish ladder. We are now in compliance with the regulations.

EXECUTIVE:

COMMENTS FROM MEMBERSHIP:

Ray Harley div 3 lot 110 discussed the following:

- Hiring the manager. Vice President Darrell Winans said nothing would be decided until after the annual meeting. The transition team will develop guidelines for hiring and the job description, and will present the report to the board for approval. Ray Harley volunteered to serve on the transition team.
- Board of Trustees Procedures and Committee Guidelines. The Board of Trustees duties are outlined in the By-Laws of Lake Limerick Country Club, and the Committee Guidelines are in the office.
- Washington Sales Tax and Federal Income Tax 990. Lake Limerick Country Club pays Sales Taxes, even though we have been a "Washington non-profit, non-stock corporation" since September 12, 1975. The Lake Limerick Country Club conversion to a "Federal IRS Code Section 501(c) 3 tax exempt organization" status was established September 1, 1995. We file Forms 990 and 990-T with the Internal Revenue Service.
- Motion from the Floor at the General Meeting: The By-Laws of Lake Limerick Country Club describe the powers and duties of the board of trustees. Article V MEETINGS Sections 7. "Except as may otherwise be provided by law, all meeting of members and trustees shall be governed by Roberts' Rules of Order."

Diana Sargent div 3 lot 386 is holding a craft fair for Fir Lane Health and Rehabilitation Center and requested the board to reduce the hall rental fees. Inn Committee Chairperson Mary Lou Trautmann addressed the policy for member and non-member rental of the great hall. Lake Limerick member Memorial Services are the only events that are not charged a rental fee.

Motion made by Tr. Nan Stricklin, seconded by Tr. Mary Lou Trautmann, and carried by the Board as follows:

The Board of Trustees will donate one dinner for two for the Fir Lane Health and Rehabilitation Center Craft Fair.

CORRESPONDENCE:

Scott Carey read a resignation letter from the Board of Trustees written by Dick Lombard. He and Veronica have sold their Lake Limerick property.

ANNOUNCEMENTS:

1. Thank you to Board Members that have served last 3 years: Dick Lombard, George Buckley, Don Cox, Nan Stricklin Water Committee: Morgan Terwilligar and Henry Yates.
2. April 22nd: Easter Egg Hunt (10:00 am), Magpies Bake Sale (10:00 am), Annual Meeting (Registration 12:00 to 2:00, Coffee Hour 12:00 to 1:00 pm, Meeting 2:00 pm)
3. April 23rd: Easter Brunch (11:00 to 3:00)
4. April 29th: Fishing Derby Fishing Derby Tickets \$5.00 (6:00 to 9:00am) Awards 10:00 am (changed from 12:00 pm)

Motion made by Tr. Esther Springer Johannesen, seconded by Tr. Mary Lou Trautmann and carried by the Board as follows:

The board of trustees adjourned the meeting at 10:00 a.m.

Respectfully submitted, Scott Carey, Secretary

Preliminary Minutes not approved by the Board of Trustees, for review only.



BOARD OF TRUSTEES - LAKE LIMERICK COUNTRY CLUB

April 15, 2000 9:00 A.M.

- I. ROLL CALL:** **Scott Carey**
II. APPROVAL OF MINUTES: **BOT Minutes of March 18 Meeting**
III. FINANCIAL REPORT: **Bill Buff**
IV. CONSENT AGENDA: (Committees)

Architectural Committee	Election Committee	Financial Advisory Committee
Greens Committee	Inn Committee	Lake/Dam Committee
Long Range Planning. Committee	Maintenance/Parks Committee	Nominating Committee
Security Committee	Water Committee	Youth Committee

(Reminder: non-smoking meeting, we will break every hour)

ITEMS FROM CONSENT AGENDA:

1. Absentee Ballot Count
- 2.

V. OLD BUSINESS:

1. Lake Limerick Lot Sale Status, only inquiries to date (4/21/00 Wilson-Hoss Office)
2. Resolution 2000-01 Approved by Attorney and recorded at County

VI. NEW BUSINESS:

1. Restaurant Replace Ice machine (\$2,242.29)
2. Spillway Fencing

EXECUTIVE:

- 1.
- 2.

VII. COMMENTS FROM MEMBERSHIP:

VIII. CORRESPONDENCE:

IX. ANNOUNCEMENTS:

1. Thank you to Board Members that have served last 3 years: Dick Lombard, George Buckley, Don Cox, Nan Stricklin Water Committee: Morgan Terwilligar and Henry Yates.
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4. April 29th: Fishing Derby Fishing Derby Tickets \$5.00 (6:00 to 9:00am) Awards 12:00 pm

MOTION TO CONVENE TO CLOSED SESSION:

(The Motion must state Specifically the purpose for the closed session and must be referenced in the minutes)

X. CLOSED SESSION:

(The closed session may only include matters dealing with personnel matters; legal counsel or communication with legal counsel; and likely or pending litigation of an owner to the association.)

XI. MOTION TO RECONVENE TO OPEN SESSION:

XII. MOTION TO ACCEPT ALL CLOSED SESSION MOTIONS:

(Motions or agreements made in closed session may not become effective unless the board, following the closed session, reconvenes in open meeting and votes in the open meeting on the closed session motions.)

XIII. MOTION TO ADJOURN MEETING:

Lake Limerick

From: <RAYHINC@aol.com>
To: <w.buff@worldnet.att.net>
Sent: Tuesday, April 18, 2000 9:10 AM
Subject: Re: Last Board meeting.

Thank you,

You might check with person chairing the last board meeting in reference to the Policy and Procedure Manual covering all functions of the Board and it's committee's. I asked if Limerick had any such P&P manual and was told that you do. So I requested a copy to review. Thank you.

Respectfully; Ray Harley

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Lake Limerick

From: Lake Limerick <lakelim@hctc.com>
To: Ray Harley <RAYHINC@aol.com>
Cc: Darrell Winans <DARJULWIN@AOL.com>; Bill Buff <w.buff@worldnet.att.net>
Sent: Thursday, April 20, 2000 4:01 PM
Subject: Questions

Hello Ray: VP Darrell Winans was in today and asked me to respond to your questions. We have the various policies and tax information on file in the office. If you would like to stop by we can give you the files to read here, or copy items at a cost of 10 cents per page after the first 6 pages. Sincerely, Suz Office Manager

Page 1 of 1

Lake Limerick

From: <RAYHINC@aol.com>
To: <lakelim@hctc.com>
Sent: Thursday, April 20, 2000 9:38 PM
Subject: Re: Questions

Thank you, I may just do that.

Respectfully; R Harley

*cc Danell***Lake Limerick**

From: William Buff <w.buff@worldnet.att.net>
To: <RAYHINC@aol.com>; Suz Sirokman <lakelim@hctc.com>; Glenna Buff <glennabuff@worldnet.att.net>
Sent: Monday, April 17, 2000 6:55 PM
Subject: Re: Last Board meeting.

Mr Harley,

I unfortunately could not attend the Saturday Board of Trustees Meeting due to a conflict with my work schedule. I understand from the memo below that you want more information concerning the Federal Tax Status of LLCC. We will be glad to give you the information of our Election with the IRS about 3 years now to go to a "Not-for-Profit" Status. This Election required us to file a 990T and also the Standard 990 NonProfit IRS Forms. As for the Policy and Procedure Manual are you requesting our Employee Handbook manual? If you are looking for a Federal Tax manual you'll have to request that from the IRS. We completed all necessary filings through our Corporate Certified Public Accountant and no Policy and Procedure Manual is necessary. Once the Election is filed and accepted by the IRS there isn't any additional information or filings required except for the annual 990 Form with our Financial Information disclosed.

If I can be of any other assistance please feel free to reply,
 Bill Buff, Treasurer

PS: I will be returning from my business trip this Friday and will be giving the semi-annual Financial Address to the membership this Saturday.

RAYHINC@aol.com wrote:

- >
- > Dear Board Members:
- > Thank you for excepting my suggestions in the manner in which they were
- > intended. I'll be awaiting the information about the Federal Taxes that I
- > requested and the Policy and Procedure manual.
- > Please advise me as to when the Interim committee will be formed as I had
- > requested being on this committee, involved with the selection and hiring of

> the new position of Lake Limerick Manager. I have substantial and extensive
> experience and background in this area. Please keep me posted.

>

> Respectfully;

> Ray Harley

> Div. 3 Lot 110

**Lake Limerick C.C.
Insurance Recommendations**

- 1. There needs to be a proper rag disposal in the maintenance shop area with an approved metal container with lid. *I feel that this is a good idea and should not be much of an expense.***
- 2. All the pump house and water storage tanks should have security fencing around them. *I strongly disagreed with this one and got the company to back down. This would be expensive and unnecessary as far as I am concerned.***
- 3. If they having problems with children in the spill area on the dam, they need to raise the fence and put barbed wire at the top. *This one is a little touchy. I think this could be a dangerous hazard and would like to see if it could be fixed without a great deal of expense. Please look into it and see if you can find a solution.***
- 4. Any playground equipment needs to have an approved landing surface under them and any chains need to have covers for the chains. *This seems reasonable and should not be a big item.***
- 5. Obtain and review motor vehicle records on all drivers each year. Establish guideline requirements and take corrective action in accordance with those requirements. *This came about because we had four drivers whose driving records caused them to be excluded from the policy. Our agency will run the mvr's and will advise you on problem drivers. It may advisable to obtain an mvr on a prospective employee or driver before hiring or adding them to the policy. Just call us with the name, date of birth and drivers license number.***

They need to secure proof of insurance from any person using their own vehicle in connection with business. *This is a good idea and should be simple to do, simply take a photocopy of the person's insurance card and keep it on file. There will be NO required insurance limits, they simply must have insurance.*

**Lake Limerick Country Club, Inc.
VOTING RULES
AS DETERMINED BY STATE LAWS
&
LLCC BYLAWS**

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- 2 Procedures for Determining Quorum**
- 3 LLCC By-Laws, Article II, Section 2, "MEMBERSHIP", Voting Rules**
- 4 Homeowners' Associations, State Law; Chapter 64.38 RCW**

**FINAL COUNTING OF BALLOTS
RULES FOR DETERMINING FINAL RESULTS**

NOTE: Quorum Amounts on this sheet were calculated using a customer list printed April 14, 2000

1) ELECTION OF TRUSTEES:

- Reference: By-Laws; Article V; Section 4:

At all annual and special meetings of the members, ten per cent of all of the registered voters of the corporation voting shall constitute a quorum for the transaction of business.

- The Lake Limerick standard quorum is 128 Trustees are elected by highest number of votes per person nominated, should the final count be within 2 votes an immediate recount is taken.

2) AMENDMENTS TO BY-LAWS:

- Reference: By-Laws; Article IX; Section 1:

These By-Laws may be amended at any annual or special meeting of members, provided written notice of the proposed amendment is given with the notice of the call of the meeting, by a majority vote of the members of the corporation present at said meeting in person or by absentee ballot; except that there shall be no amendment of these By-Laws that shall exclude membership in this organization those owning or purchasing a tract or tracts in the plat of Lake Limerick, Division No. 1 and all future Divisions in the Lake Limerick development as developed by the Lake Limerick Associates (Lake Limerick Corporation and Osberg Construction Co. Inc.) or their assigns or successors, said parcels being located or to be located in Sections 21, 22, 23, and 27, Township 21 North, Range 3 W, W.M. of Mason County, Washington, to which said parcels may be subject, and to pay all expenses incidental thereof.

- The Lake Limerick standard quorum is 128.
- To pass we would need a majority {50% +1} of total votes both in person and by absentee.
- EXAMPLE: 200 people vote, approval would call for 101 votes in favor.

3) APPROVAL OF ANNUAL CLUB AND WATER BUDGETS:

- Reference: Engrossed House Bill #1471; Page 3; Section 9; Paragraph 3:

Within thirty days after adoption by the board of directors of any proposed regular or special budget of the association, the board shall set a date for a meeting of the owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the owners of a majority of the votes in the association are allocated or any larger percentage specified in the governing documents reject the budget, in person or by proxy, (absentee), the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the owners shall be continued until such time as the owners ratify a subsequent budget proposed by the board of directors.

- To reject the budget a majority (50% + 1) of all property owners must vote to reject .
- The number of property owners eligible to vote is 1279; to reject the Budgets it must be rejected by 641.

4) AUDIT WAIVER:

- Reference Engrossed House Bill #1471; Page 6; Section 9; Paragraph 3:

At least annually, the association shall prepare, or cause to be prepared, a financial statement of the association. The financial statements of associations with annual assessments of fifty thousand dollars or more shall be audited at least annually by an independent certified public accountant, but the audit may be waived if sixty-seven percent of the votes cast by owners, in per or by proxy, (absentee) at a meeting of the association at which a quorum is present, vote each year to waive the audit.

- The Lake Limerick standard quorum is 128.
- Two thirds or 67% of the members voting must reject the waiver of the audit for it to fail
- EXAMPLE: 200 people vote, rejection of the waiver would call for 134 negative votes.

PROCEDURES FOR DETERMINING QUORUM
THESE PROCEDURES ARE DONE FOR EACH ELECTION.

"ANY ONE PERSON MAY ONLY CAST ONE VOTE"

THE QUORUM IS COUNTED TWO DAYS PRIOR TO AN ELECTION, THE AMOUNT WILL ALWAYS DEPEND ON THE NUMBER OF ELIGIBLE VOTING LOTS. THE QUORUM AMOUNT CAN CHANGE FROM ELECTION TO ELECTION DUE TO SEVERAL FACTORS:

- 1 THE SALE OF A LOT BY A PERSON WHO IS A MULTIPLE LOT OWNER, THEREBY ADDING A LOT TO THE ELIGIBLE VOTING LIST.
 - 2 THE PURCHASE OF A LOT BY A PERSON WHO IS A MULTIPLE LOT OWNER, THEREBY REMOVING A LOT FROM THE ELIGIBLE VOTING LIST.
 - 3 THE CHANGE OF SPOUSAL STATUS (IE. DIVORCE, DEATH), OF A MULTIPLE LOT OWNER WOULD REMOVE A LOT FROM THE ELIGIBLE VOTING LIST.
 - 4 LLCC TAKING POSSESSION OF A LOT BY SHERIFF'S SALE OR QUIT CLAIM DEED WOULD REMOVE A LOT FROM THE ELIGIBLE VOTING LIST.
 - 5 BANK OR MORTGAGE COMPANY FORECLOSURE WHERE POSSESSION IS TAKEN BY A "FOR PROFIT" CORPORATION WOULD REMOVE THE LOT FROM THE ELIGIBLE VOTING LIST.
- WHEN A LOT IS SOLD, STANDARD PROCEDURE IS TO CONFIRM THE ELIGIBILITY OF THE NEW OWNERS TO VOTE.
 - IF THE NEW OWNER IS PURCHASING FROM A MULTIPLE LOT OWNER, THIS LOT WOULD BECOME AN ELIGIBLE VOTING LOT.
 - IF THE NEW OWNER ALREADY HAS AN ELIGIBLE VOTING LOT, THIS WOULD MAKE HIS NEWLY PURCHASED LOT INELIGIBLE FOR VOTING.

HALF LOTS, OR ONE LOT WITH TWO OWNERS, HAVE ONLY ONE VOTE. THE OWNERS ARE RESPONSIBLE FOR DETERMINING WHO WILL CAST THE VOTE FOR THEIR LOT.

LLCC BY-LAWS

ARTICLE II

MEMBERSHIP

Section 2. If any tract is owned by more than one person, or a marital community, the owners of such tract shall be entitled collectively to cast one vote. Any one person may only cast one vote. A purchaser under a contract of purchase shall be deemed to be an owner for voting purposes.

Except as herein provided, no membership shall be voted by or on behalf of any for-profit corporation, as defined by the laws of the State of Washington.

The owners of any tract in multiple ownership shall be responsible for delegating the privilege of voting to one among them. The only vote recognized for any tract shall be that first received, either as an absentee or present ballot.

① Budget
Pg 3 Section 3

CHAPTER 64.38 RCW

HOMEOWNERS' ASSOCIATIONS

Sections

- 64.38.005 Intent.
- 64.38.010 Definitions.
- 64.38.015 Association membership.
- 64.38.020 Association powers.
- 64.38.025 Board of directors--Standard of care--Restrictions--
Budget--Removal from board.
- 64.38.030 Association bylaws.
- 64.38.035 Association meetings--Notice--Board of directors.
- 64.38.040 Quorum for meeting.
- 64.38.045 Financial and other records--Property of
association--Copies--Examination--Annual financial
statement--Accounts.
- 64.38.050 Violation--Remedy--Attorneys' fees.

RCW 64.38.005 Intent. The intent of this chapter is to provide consistent laws regarding the formation and legal administration of homeowners' associations. [1995 c 283 § 1.]

RCW 64.38.010 Definitions. For purposes of this chapter:

(1) "Homeowners' association" or "association" means a corporation, unincorporated association, or other legal entity, each member of which is an owner of residential real property located within the association's jurisdiction, as described in the governing documents, and by virtue of membership or ownership of property is obligated to pay real property taxes, insurance premiums, maintenance costs, or for improvement of real property other than that which is owned by the member. "Homeowners' association" does not mean an association created under chapter 64.32 or 64.34 RCW.

(2) "Governing documents" means the articles of incorporation, bylaws, plat, declaration of covenants, conditions, and restrictions, rules and regulations of the association, or other written instrument by which the association has the authority to exercise any of the powers provided for in this chapter or to manage, maintain, or otherwise affect the property under its jurisdiction.

(3) "Board of directors" or "board" means the body, regardless of name, with primary authority to manage the affairs of the association.

(4) "Common areas" means property owned, or otherwise maintained, repaired or administered by the association.

(5) "Common expense" means the costs incurred by the association to exercise any of the powers provided for in this chapter.

(6) "Residential real property" means any real property, the use of which is limited by law, covenant or otherwise to primarily residential or recreational purposes. [1995 c 283 § 2.]

cc: BOT for Martha Fairbanks

RCW 64.38.015 Association membership. The membership of an association at all times shall consist exclusively of the owners of all real property over which the association has jurisdiction, both developed and undeveloped. [1995 c 283 § 3.]

RCW 64.38.020 Association powers. Unless otherwise provided in the governing documents, an association may:

- (1) Adopt and amend bylaws, rules, and regulations;
- (2) Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from owners;
- (3) Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;
- (4) Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more owners on matters affecting the homeowners' association, but not on behalf of owners involved in disputes that are not the responsibility of the association;
- (5) Make contracts and incur liabilities;
- (6) Regulate the use, maintenance, repair, replacement, and modification of common areas;
- (7) Cause additional improvements to be made as a part of the common areas;
- (8) Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property;
- (9) Grant easements, leases, licenses, and concessions through or over the common areas and petition for or consent to the vacation of streets and alleys;
- (10) Impose and collect any payments, fees, or charges for the use, rental, or operation of the common areas;
- (11) Impose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the board of directors or by the representative designated by the board of directors and in accordance with the procedures as provided in the bylaws or rules and regulations adopted by the board of directors, levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the owners for violation of the bylaws, rules, and regulations of the association;
- (12) Exercise any other powers conferred by the bylaws;
- (13) Exercise all other powers that may be exercised in this state by the same type of corporation as the association; and
- (14) Exercise any other powers necessary and proper for the governance and operation of the association. [1995 c 283 § 4.]

RCW 64.38.025 Board of directors--Standard of care--Restrictions--Budget--Removal from board. (1) Except as provided in the association's governing documents or this chapter, the board of directors shall act in all instances on behalf of the association. In the performance of their duties, the officers and members of the board of directors shall exercise the degree of care and loyalty required of an officer or director of a corporation organized under chapter 24.03 RCW.

(2) The board of directors shall not act on behalf of the association to amend the articles of incorporation, to take any action that requires the vote or approval of the owners, to terminate the association, to elect members of the board of directors, or to determine the qualifications, powers, and duties, or terms of office of members of the board of directors; but the board of directors may fill vacancies in its membership of the unexpired portion of any term.

(3) Within thirty days after adoption by the board of directors of any proposed regular or special budget of the association, the board shall set a date for a meeting of the owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the owners of a majority of the votes in the association are allocated or any larger percentage specified in the governing documents reject the budget, in person or by proxy, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the owners shall be continued until such time as the owners ratify a subsequent budget proposed by the board of directors.

(4) The owners by a majority vote of the voting power in the association present, in person or by proxy, and entitled to vote at any meeting of the owners at which a quorum is present, may remove any member of the board of directors with or without cause. [1995 c 283 § 5.]

RCW 64.38.030 Association bylaws. Unless provided for in the governing documents, the bylaws of the association shall provide for:

(1) The number, qualifications, powers and duties, terms of office, and manner of electing and removing the board of directors and officers and filling vacancies;

(2) Election by the board of directors of the officers of the association as the bylaws specify;

(3) Which, if any, of its powers the board of directors or officers may delegate to other persons or to a managing agent;

(4) Which of its officers may prepare, execute, certify, and record amendments to the governing documents on behalf of the association;

(5) The method of amending the bylaws; and

(6) Subject to the provisions of the governing documents, any other matters the association deems necessary and appropriate. [1995 c 283 § 6.]

RCW 64.38.035 Association meetings--Notice--Board of directors. (1) A meeting of the association must be held at least once each year. Special meetings of the association may be called by the president, a majority of the board of directors, or by owners having ten percent of the votes in the association. Not less than fourteen nor more than sixty days in advance of any meeting, the secretary or other officers specified in the bylaws shall cause notice to be hand-delivered or sent prepaid by first class United States mail to the mailing address of each owner or to any other mailing address designated in writing by the owner. The

notice of any meeting shall state the time and place of the meeting and the business to be placed on the agenda by the board of directors for a vote by the owners, including the general nature of any proposed amendment to the articles of incorporation, bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, and any proposal to remove a director.

(2) Except as provided in this subsection, all meetings of the board of directors shall be open for observation by all owners of record and their authorized agents. The board of directors shall keep minutes of all actions taken by the board, which shall be available to all owners. Upon the affirmative vote in open meeting to assemble in closed session, the board of directors may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the association, and matters involving the possible liability of an owner to the association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The board of directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the board of directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure. [1995 c 283 § 7.]

RCW 64.38.040 Quorum for meeting. Unless the governing documents specify a different percentage, a quorum is present throughout any meeting of the association if the owners to which thirty-four percent of the votes of the association are allocated are present in person or by proxy at the beginning of the meeting. [1995 c 283 § 8.]

RCW 64.38.045 Financial and other records--Property of association--Copies--Examination--Annual financial statement--Accounts. (1) The association or its managing agent shall keep financial and other records sufficiently detailed to enable the association to fully declare to each owner the true statement of its financial status. All financial and other records of the association, including but not limited to checks, bank records, and invoices, in whatever form they are kept, are the property of the association. Each association managing agent shall turn over all original books and records to the association immediately upon termination of the management relationship with the association, or upon such other demand as is made by the board of directors. An association managing agent is entitled to keep copies of association records. All records which the managing agent has turned over to the association shall be made reasonably available for the examination and copying by the managing agent.

(2) All records of the association, including the names and addresses of owners and other occupants of the lots, shall be available for examination by all owners, holders of mortgages on the lots, and their respective authorized agents on reasonable advance notice during normal working hours at the offices of the association or its managing agent. The association shall not release the unlisted telephone number of any owner. The association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the association in providing access to records.

(3) At least annually, the association shall prepare, or cause to be prepared, a financial statement of the association. The financial statements of associations with annual assessments of fifty thousand dollars or more shall be audited at least annually by an independent certified public accountant, but the audit may be waived if sixty-seven percent of the votes cast by owners, in person or by proxy, at a meeting of the association at which a quorum is present, vote each year to waive the audit.

(4) The funds of the association shall be kept in accounts in the name of the association and shall not be commingled with the funds of any other association, nor with the funds of any manager of the association or any other person responsible for the custody of such funds. [1995 c 283 § 9.]

RCW 64.38.050 Violation--Remedy--Attorneys' fees. Any violation of the provisions of this chapter entitles an aggrieved party to any remedy provided by law or in equity. The court, in an appropriate case, may award reasonable attorneys' fees to the prevailing party. [1995 c 283 § 10.]

Darrell;

Attached is the back up needed for any questions regarding the hiring of a general manager:

- 1. Resolution No. 2000-01**
- 2. By-Law; Article VI, Powers and Duties of Trustees; Sections 2 & 4, as quoted in Resolution 2000-01**
- 3. Annual Membership Meeting, April 26, 1997, Ballot; showing actual ballot issue as written.**

ARTICLE VI
POWERS AND DUTIES OF TRUSTEES

Section 1. Subject to limitation in the Articles of Incorporation and the By-Laws and the laws of the State of Washington, all power of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by the Board of Trustees. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly declared that the trustees shall have the following powers and duties:

* **Section 2.** To select and remove all of the other officers, agents, and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the By-Laws, fix their compensation and require from them security for faithful service.

Section 3. To create an Executive Committee of the Board of Trustees composed of the President, Vice-President, Secretary and Treasurer of the Board of Trustees, as well as one representative from the Water Committee.

* **Section 4.** To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or the By-Laws, as they may deem best.

Section 5. To issue certificates of membership only to the owners or purchasers of tracts in the plats of Lake Limerick as described in Article I, Item 6 of the Articles of Incorporation, subject to such conditions or terms as provided in the Articles of Incorporation and the By-Laws.

Section 6. To charge and/or assess the several parcels of land and the owners thereof as set forth herein.

Section 7. To cause to be kept a complete record of all minutes and acts and to present a full statement to the regular annual meeting of members showing in detail the condition of the affairs of the corporation.

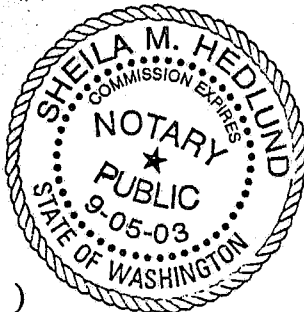
Section 8. To prepare and adopt an annual budget that reflects income and expenses in sufficient detail to measure performance. The budget must contain income and expenses that are in balance for the subject period.

STATE OF WASHINGTON)

County of Mason) ss.

ON THIS 27th day of March 2000, personally appeared Darrell D. Winans, personally known by me to be the Vice - President of LAKE LIMERICK COUNTRY CLUB, INC., the corporation that executed the within and foregoing Resolution and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

WITNESS my hand and official seal the day and year first above written.



Sheila M. Hedlund

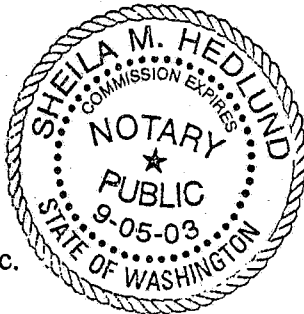
Sheila M. Hedlund
NOTARY PUBLIC in and for the State
of Washington, residing at Shelton
My Commission expires 9-5-03

STATE OF WASHINGTON)

County of Mason) ss.

ON THIS 27th day of March 2000, personally appeared Scott Carey, personally known by me to be the Secretary of LAKE LIMERICK COUNTRY CLUB, INC., the corporation that executed the within and foregoing Resolution and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

WITNESS my hand and official seal the day and year first above written.



Sheila M. Hedlund

Sheila M. Hedlund
NOTARY PUBLIC in and for the State
of Washington, residing at Shelton
My Commission expires 9-5-03

Lake Limerick Country Club, Inc.
Resolution 2000-01

MAIL TO:
Lake Limerick Country Club, Inc.
790 E St. Andrews Drive
Shelton, WA 98584

RESOLUTION NO. 2000-01

1. **Purpose.**

The Board of Directors has determined that its affairs can best be managed by the employment of a General Manager, a paid position with certain defined responsibilities, who shall act pursuant to the direction of the Board.

2. **Authority.**

The Board of Directors has the authority to employ officers, agents and employees of the corporation, and to prescribe their powers and duties, pursuant to Bylaws, Art. VI, §2; and to conduct, manage and control the affairs and business of the corporation, pursuant to Bylaws, Art. VI, §4.


3. **General Manager.**

Pursuant to the authority granted to the Board of Directors by its Bylaws, the Board hereby creates the position of General Manager. The General Manager shall be responsible for day-to-day corporate operations, including those related to personnel, facilities, programs, budgets and financial matters, volunteers, and contract management. The General Manager shall perform his or her duties pursuant to the policies, procedures, direction and authority and control of the Board.


The General Manager shall report directly to the Board, and as representatives of the Board, the President (or Vice-President) and Executive Committee. The General Manager shall communicate and interact with Board Committees, supporting them in the performance of their duties. The General Manager shall be bonded, pursuant to the direction of the Board. All checks and other written instruments and agreements shall be signed by both the General Manager, or an alternate approved by the Board in his or her absence; and the President, or an alternate approved by the Board in his or her absence.

The Board of Directors may in its discretion further prescribe the powers and duties of the General Manager as necessary and appropriate.

DATED this 27 day of March, 2000



Vice President, Board of Directors
Lake Limerick Country Club, Inc.


Secretary, Board of Directors

Lake Limerick Country Club, Inc.

FINAL

ANNUAL MEMBERSHIP MEETING
APRIL 26, 1997 BALLOT

Count

PROPOSAL FOR SPECIAL ASSESSMENT

PURSUANT TO ARTICLE VIII, SECTION 2, OF THE LAKE LIMERICK COUNTRY CLUB, INC. BY-LAWS, THE BOARD OF TRUSTEES SUBMITS THE FOLLOWING PROPOSAL FOR AA SPECIAL ASSESSMENT TO THE MEMBERSHIP:

GENERAL MANAGER PROPOSAL:

DO YOU AGREE TO A ONE TIME SPECIAL ASSESSMENT OF \$32.00 PER LOT, AT \$8.00 PER QUARTER STARTING JULY 1, 1997 FOR THE PURPOSE OF HIRING A GENERAL MANAGER.

YES

114

NO

273

ANIMAL CONTROL PROPOSAL:

DO YOU ACCEPT THE ANIMAL CONTROL RULES AND PENALTIES FOR INFRACTIONS AS PRESENTED IN THE MARCH NEWSLETTER.

YES

345

NO

68

BOARD OF TRUSTEES ELECTION

FOLLOWING ARE THE BOARD OF TRUSTEE CANDIDATES FOR THE TERM OF APRIL 1997 THROUGH MARCH 2000. CHOOSE FOUR (4) CANDIDATES.

ORGE BUCKLEY

205 3

LISA CAREY

128

JOHN BYKONEN

197 4

DAVE SOARES

134

NAN STRICKLIN

236 1

DICK LOMBARD

222 2

MARILYN FEIST

168

DARRELL WINANS

191

WATER COMMITTEE CANDIDATES:

FOLLOWING ARE THE WATER COMMITTEE CANDIDATES FOR THE TERM OF APRIL 1997 THROUGH MARCH 2000. CHOOSE TWO (2) CANDIDATES.

JERRY KENT

172

HENRY YATES, INCUMBENT

324 1

MORGAN TERWILLEGAR

208 2