



BOARD OF TRUSTEES - LAKE LIMERICK COUNTRY CLUB

February 21, 2004 9:00

MINUTES

I. ROLL CALL:

President Tom Taylor, Treasurer Bill McDonald, Secretary Pat Chaussee, Trustees Jack Betterley, Robert Martin, Don Nichols, (excused Vice President Pat Feist, Dick Sirokman, Donna Miller, Keith Smith and Vern Harris)

Guest attending: Rob Koenig, Clara Robinson, Tillie Waldron, Leo Richter, I. Richter, I. Layton, Chris Grey.

Employees attending: George Duffin and Marianne Koch

II. GUESTS FROM THE FLOOR: None

III. APPROVAL OF MINUTES:

A motion was made by Jack Betterley, seconded by Pat Chaussee and passed as follows:
To accept the minutes of January 21 as presented

IV. FINANCIAL REPORT: George Duffin

A motion was made by Bill McDonald, seconded by Pat Chaussee and passed as follows:
To accept the financial report as presented.

V. CONSENT AGENDA: (Committees motions)

A motion was made by Bill McDonald, seconded by Jack Betterley and passed as follows:
To accept the consent agenda, with spelling corrections to names.

VI. OLD BUSINESS:

1. The Board of Trustees received eight opinions expressed by something less 15% of the members. They were presented by Madge Shotwell. The Board has reviewed and will now respond to those concerns. (*Listed below.*)

The recall requests for Mr. Betterley and Mr. Taylor have been denied. If members would like to recall a board member they may do so according to RCW 24.03.103.

Divisions four and five opting out of Lake Limerick Country Club Inc. is a moot point. Very few members would accept this action. Opting out as a group is not possible. Individually a property owner can opt out by selling their property.

The other five opinions expressed concern financial considerations. For the Board to agree to any of the five would severely hamper the Board of Trustees ability to function in the best interest of its members. *Statement made by Tom Taylor president.*

- The restaurant and lounge will be required to show positive results in offsetting it's expenses within a six-month period or be considered for closure.
- The October 25, 2003 water budget issue, which included the Well #6 inclusion, was voted down by the majority of voting members. It was voted down because management did not justify this expense. Therefore it should be repealed.
- The golf course will be required to show positive results in offsetting its expense within a six-month period or members having a golfing membership will be required to pay for a large percentage of that deficit.
- Division four and five want to opt out of and split away from Lake Limerick Country Club, Inc.
- The October 25, 2003 ballot issue #4, the wood beam ant the Inn at \$25,000, the lake treatment at \$1000,000 and the golf course sprinkler system of \$225,000 were voted down by the majority of voting members. Any one or combination should not be put on any future ballot.
- Recall Mr. Tom Taylor from the Board of Trustees.
- Recall Mr. Jack Betterley from the Board of Trustees.
- Due to financial considerations, the general manager should be suspended indefinitely without pay.

2. October 2003 Budget amendment. Discussion held on the 2003 assessments and how to best address these, while still meeting the boards responsibility to the members. General agreement was that the weed control and beam were items, which have been on our

budget for some time, but we have been unable to get to, and in order to address other necessary maintenance items we needed to request additional dollars.

A motion was made by Bill McDonald seconded by Jack Betterley and passed as follows:

To amend the October 2003 assessment budget amount for the treatment of the lakes, the beam repair and the golf sprinkler system to zero.

A motion was made by Bill McDonald seconded by Jack Betterley and passed as follows:

To amend the October 2003 operating budget to include:

½ the estimated cost of the Beam repair at \$11,000.00

½ the estimated cost of the weed control treatment of the lake at 40,000
as maintenance items to be financed with two billings of 18.48 each lot.

VII. REPORTS:

1. Beam Replacement, construction should start this week, the club is waiting for our building permit, and half the funds were paid as per our contract drawn up by Rob Wilson-Hoss. The total contract amount was for \$22,000.00
2. Lake/ Treatment. The consultant Harry Gibbons has estimated \$70,000-80,000.
3. Members conduct policy George Duffin working on; the policy to-date was passed out.
4. Insurance: cost rose 6,000 due to how the insurance company rated the water department.
5. Report of problems with unruly kids, and the actions to be taken.

VIII. NEW BUSINESS:

1. Lot 03-413 Denise Hamilton is requesting the dues on this lot be cut in half. The county has these lots listed as one. The lot owner claims limited use due to the cascade pipeline running though lot 313. The board discussed the issue and decided to reject the request; George Duffin will mail a letter to the lot owner.
2. Discussion on the auditors report suggesting reducing and simplifying the Financials. This suggestion has to do with the cost centers, and the reporting of separate cost for every area. Even though they have no correlating income. Auditor suggested creating 4 income sources and reporting cost and income under those only. Dues, Golf, Water and Inn. This would be done while still reporting all sources of income. Bill McDonald explained the auditor's request.
3. Leasing of a maintenance vehicle/ George Duffin to present cost/ still is working on.
4. It was requested that the architectural committee address the sign issues.

IX. CORRESPONDENCE: NONE

X. ANNOUNCEMENTS:

Information for Newsletter needed by March 12th.

Information for Election letter needed by Feb. 25th at noon.

St Patrick's Night Dinner and Bunco

Candidates night will be Saturday the 20 meeting @ 6 pm

Manager's report was given out, Debbie Adams our 2nd chef in the kitchen is in the hospital, and the kitchen staff is covering the temporary loss. George Duffin will keep the board informed. All wish her well.

XI. MOTION TO CONVENE TO CLOSED SESSION:

A Motion was made by Jack Betterley, seconded by Bill McDonald and passed as follows:

To convene to closed session to discuss employee matters.

XII. 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.) Personnel and Legal

XIII. MOTION TO RECONVENE TO OPEN SESSION:

A Motion was made by Pat Chaussee, seconded by Bill McDonald and passed as follows:

To reconvene to open session.

XIV. MOTION TO ACCEPT ALL CLOSED SESSION MOTIONS:

A Motion was made by Don Nichols, second by Jack Betterley and passed as follows:

To instruct the general manager to terminate the services of the current security service.

XVI. MOTION TO ADJOURN MEETING:

A Motion was made by Pat Chaussee, seconded by Don Nichols and passed as follows:
To adjourn at 11:45

January 15, 2004

Lake Limerick Country Club, Inc.
Board of Trustees
790 East St. Andrews Drive
Shelton, Washington 98584

Dear Ladies and Gentlemen,

As instructed by Mr. Tom Taylor in his email dated 1-10-04 stating that I am to address any future correspondence to the Board, I am more than happy to comply in an effort to correct any possible misunderstandings. His instructions were in reference to the email that I sent to him and two that I sent to Mr. George Duffin and their replies. (Copies attached)

First, I would like to apologize to Mr. Taylor if he felt my remarks were "nasty". That was not my intent. My comments were related to his and George's messages in the January Newsletter. I did not expect Mr. Taylor to discuss at length the proposed amendments to the By-Laws which we had discussed with him earlier in December, but felt that he should have mentioned the efforts of the membership to make positive changes here at LLCC. Perhaps some of you are not aware that prior to our getting one signature on those petitions we did have a lengthy discussion with Mr. Robert Wilson Hoss at his office in Shelton after he had received permission from the President, to seek out the legality of those amendments. We did agree that the wording would have to be fine-tuned with management but the intent remained the same. Comments and opinions expressed by Mr. Hoss were all favorable and he commended us for our effort. He emphasized the importance of a collaborated effort between management and the membership. We then discussed those petitions with Mr. Taylor, early December, who did not appear to have any problems with those proposed amendments intent. Subsequent to that discussion, Mr. Taylor forwarded a copy to me of a memo he had received from Mr. Hoss in which he offered opinions of those same amendments, however opinions expressed in this memo were in direct contrast to his approval of the amendments earlier. Some of his opinions expressed in this memo appeared to imply that he had not read the amendment closely. We did proceed in acquiring signatures and did exceed the required amount necessary, over a very short two week period, to present those proposed amendments to the Board for consideration and did so on December 20, 2004.

The comments I made in my email, in which I addressed the subsidies, I suggested that a combined effort must be made to increase income but more importantly was to decrease costs. That to is not just my opinion but the opinion of hundreds of members. I stated, and still believe, that the \$40.00 penalty for those members that do not choose to use the restaurant or lounge is outrageous, if not illegal. For Mr. Taylor to suggest or consider this has incited even more angry and discontent among members, and certainly does not reflect their best interest being served. Cutting cost is the most reasonable approach to the problem.

His comment "...you choose them by buying into this type of community..." must be addressed. We have heard this, or words to that effect, from management for years. We disagree. Prior to purchase we are given a copy of the By-Laws which state "This corporation shall be conducted as a non-profit maintenance corporation for the purpose set forth in the Articles of Incorporation..." Therefore, my questions are: 1. How does a bottle of liquor, a lobster dinner, a chef, a set of golf clubs fit the definition of maintenance? 2. Would you please clearly define each common area? When we visited with Mr. Hoss and told him how much the subsidies were, he appeared to be shocked and did make this statement, quote "The membership is responsible for the maintenance and upkeep of the clubhouse. anything beyond an occasional peanut butter and jelly sandwich is not your responsibility." We agree with Mr. Hoss's opinion so why has that restaurant and lounge cost us over \$260,000? Combine that figure with the golf course and pro shop, subsidies will cost us over \$533,000 in just a five year period. The subsidies, not including the general maintenance, the lake, parks etc. are a waste of money and has not improved the overall assets of this corporation. Without the clearly defined common areas in the By-Laws we did not know about the subsidies before we purchased a home here and have suffered tremendous monetary loss.

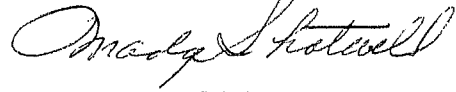
Mr. Taylor's remark that he does represent the majority of members, not just me, is correct but perhaps he should take another look at the results of the ballot of October 25, 2003. The majority of

voting members, including me, disapproved the budgets and the special assessments.

My comments directed to Mr. George Duffin were not nasty or inappropriate. We pay his salary.

I do have the right and the responsibility to express my opinion when ever it affects my pocket book and I see an injustice. I do have the support of hundreds of homeowners and will continue in my efforts to help those in which their choices, lives, families, homes and futures are in jeopardy. We, collectively, are very unhappy with the state of affairs here at LLCC.

Sincerely,



Madge Shotwell
Div. 4 Lot 233

Attachments (3)

pc: Mr. Robert Wilson Hoss /w. attachments (3)