



**LAKE LIMERICK COUNTRY CLUB
BOARD OF DIRECTORS
MINUTES
February 17, 2018
9:00 AM**

- 1. PRESENT:** President Paul Wagner; Vice President Kelly Evans; Treasurer Mike Prather; Secretary Brian Smith; Directors Norm Bartoo, Sharon Hamilton, Dave Kohler, Roger Milliman, John Torkelson, Water Committee Chair Don Bird (ex officio)

ABSENT: None

2. APPROVAL OF MINUTES

Action: *Motion to Approve of minutes of January 20, 2017 made by Mike Prather, seconded by Kelly Evans, passed with no nays.*

3. FINANCIAL REPORT—Treasurer Mike Prather

Treasurer Mike Prather reported that Lake Limerick made a small profit last month. He reported that CAM Deborah Wallace has instituted new procedures to monitor fuel usage more closely. Lake Limerick Country Club (LLCC) attorney invoices have all been paid. The Board discussed the larger amount of accounts in arrears that has turned up in continuing audits. The amount in arrears includes old legal fees previously paid to LLCC's attorney, in addition to dues and water fees owed, which may not be recovered when the affected lots are finally sold.

Action: *Motion to Approve Financial Report made by Dave Kohler, seconded by Kelly Evans, passed with no nays.*

4. ADDITIONS TO THE AGENDA

Treasurer Mike Prather asked for a closed session.

5. GUESTS FROM THE FLOOR

Requests to be added to the agenda

- a. Penny Cory asked that an item about dogs be added.
- b. Sheila Nokes asked for an item on the Inn renovation.
- c. A member asked for discussion of a building permit for which they have applied.
- d. A member asked about a permit for a fence.

6. CONSENT AGENDA—Motions to Board from Committee Minutes

Water Committee motion #3 was pulled for a specific vote to approve a sole source contract with Backflow Pros for testing of the cross connection.

Action: *Roger Milliman moved approval of the sole source contract with Backflow Pros, Dave Kohler seconded, motion passed with no nays.*

Dave Kohler discussed Lake Dam Committee motion #3 concerning LLCC making plates that display the division and lot numbers of the house /lot where the dock is located. It was requested that Lake Dam Committee item #2 be pulled and wrapped up into the general discussion of capital improvement projects for the year (Agenda item 9f). It was noted that after the Lake Dam Committee met February 3 and recommended approval of a contract with the Mason County Conservation District for work on the Dredge Mitigation site, the Board of Directors noticed and conducted an electronic vote, which approved the proposed contract with 8 yes votes, no nays and 1 abstention.

Action: *Motion to Approve Consent Agenda and Committee motions, minus Lake Dam Committee motions 1 and 2, and in particular the Architectural Committee report was made by Kelly Evans, seconded by Dave Kohler, and passed with no nays.*

7. PRESIDENT’S REPORT- President Paul Wagner

President Paul Wagner thanked the Directors and staff for their hard work and great progress during the past year.

8. COMMUNITY ASSOCIATION MANAGER’S REPORT-CAM Deborah Wallace

Cam Deborah Wallace reported that overall income is up \$71,000 for the first quarter of the fiscal year compared to last year. She reported that the regional association of HOAs (largely Mason County) will meet at Lake Limerick March 31, 2018. The program will include a keynote speech on dealing with member disabilities. There will also be a roundtable discussion on rentals, including Airbnb and VRBO short-term rentals in addition to longer-term rentals. Golf Now, the new Point Of Sale system, was installed February 5-8. LLCC needs a new merchant service that will provide money in the bank faster, and have lower fees. Member identification in the new POS will be by Division/Lot and a button on the LLCC website will link to the golf round booking service. Deborah Wallace also reported that work is progressing on the “rain garden”, a storm water management feature that is the last remaining project from the special golf assessment, and she provided a timeline for this in-house project. She also stated that staff is developing a lower cost alternative to fixing and re-railing the decks at the Inn. The Anglia park dock is having damaged deck boards replaced with pressure treated wood. Maintenance is going into the parks to identify trees requiring limbing or removal. LLCC’s Lake Management consultant will have a staff person here the last

week of February who can look at the Inn Island erosion control project. Maintenance is servicing mowers and will be repairing or replacing the bilge pump on the lake patrol boat. The golf course dressing is continuing and Jason was able to combine orders with other courses to get the sand at ½ price. She also discussed problems with the generator for well #2, which is also supposed to provide backup power for the Inn building offices and kitchen. Generator proposals are included in the list of projects the Board is considering.

9. OLD BUSINESS

a. New Website update—Dave Kohler

Dave Kohler reported that the site is up and running, although folks may still find some glitches that can be fixed if reported. He suggested that the Board consider negotiating an on-call support contract for on-going website maintenance.

b. Update on Mitigation Site re-vegetation—Mike Prather

Mike Prather reported that the Board had voted via email to approve the contract with Mason County Conservation District to carry out the work required at the dredge project mitigation site. He has secured agreement from the Squaxin Tribe, Mason County and the WDFW that the scope of work with MCCD will satisfy remaining permit conditions.

c. Navy Easement Negotiation—Kelly Evans

Kelly Evans has met with people previously working on the project. Eventually the Navy will require \$8,500-\$10,000 to cover administrative costs of renegotiating an easement for the LLCC golf course and dam access. Before Jason can prepare an estimate of the impact to golf operations were the easement not to be renewed, he has to pin down the location of LLCC utilities in the easement. Dave Kohler suggested that perhaps the people who installed the irrigation system in the \$350,000 special assessment project a few years ago might have as-builts of where the lines were placed.

d. Capital and Major Maintenance Projects for FY 2017-18—Norm Bartoo

Norm Bartoo has collected Board input to identify those projects that should move forward for more development. The Board agreed to take this up at its next study session on March 3, 2018. The Board will divide projects into those deemed important but longer term and therefore deserving further scoping and development, and those projects to be considered for delivery this year.

e. Proposed HOA Legislation-SB5377

This legislation appears to still be stuck in Committee. It has not moved out of the house of origin as of the cutoff date, and is most likely dead for this year.

- f. Legal action regarding outstanding Declaration of Restrictions violations—Brian Smith

Brian Smith reminded the Board that there are several members for which administrative actions and progressive fines have failed to make them comply with the Declaration of Restrictions, and there are several more members moving into the same status. He also reminded everyone that if the Declarations are not enforced fairly, and enforced period, LLCC could lose the ability to enforce them. After discussion, the sense of the Board was that we should develop an RFP for legal assistance to obtain appropriate court orders to compel members to clean up their properties or otherwise comply with the Declarations, or allow LLCC to take action as allowed in the Declarations.

10. NEW BUSINESS

- a. Proposal to purchase two computers for the office and pro shop—CAM Deborah Wallace

Deborah Wallace outlined the need to upgrade the computers at her workstation and in the Pro Shop. The Board concurred with the purchase options she outlined.

- b. Proposal to Change Lake Limerick Street Signs to standard Mason County Signs—CAM Deborah Wallace

Mason County can provide standardized street name signs for Lake Limerick roads, and maintain them into the future. These signs would replace the wooden signs that require continual maintenance, and are hard to read. Although he supports replacing the signs, John Torkelson thinks it will have an impact on the community and thinks it should let the community decide whether or not to shift to county signs via a presentation at a community meeting. Kelly Evans responded that the Board is elected to make difficult decisions and if faced with spending \$1,000/year to maintain the current signs, versus having the county maintain the signs, we ought to take action. Dave Kohler stated that we need to clearly communicate why we made the decision. Brian Smith moved that LLCC work with the county to change the signs, and Norm Bartoo seconded for purposes of discussion. During discussion, the idea of selling the old signs to residents was suggested. Brian Smith agreed with Dave Kohler that a clear message should be sent to the membership indicating that the change would 1) let members find streets more easily, 2) let visitors find streets more easily, 3) forego long term maintenance costs by LLCC, 4) let first responders find streets more easily, and 5) provide attractive uniform quality in our street signs.

Action: *Brian Smith moved that Lake Limerick should work with the County to*

change street signs over to county standard signs installed and maintained by the county, seconded by Norm Bartoo, and passed with one nay (John Torkelson who stated his belief that the issue should be presented to the community before a vote).

c. Dogs—Penny Cory

Signs concerning only bringing service dogs into the Inn have been posted. Penny Cory reported that LLCC member Dr. Frankeberger had written a letter concerning questions that a business can and cannot ask about service dogs. Penny Cory reminded everyone that LLCC needs to train its staff.

d. Restaurant Facelift Update—Sheila Nokes, Inn Committee Chair

The Inn Committee would like to continue the new paint schemes from the lounge into the dining room, look at changing the lighting and other upgrades, and install new sliding “barn doors” between the two areas. The new lounge entrance door is in and will be installed shortly. The Magpies will pay for the barn doors now in order to get a 25% discount from Habitat for Humanity. Sheila Nokes described other changes they are considering proposing. The Board agreed to add a line item on the projects list “low cost improvements to restaurant not to exceed ___?___”.

e. Building Permit—Mr. Anderson (Div 2 Lot 194)

Mr. Anderson had a question concerning a Building permit. After very short discussion the application was approved.

f. Lake Dam Committee motion to Board to install playground equipment at Olde Lyme and Leprechaun parks—Dave Kohler

After discussion, the Board decided to leave the motion as pulled from the consent agenda (not approved). John Torkelson supports improving Olde Lyme Park but wants to have a plan for the ultimate improvements before making any interim improvements. The sense of the Board is that making these improvements is a good concept, but they need to be folded into the capital projects selection process to be discussed in two weeks.

11. OTHER BUSINESS

None

12. CORRESPONDENCE

None

13. ANNOUNCEMENTS AND UPCOMING EVENTS

- a.** March 1—Filing deadline for Board of Directors and Water Committee candidates
- b.** March 3—Board Executive Committee Meeting
- c.** March 3—Board Study Session
- d.** March 17—Meet the Candidates—2 PM

- e. March 17—St. Patrick's Day dinner
- f. March 27—Deep drilling of the greens
- g. March 31—Regional Homeowners Associations meeting at Lake Limerick
- h. April 1—Easter Buffet
- i. April 21—Election for Board of Directors and Water Committee and Annual Members Meeting
- j. April 21—Parks open
- k. April 28—Fishing Derby
- l. May 13—Mothers' Day Brunch
- m. May 19—Magpies' Fashion Show

14. MOTION TO CONVENE TO CLOSED SESSION

Action: *Motion to move to closed session made by Mike Prather, seconded by Kelly Evans, passed with no nays.*

15. CLOSED SESSION

Items related to member relations and possible legal actions were discussed. No motions were made.

16. MOTION TO RECONVENE TO OPEN SESSION

Action: *Motion to reconvene to open session was made by Roger Milliman, seconded by Dave Kohler, and passed with no nays.*

17. MOTION TO ACCEPT ALL MOTIONS MADE IN CLOSED SESSION

There were no motions in closed session.

18. MOTION TO ADJOURN

Action: *Motion to adjourn was made by Kelly Evans, seconded by Dave Kohler, and passed with no nays.*

**Lake Limerick Country Club Board of Directors
CONSENT AGENDA
January 20, 2018**

The Board approves the specific actions of the Architectural Committee on individual permits, complaints and other business matters as presented in their meeting minutes.

The following are motions to the Board of Directors from the indicated committees as presented in their minutes from their most recent meetings.

Architectural Committee

No special motions. Specific administrative actions are listed in the January 2018 list of actions for Board approval.

Greens Committee

The Greens Committee had no motions for the Board in February 2018.

Inn Committee

1. Motion by Penny Cory, 2nd by Mary Ann Wagner to support welded wire design as previously approved by this committee. Passed with no nays.

Lake Dam Committee

1. ~~I move that the L/D Committee recommend to the Board of Directors approval of the proposed contract with the Mason County Conservation District for completion of the Cranberry Creek Dredge Mitigation Plan so described in the attached Project Approval Request. Motion made by Brian Smith and seconded by Lou Jackson. Motion was carried. (Board already approved 2/28/2018 by electronic vote: 8-0-1)~~
2. ~~I move that the BOD approve the conceptual project of installing playground equipment at Olde Lyme and Leprechaun Parks in 2018, estimated cost of \$18,000 for the equipment and supplies plus \$8000 for cleanup and site prep and install as described in the attached document Motion made by Maureen Glenn and seconded by Linda Smith. Motion carried.~~
3. I move that we propose a dock ID campaign to help members comply with dock ID requirements to make a division and lot number dock tag to include a request form, processed by the office and manufactured by Lake Dam Committee members at a cost of \$10. Motion made by Steve Glenn and seconded by Mike Prather. Motion carried.

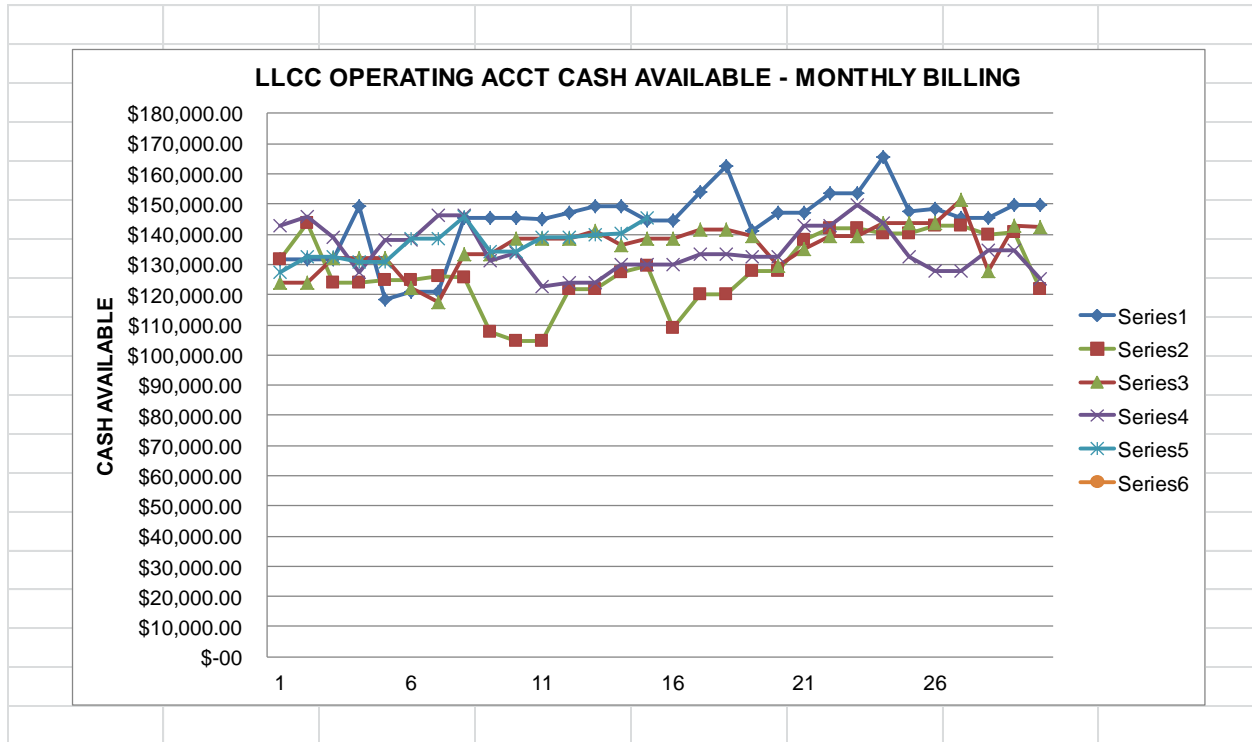
Water Committee

1. A motion was made by Phyl Antonsen, seconded by Mark Franklin and passed with no nays: To accept the proposed transfer of funds and investment in CDs made by Deborah Wallace on January 31, 2018.
2. A motion was made by Mark Franklin seconded by Gary Lentz and passed with no nays as follows: To approve of the Financial Report for January as presented.
3. A motion was made by Mark Franklin seconded by Pat Paradise and passed with no nays as follows: To approve the sole source bid from Backflow Pro's, Inc. for complete backflow device testing and repair as mandated by the State DOH at a not-to-exceed amount of \$22,000 plus any applicable taxes.

Committee Motions pulled from the Consent Agenda

Lake Dam Committee

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Lake Limerick Country Club
February 17, 2018 Board Of Directors Meeting

BUDGET VS ACTUAL 2017 2018							Report Date:		2/14/2018
							2017 - 2018		Percent
							YTD		33%
							TOTAL	Budget	Percent
Income									
Income - Events	250.00	698.00	2933.26	625.00	4506.26	16000	28%		
Income - Cafe	6000.59	3376.15	3894.67	1884.55	15155.96	123900	12%		
Cafe Discounts	-232.36	-113.58	0.00		-345.94	0			
Income - Golf	4927.81	1043.08	420.56	1108.46	7499.91	167180	4%		
Pro Shop Merchandise Sales	2241.48	1487.48	1984.67	1812.45	7526.08	25000	30%		
Pro Shop Discounts	-440.58	0.00	0.00	-312.40	-752.98	0			
Income - Golf - Other	200.06	0.00	420.56		620.62	0			
Income - Lounge	9428.45	8651.80	5337.93	4296.43	27714.61	106100	26%		
Income - Restaurant	11617.01	14316.43	17541.64	6259.64	49734.72	158500	31%		
Income - HOA		0.00			0				
Membership Dues	99874.50	102702.50	101617.40	102025.50	406219.9	1232580	33%		
Social Members	592.50	467.50	517.50	710.00	2287.5	4000	57%	*	
Fines & Fees	1875.00	3385.42	1959.32	2465.00	9684.74	4000	242%	*	
Merchandise Sales	380.75	0.00	0.00		380.75	0			
Merchandise Sales Discounts	-312.40	0.00	0.00		-312.4	0			
Miscellaneous Income	327.80	0.00	70.00		397.8	4000	10%		
Water reimbursement	10522.00	10734.84	10954.00	10522.00	42732.84	130500	33%		
Total Income	147252.61	146749.62	147651.51	131396.63	573050.37	1971760	29%		
Cost of Goods Sold									
Food	8584.32	8373.28	7608.13	5659.68	30225.41	101120	30%		
Liquor	2616.95	2862.54	2853.86	1269.71	9603.06	29400	33%		
Merchandise	1930.03	2366.87	512.20	394.02	5203.12	19075	27%		
Cost of Goods Sold - Other	480.77	0.00	0.00		480.77	0			
Total Cost of Goods Sold	13612.07	13602.69	10974.19	7323.41	45512.36	147767	31%		
Gross Profit	33766.04	133260.51	136677.32	124073.22	527538.01	1823993	29%		
Expense									
Advertising and Promotion	120.00	0.00	120.00	225.00	465	3200	15%		
Auto Fuel/Gas Expense	2409.92	2312.65	1770.63	1558.13	8051.33	13750	59%	*	
Automobile Expense - Other	11.96	573.26	6.99	145.99	738.2	0			
Bank Service Charges	574.18	605.48	515.93	570.92	2266.51	6600	34%	*	
Cash Drawer Payouts	59.58	80.84	0.00	16.50	156.92	0			
Computer and Internet Expenses	108.79	0.00	195.30	324.42	628.51	6620	9%		
Dues & Subscriptions	0.00	203.00	0.00	280.5	483.5	4675	10%		
Employee 401(k) Expense	404.00	393.59	791.05	393.21	1981.85	11620	17%		
Employee Expense - Other	45.00	30.76	2738.75	116.52	2931.03	3600	81%	*	
Equipment Lease	4209.34	4279.34	4373.50	4214.98	17077.16	49173	35%	*	
General Liability Insurance	5320.16	805.00	9903.09	7278	23306.25	68000	34%	*	
Health Insurance	4623.42	4623.42	4730.51	4414.93	18392.28	53240	35%	*	
Interest Expense	155.84	128.82	93.50	64.41	442.57	2100	21%		
Janitorial & Laundry Expense	993.23	1540.69	1393.39	817.11	4744.42	27595	17%		
Labor	55032.52	51886.90	70925.19	47624.34	225468.95	768373	29%		
Lake Expense	0.00	993.63	0.00	94.00	1087.63	43746	2%		
Legal	75.00	150.00	997.00	3142.56	4364.56	60000	7%		
Licenses and Permits	757.50	93.00	0.00	1489	2339.5	4260	55%	*	
Merchant deposit fees	1692.37	1727.27	1423.57	1542.15	6385.36	17300	37%	*	
NSF Check Fees Returned Items	224.00	0.00	160.00		384	0			
Office Expense	1382.50	519.74	843.79	268.92	3014.95	0			
Office Supplies	692.01	685.68	363.97	201.72	1943.38	4675	42%	*	
Park Expense	0.00	0.00	158.40	520.7	679.1	5000	14%		
Payroll Expenses	5343.18	847.27	1109.77	4931.49	12231.71	76878	16%		
Payroll Tax Expense	7264.95	13496.16	7026.62	2628.2	30415.93	106164	29%		
Postage and Delivery	1056.27	512.88	2334.76	35.18	3939.09	11200	35%	*	
Professional Fees	5453.50	1894.80	6318.98	8213.04	21880.32	32000	68%	*	
Repairs and Maintenance	7441.61	4261.73	4149.55	5494.74	21347.63	59545	36%	*	
Security	738.25	0.00	89.85	569.78	1397.88	26400	5%		
Small Tools and Equipment	440.11	361.09	149.08	340.01	1290.29	8000	16%		
Supplies	4706.56	5191.07	2993.76	4272.01	17163.4	46650	37%	*	
Tax Expense				8668.9	8668.9	0			
Taxes - Excise	484.63	126.10	132.14	116.72	859.59	2400	36%	*	
Taxes - Property	3847.11	150.00	0.00	75.00	4072.11	5800	70%	*	
Telephone Expense	589.06	1517.41	1033.96	1278.57	4419	23400	19%		
Travel Expense	0.00	0.00	0.00		0	0			
Uniforms	0.00	0.00	435.28		435.28	3495	12%		
Utilities	4047.13	4094.56	5357.65	5331.31	18830.65	49200	38%	*	
Total Expense	120303.23	105709.31	132635.96	117258.96	475907.46	1604659	30%		
Net Profit (Loss)	13337.31	27551.20	4041.36	6814.26	51744.13	219334	24%		
Contingency						72000			
Savings/Reserve	20000.00	0.00	9000.00	0.00	29000	60000	48%		
Capital Projects						87334			
						0			

BALANCE SHEET ACCOUNTS						
November 30, 2017						
Cash in Banks						
	Current	Balance				
Operating Account						
KBWA Operating		\$121,860.28				
Special Assessment Accounts						
KBWA Golf Special Projects		\$8,830.31				
KBWA Dredge	\$12,250.00	\$12,103.98				
Reserve Accounts						
Heritage: Lake Capital Reserve		\$37,359.76				
Contingency Account						
KBWA Admin II		\$162,000.00				
Total Cash in Banks:		\$342,154.33				
Commercial Loan						
Dredge loan:	\$(11,462.15)	\$34,000.11				
Accounts Receivable						
	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Current - credits are prepaid accounts	\$4,761.84	\$28,241.21	\$(4,581.42)	\$(3,708.22)	\$(7,616.93)	\$17,096.48
Accounts - Members not in good standing	\$-00	\$13,431.75	\$13,849.17	\$14,678.84	219,845.36	\$261,805.12
Accounts Payable						
	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Vendors - does not include water	\$20,304.63	\$90.80	\$1,842.56	\$518.32	\$855.41	\$23,611.72
Hoss	\$-00	\$560.00	\$1,400.00	\$20.00	\$6,253.95	\$8,233.95
Totals:	\$20,304.63	\$650.80	\$3,242.56	\$538.32	\$7,109.36	\$31,845.67