



A letter from the Lake Limerick Board of Directors

With our membership voting on the 2024-2025 budget for the Lake Limerick HOA and Water System utility, I'm writing this note on behalf of our board of directors to explain how we reached our conclusions and hopefully answer some likely questions.

In addition, we will have a Lake Limerick Town Hall on Monday, September 9 to go into deeper detail and of course do our best to answer any questions.

Lake Limerick Town Hall: Budget Review

Monday, September 9, 7:00 p.m.

Great Hall & via Zoom: Meeting ID: 872 3262 0726 Passcode: 037636

Background

Starting in the spring, we held 6+ public meetings for the board to better understand all aspects of the HOA and Water System (utility) budgets. Through weeks of public study sessions, we asked hard questions of our staff and heard from members and committee chairs. The board has a responsibility to today's membership, and to future generations, and the budget must reflect that. We also understand that we have a diverse population including retirees, families, full and part-time residents.

We are fortunate that our roads are maintained by the county and that electricity is provided by the PUD. However, other aspects of living here are our financial responsibility. This includes our water system (for drinking) and amenities including the lake, golf course, our parks, the inn/lounge, cafe and much more.

Another way to think about Lake Limerick is that we are more than just "lots." If we were a city, we would likely be the third or fourth largest in Mason County.

Some of our amenities such as our parks and lakes bring in no revenue, and there are costs to maintain them. Others such as the inn/lounge, golf course, and cafe do bring in revenue. I am happy to report that for Golf and our restaurants/lounge, in the last year, our revenue has been growing at about a 15%+ rate while keeping our expenses in line. We are continuing to reduce the difference between what it costs to run these services and the dollars we take in. We are trending in the right direction between revenue and operating costs, and this focus remains an ongoing priority for the board.

Reserves:

There is the reality of our aging infrastructure as Lake Limerick will celebrate its 60th anniversary in 2026. Buildings, major equipment, our lakes, and parks are a few examples of that aging infrastructure. We need to continue to be laser-focused on the long-term maintenance and replacement of major items to run our community. That sometimes means even if there is a great a new idea — the first focus has to be on taking care of what we already have.

Operations:

Our volunteer board was elected by our members with an important goal to make sure our community will prosper for another 60 years. Every year the Board presents to the community budgets that anticipate what is needed to run the HOA and water system. Costs go up for almost everything year over year just as they do for our households. We know that some of what we pay for today will generate future dividends in community enjoyment and fiscal health. It is also important that we retain our hard-working staff by paying a reasonable wage and providing a healthy work environment.

Upcoming Projects:

Here are just some of the projects and initiatives planned for the next year:

- New park benches & tables
- Phase II of the Inn Island Shoreline Stabilization
- Anglia Park Fence & Pedestrian Gate Replacement
- Old Lyme Restroom Remodel
- Lake Leprechaun Valve Replacement
- Golf Cart Fleet (Annual plan to sell carts (5) nearly end-of-life and replace with newer carts)
- Review of security services
- Upgrade/replacement of aging hardware/software for monitoring of our water utility
- Phase II of replacement of well source meters
- Well generator replacement

Our audit:

No one, including our board is happy with the pace to get our audit completed. If you are like me, you don't want excuses — we all want to get it done. The primary result of any audit is to improve best practices in the financial management of an organization. To that end, we are not waiting. We have already made significant improvements in decades-old processes since our new general manager, Shannon Ramos, joined us in May of this year. These improvements will continue, and we will judge them against the audit when we receive it.

Summary:

Based on the above and so much more, the board has adopted a budget for a vote of the membership that includes these rates:

HOA:

- An increase in dues from \$100 to \$108 per lot. This 8% increase, a total of \$96 per single lot per year, supports the operations of the HOA. Last year, this increase was 11%.
- No increase in the reserve fund rate for the HOA to support long term infrastructure maintenance and replacement. Last year, the increase was 10%.
- With the reserve fund rate not increasing this year, this means a single lot would pay \$128 per lot, per month in total. Currently, this total figure is \$120 per lot, per month.

Water:

- An increase in monthly base rate from \$44 to \$46 (4.5% increase) to support the operations of the water system. Last year, the increase was 4.8%.
- An increase in the reserve accounts rate from \$14 to \$16 per month (14.3% increase) to support long term infrastructure maintenance and replacement. Last year, the increase was 16.7%.
- The base allocation will remain 6,000 gallons. For each additional 1,000 gallons used above the base allocation of 6,000 gallons revised tiers are proposed and are listed on the 2024-2025 Rate Sheet.

As a board, we recommend these budgets and rates acknowledging that we have a variety of members in terms of financial ability, needs, and interests. We have done our best to incorporate what we believe is best for our entire membership in this budget proposal.

These videos from 2022/2023 might be helpful in understanding the operations of Lake Limerick:

- Lake Limerick Town Hall: How are we governed? <https://youtu.be/aHGp4BEBUs0>
- Lake Limerick Town Hall: How The Water System Works https://youtu.be/G_HXQwo6WuY

Sincerely,
Mitch Robinson
President,
on behalf of the Lake Limerick Board of Directors

LLCC Call to Semi-Annual Meeting

Lake Limerick Country Club will be holding its Semi-Annual Meeting
focused on the 2024-2025 HOA and Water Operating Budgets

LAKE LIMERICK COUNTRY CLUB
HOA SEMI-ANNUAL MEMBERS MEETING via HYBRID (LLCC Great Hall & ZOOM)

AGENDA

WWW.ZOOM.US

September 21, 2024 @ 1:00PM

Meeting ID: 821 9479 9776 Password: 678915

1:00 - Welcome and Opening Comments – President Mitch Robinson

Roll Call and Introduction of Board Members, Committee Chairs, and Staff:

President – Mitch Robinson; Vice President - Mike Berni; Secretary - Pat Paradise; Treasurer- Mandy Paradise, Directors - John Ingemi, Dean Dyson, Brian Smith, Joel Gray, Rich Hamilton, Kelly Evans (Ex Officio), Invitee: Shannon Ramos – General Manager.

President's Report: - M. Robinson

HOA Budget Report for Fiscal Year 2024 – 2025 – Treasurer M. Paradise, GM S. Ramos

Water Budget Report for Fiscal Year 2024 – 2025 – Water Chairman, Kelly Evans

Committee Presentations:

Architecture – Chair, Sharon Hamilton
Compliance – Chair, Tamy Fletcher
Greens – Chair, Vern Duggan
Inn – Chair, Paul Wagner
Lake/Dam/Parks – Chair, Teddy Lovgren
Greenbelt & Trails – Dean Dyson
Hearings – Sue Klemp

Adjournment

Lake Limerick C.C.



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OFFICIAL LLCC PROXY BALLOT INSTRUCTIONS FOR 2024:

- All ballots must be received no later than **5:00pm on Friday, September 20, 2024**, in order to be counted
- All Ballots are mailed with two envelopes
 - Place your completed ballot in the white envelope marked “FOR BALLOT ONLY” and seal
 - Place white envelope in the second colored envelope marked with member’s division and lot. Seal and sign. Signatures are required for ballots to be valid.
- Ballots may be returned to the **LLCC HOA Office at 790 E. St. Andrews Dr., Shelton, WA 98584** via
 - US Mail
 - Blue Drop Box Located in the Inn Parking Lot
 - White ballot box in the HOA Office (9am – 5pm / M – F)
 - **THERE WILL BE NO IN PERSON VOTING THIS YEAR**

BASIC VOTING RULES:

- A couple with one (1) lot gets one (1) vote.
- A couple with two (2) or more lots gets two (2) votes.
- Single person with one (1) lot gets one (1) vote.
- Single person with two (2) or more lots gets one (1) vote.

LLCC Bylaws, Article II, Section B;

Only Members in good standing are eligible to voters.

Any one member may only cast one vote, regardless of the number of lots owned.

BUDGET VOTING INFORMATION

WASHINGTON STATE LAW RCW 64.38.025

Board of directors – Standard of care – Restrictions – Budget – Removal from board.

(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 the mailing of the summary. Unless at the 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.

AUDIT VOTING INFORMATION

WASHINGTON STATE LAW RCW 64.38.045

Financial and other records – Property of association – Copies – Examination – Annual financial statement – Accounts.

(3) At least annually, the association shall prepare, or cause to be prepared, a financial statement of the association. The financial statements of the association with annual assessments or 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.

LLCC HOA FY25 Proposed **Operating** Budget & Projects
 Lake Limerick C.C.



LAKE LIMERICK 2024-2025 OPERATING BUDGET SUMMARY		2024-25 Budget
Revenue		
Member Dues		\$ 1,775,520
Reserve HOA		\$ 328,800
Food & Beverage Income		\$ 744,151
Golf Income		\$ 440,554
Lake Dam		\$ 10,000
Other Income: Fees, Fines, NSF, Social		\$ 74,500
Total Gross Revenue		\$ 3,373,775
Cost of Goods Sold		\$ 323,035
NET TOTAL REVENUE		\$ 3,050,740
Expenses		
Advertising and Promotion		\$ 2,200
Auto/Truck Expenses		\$ 25,760
Bank Fees		\$ 45,500
Park Expenses		\$ 300
Lake Dam Expenses		\$ 113,640
Computer and Internet		\$ 25,844
Dues and Subscriptions		\$ 4,748
Employee Expenses		\$ 16,954
Equipment Lease		\$ 48,760
Equipment Rental		\$ 3,500
Finance Charges		\$ 6
Insurance Expense		\$ 93,345
Meals & Entertainment		\$ 4,850
Payroll Expenses		\$ 1,566,576
Professional Fees		\$ 217,354
Office Expenses		\$ 265,365
Repairs and Maintenance		\$ 83,200
Security		\$ 30,000
Small Tools and Equipment		\$ 9,200
Summer Music Event		\$ 1,500
Taxes and Licenses		\$ 36,280
Travel Expenses		\$ 2,000
Uniforms		\$ 6,950
TOTAL EXPENSES		\$ 2,603,832
Other Income		
Other Income, Interest Income, Gain on Sale Assets, Unrealized Gains/Losses		
TOTAL OTHER INCOME		\$ 22,475
Other Expenses		
Penalties, Budget Mailing and Ballot Expenses, Federal Income Tax, Uncategorized Expenses		
TOTAL OTHER EXPENSES		\$ 3,200
NET OTHER INCOME		\$ 19,275
NET INCOME		\$ 466,183
Less Reserves		\$ 328,800
TOTAL NET INCOME		\$ 137,383

LLCC HOA FY25 Proposed Operating Budget & Projects

Lake Limerick C.C.



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FY25 CAPITAL & RESERVE PROJECTS	TOTAL AMOUNT \$	Operations	Savings	Reserve
DESCRIPTION OF PROJECT				
Inn Island Shoreline Stabilization (Ph 2)	\$ 100,000			\$ 100,000
Office & Great Hall Restroom Upgrades	\$ 47,000		\$ 47,000	
(Facilities) Riding Lawn Mower	\$ 5,000	\$ 5,000		
(Greens) Irrigation Face Plates (5 Total)	\$ 12,000			\$ 12,000
Angila Park Fence and Ped. Gate Replace	\$ 35,000		\$ 35,000	
Old Lyme Restroom Remodel	\$ 15,000		\$ 15,000	
(Facilities) Leaf Guards for Inn	\$ 8,000	\$ 8,000		
New Park Benches, Tables	\$ 6,000	\$ 6,000		
Lake Leprechaun Valve Replacement	\$ 40,000			\$ 40,000
Bird Sanctuary Dredging / Feasibility Study (Ph 1)	\$ 17,000			\$ 17,000
(Golf) 5 Used Golf 2018 carts	\$ 22,500			\$ 22,500
TOTAL PROJECTS	\$ 307,500	\$ 19,000	\$ 97,000	\$ 191,500

In FY25 the projected reserve account contribution will be \$328,000.

LLCC has a reserve study that meets the requirements of RCW 64.90.550 and the budget meets the recommendations in the study dated 10/17/2023.

LAKE LIMERICK CC 2024-2025 Operating Budget Summary		2024-25 Budget
Revenue		
Income - Water		
Water Adjustments		0.00
Water Metered		643,632.00
Water Non-Metered		53,320.00
Additional Usage Charges above 6,000 GPM		231,973.00
Meter Installation		13,232.00
Water Reserves - Well		99,648.00
Water Reserves - Main Line		166,080.00
Water-Disconnect/Reconnect Fee		3,000.00
Water Income - Miscellaneous		5,000.00
Income - Water		1,215,885.00
TOTAL NET REVENUE		1,215,885.00
Expenses		
Advertising and Promotion		0.00
Auto/Truck Expenses		17,120.00
Bank Fees		21,700.00
Computer and Internet Expenses		4,400.00
Dues and Subscriptions		1,500.00
Employee Expense		250.00
Equipment Lease		0.00
Equipment Rental		7,000.00
Finance Charges		0.00
Insurance Expense		31,500.00
Meals & Entertainment		500.00
Payroll Expenses		344,608.62
Professional Fees		70,000.00
Office Expenses		75,599.50
Repairs and Maintenance		90,000.00
Security		0.00
Small Tools and Equipment		22,000.00
Taxes & Licenses Expense		40,800.00
Travel Expense		1,000.00
Unbudgeted Items		0.00
Uniforms		1,500.00
TOTAL EXPENSES		729,478.12

LAKE LIMERICK CC 2024-2025 Operating Budget Summary		2024-25 Budget
<u>Other Income</u>		
Other Income, Interest Income, Gain on Sale Assets, Unrealized Gains/Losses		
TOTAL OTHER INCOME		22,030.00
<u>Other Expenses</u>		
Penalties, Budget Mailing and Ballot Expenses, Federal Income Tax, Uncategorized Expenses		0.00
TOTAL OTHER INCOME		0.00
NET OTHER INCOME		22,030.00
NET INCOME		508,436.88
LESS - Water Reserves - Well		99,648.00
LESS - Water Reserves - Main Line		166,080.00
TOTAL NET INCOME		242,708.88