

**Kahler Glen Community Association
Annual Meeting Minutes
17 May 2014 – 10:00 p.m., at Lake Wenatchee Recreation Club**

Board members present: Nancy Miller, Kathryn DeMeritt, John Greiner, Frank Naish, Mike Wandell, Carol Pierce, Dave Reynolds, Dave Thorbeck, and John Bennett for the Resort.

Gary Marks assisted with the projection equipment.

At 10:07 a.m., President Mike Wandell called the meeting to order.

Mike Wandell announced the purchase of the land under the golf course; the announcement was greeted with applause.

Mike introduced new members to the community (John and Yolanda Christianson, Neil Horan, Quentin and Kelli Altmeyer, Mark and Judy Gubrud, Curtis and Jane Lynn, Frank and Teri Naish); those present stood to be recognized and were welcomed. Mike introduced the board, and thanked those retiring from the board for their service.

Nancy Miller moved that the minutes of the last annual meeting be approved as posted on the community website. Several seconds were heard. Motion approved unanimously.

President's Report by Mike Wandell (accompanying PowerPoint also posted): Mike summarized the history of Kahler Glen and its ownership. He explained the terms of the purchase as the deal closed on Friday, 17 May 2014. The loan from GESA was made with a 10-year term and a 20-year amortization rate, with an interest rate adjustable every 5 years and a minimum rate of 5.25%. It may be paid off without penalty after 3 years. Glenn's note is on substantially the same terms, and may be paid off at any time.

Vice President/Communications: Carol P

- thanked those who had responded promptly to the call for attendance pledges and proxies,
- reported on the communications done,
- reminded residents to update the community association roster information,
- reminded residents to complete the e-mail notification authorization form,
- reported on the process and content of the new documents, which are a re-write rather than a revision; these documents were distributed 20 April 2014 to residents for comments, all of which were considered and most of which were included.

Carol commented that no document would satisfy everyone, but endorsed the document as a whole. She pointed out that amendment was possible if the future found it necessary. She reminded the meeting that 75% of the membership was required to vote in the affirmative in order to adopt the new documents.

Vice President/Infrastructure: John Greiner explained that several areas of activity concerning infrastructure had been delegated amongst the board members for the infrastructure report:

1. septic: Dave Thorbeck:
 - mapping the infrastructure (confirming the as-builts) is the first priority
 - distribution controls of the drainfields were located and cleared
 - two systems may need to be modified at the East end of Hole #6 (previous practice green) as part of marketing/selling the 'new' lots
2. water: Dave Reynolds:
 - reminder that we may have to meter individual residences' and condos' water use in the near future
 - i. there is the possibility of a waiver and that continues to be pursued
 - ii. due date for the project is 2016
 - automatic water transfer controls were installed to move water between the water towers
 - improved road to the wellhead
 - projects above were funded from reserve funds
 - reminder that during power outages such as yesterday's that the dosing tanks (septic) and well (water) pumps are inoperable; please be moderate in system use.
3. Storm water: Kathryn DeMeritt: John G reported that Kathryn has volunteered to create a map of the domestic water and storm systems; also that a map that Kathryn created with names and addresses for each lot is available upon request.
4. Fire plugs:
 - Some plugs whose elevation interfered with function were raised
 - Schedule of annual check of hydrant function has been instituted.
5. Noxious weeds: Kathryn has identified knapweed, thistle, scotch broom and tansy as the focus of concern for this year. Pictures are available at the back table or on the website.
6. Architecture Committee: Mark Gubrud's plans have been approved by the Architecture Committee and the Board.
7. Geese: methods to discourage geese from taking up residence on the golf course were discussed.
8. Kitchen septic concerns: the residents were reminded
 - No disposals
 - No coffee grounds down the drain
 - Use septic-safe paper
 - No bleach down drains
 - Use only liquid soaps

John Christenson has volunteered to help Gary Marks with the mapping of the infrastructure systems.

Treasurer's Report: Dave R (acting as treasurer): Dave stated that the financial report he was delivering was strange, in that it is a report on a transitional time for the organization, and in that more budgetary changes are anticipated. He pointed out that most of the categories on the budget sheet (marked in blue) were affected by these changes. He read aloud the comment from the report concerning variances. Dave explained the Profit & Loss statement, and answered questions from the audience. Dave explained the Balance Sheet, and answered questions from the audience. Dave explained the budget, and answered questions from the audience. He pointed out a new line for 'doubtful accounts' in order to be prudent about the revenue projection. In response to a question, he pointed out that an assessment is not part of the new budget.

Mike asked for a show of hands in favor of adopting the 2014-2015 budget. Many hands were raised. In response for a show of hands in opposition to adopting the budget, no hands were raised. The budget was adopted unanimously.

A question was raised concerning changing the Community Association's IRS filing status from HOA social and recreation to HOA 1120H. Gary responded that it was done on the advice of the tax attorney.

John Greiner reminded the community that the head of the Architecture Committee is John Killian.

Property Manager's Report: Gary Marks

1. Stated that his overall goal is to improve the community
 2. Stated that the number one priority is to sell the 'new' lots
 3. Asked residents to let him know which areas are most in need of improvement.
- Several suggestions were made.

Bill Miller moved to resolve that all actions of the directors and officers of the corporation on behalf of the corporation during the past year were ratified and confirmed, provided the actions were within the scope of the directors' and officers' duties and not outside the normal course of business of the corporation. Motion was seconded by Andi Main. Passed unanimously.

Resolutions: Mike Wandell introduced three resolutions recommended by the KGCA board:

1. Resolution: approval of the Fourth Restated Declaration of Protective Covenants of the Kahler Glen Community Association.
2. Resolution: approval of the Articles of Amendment to the Articles of Incorporation of the Kahler Glen Community Association.
3. Resolution: approval of the Restated Bylaws of the Kahler Glen Community Association.

Mike announced the board's unanimous support of these resolutions.

Opportunity for discussion followed. There was no discussion.

Paper ballots were distributed.

The three resolutions passed unanimously, 124-0, in each case.

Election for the Board: Mike W gave opportunity for nominations from the floor. There were no nominations from the floor. Each candidate introduced himself to the meeting. In the absence of Tom Graham, John Bennett read a statement on his behalf. The candidates were Paul DeWees, Brooke Fritz, Tom Graham, Tim Lowery, and Dwight Miller.

Paper ballots were distributed. Results of the balloting were

Paul DeWees	97
Brooke Fritz	94
Tom Graham	56
Tim Lowery	38
Dwight Miller	79

Paul DeWeez, Brooke Fritz, and Dwight Miller were elected.

Rex Rathbun moved that, during the 2014-15 fiscal year, the Kahler Glen Community Association will not be required to have an official audit unless the board of directors decides to do it. Several voices seconded. Discussion followed. A large number of hands were raised in support of the motion; four hands were raised in opposition. The motion carried.

The outcome of the election was announced.

Mike requested a motion to adjourn. Several voices moved adjournment; several voices seconded. The motion passed unanimously. The meeting adjourned at 12:20 p.m.

Respectfully submitted,
Nancy M. Miller
Secretary, Kahler Glen Community Association Board