Kahler Glen Community Association

Annual Meeting 2018

24 June 2018 Lake Wenatchee Recreation Club 10 a.m.

Board members present: Dwight Miller, Neil Taylor, Sue Hennessy, Nancy Miller, Paula Robinson, Lynn Withrow

Manager: Gary Marks

Paula called the meeting to order at 10:24 a.m. on 24 June at the Lake Wenatchee Recreation Club. She introduced the board. She introduced new members.

The presence of a quorum was affirmed from the sign-in register by Sue Hennessy and Lynn Withrow.

Bill Miller moved the adoption of the 2017 Annual Meeting minutes as posted on the website. Several seconds were heard. The motion passed unanimously.

Linda Wandell moved that it be resolved 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. Juli Burrage and several other voices seconded. Discussion followed. The motion was passed; seven negative votes were noted.

Michael Pirotto from Lake Wenatchee Fire-Adapted Communities spoke. Their organization has several elements:

1. Ready/ set/ go planning
2. Firewise
3. Trained fire department
4. Mutual aid with other agencies
5. Strong building codes and ordinances.

Mike distributed a flyer. See Mary Gallagher for information on who to contact to have a fire extinguisher inspected or recharged.

Tim Gallagher updated the meeting on the Nason Ridge land purchase involving Weyerhauser, Western Rivers, and the Land Trust. As part of the agreement, local organizations have to raise $1m, of which about $600,000 is raised. Tim solicited contributions. Any extra will go to management of the parcel.

Paula explained the year’s theme of “Community First” as an outgrowth of her experience as a competitive team athlete. She listed all the committees and thanked the chairs and the volunteers. She solicited members to volunteer.

Paula updated the community on KGCA versus KGGSR. The community association received an offer from the golf course and returned an offer to the golf course; we are currently awaiting response which will come via the attorney. Paula urged association members who are also investors to communicate to their board that we are eager to work toward settlement.

Paula announced that the audit has been closed. Sue Hennessy reported on the process, which was the first complete audit for this organization and produced a very positive report. Sue reported that it was a very clean financial audit, and that there are findings and recommendations to improve our internal processes; these recommendation are being implemented. A work plan will be developed and published electronically.

Paula introduced the discussion of the Operations & Maintenance Budget. She said that the budget recommends a $100/ month increase in dues. She stated that need for increase resulted from 1) inflation, 2) keeping up with the reserve requirement from GESA, our lender, and 3) providing a cushion for unexpected expenses and to cushion the impact of those who have not paid their dues. Dwight, as treasurer, recommended that the budget be ratified. He took questions from the community. Topics raised included utility payment, terminology of recreation vs. winter recreation budget items, various projects.   
Gary pointed out that the road projects were part of the reserve budget. The infrastructure committee has been planning and has a recommendation.  
Lynn and John Christianson explained the timeline for completion of the water project. John summarized that we have the water rights reserved, that we have to finish the projects and get Dept of Ecology approval, and that if funded we will finish the projects “as advertised”. Lynn stated that the new infrastructure priority is roads.

Jan Deveny asked whether the board was asking for a large enough dues increase. Paula said that to the best of our ability to estimate, yes. John Christianson said that a 10% contingency was built into the water project budgets. Bill Miller pointed out that donations are not a good way to run a budget, and specifically mentioned the winter recreation programs. Rex Lund said that we need a reserve account. John Greiner said that raising the dues to $130 per month might remove the need for assessments; John mentioned the need for more money for infrastructure maintenance.

In response to a question from the audience, Dwight explained that this is a “take it or leave it” vote. If the budget is not ratified by the community, expenditures will continue as under the old budget and the new board will be tasked with creating a new budget and getting its ratification. Ted LaVigne asked that, in the future, the budget have more specific line items. Discussion followed as what was appropriately in the o & m budget and what might be line-itemed in the reserve budget.

Sue Hennessy spoke of the attempt to balance the two views of dues: 1) not enough, 2) too much. She asked for the members to support the budget and ratify it as presented. Bill Miller spoke in support of the budget as presented. Regarding the special reserve assessment, Paula said that we need a new reserve study, and that for this budget the board relied on the infrastructure committee and emphasized the ‘big four’: roads, water, septic, and ponds.

Paula stated that the board recommends the assessment and that the board proxies will be voted yes.

Sue Hennessy summarized the CCR change proposals. Paula stated that the board recommends the CCR changes and that the board proxies will be voted yes.

In the matter of elections, Paula asked if there were nominations from the floor. The room was silent. There was no reaction to a second invitation to nominate.

Paula thanked the community for its support during her presidency, and said that she would do it again. She thanked Dwight for his service to the community as treasurer. The community applauded Paula and Dwight.

Paula announced that the polls would close at 12:35 p.m. There was an informal recess while members voted.

Polls closed at 12:35. Ballots were counted by Juli Burrage, Lynn Withrow, Nancy Miller, Mary Long, and Sue Hennessy.

After removal of ineligible voters from the roll, there were a total of 137 eligible voters. The KGCA Board received four proxies, three of which gave general proxy authority.  For these proxies, the Board did not vote for Board members but did vote "Yes" on ratification of the budget, approval of the assessments, and on all of the proposed amendments to our governing documents.  One of the proxies gave explicit instructions, which were followed.

There were four categories of decisions put before the body:

1. candidates, where the top three vote-getters would be elected;
2. motions (including the budget), where the majority prevails;
3. CCR amendments which require 67% of eligible voters (92); and
4. bylaw amendments which require 50% of eligible voters (69).

Successful candidates were Cary Ecker, Rex Lund, and Judy Kiecz.

Motions:

Ratification of the 2018-19 budget passed. (87 votes pro)

Approval of Assessment for infrastructure of $1200 due within 30 days passed. (84 votes pro)

Approval of additional $800 infrastructure assessment due 15 Mar 2019 passed. (80 votes pro)

CCR Amendment 1 (update of burning restrictions) passed. (95 votes pro)

CCR Amendment 2 (assessment of .5% at time of sale) failed. (84 votes pro)

Bylaws Amendment 1 (separate record of board use of proxy) passed. (87 votes pro)

Bylaws Amendment 2 (member in arrears ineligible to run for board) passed. (90 votes pro)

Bylaws Amendment 3 (majority board vote required to reallocate special project funds to something other than the identified special project) passed. (89 votes pro)

Respectfully submitted,

Nancy M. Miller, Secretary

KGCA Board

As is traditional, following the balloting, a meeting of the new KGCA board was convened.

The officers were elected as follows:

Neil Taylor, President

Rex Lund, Vice President

Sue Hennessy, Recording and Communications Secretary

Cary Ecker, Treasurer

Neil established a Finance Committee with Cary as chair. Neil will invite Dave Reynolds to join.

Cary moved that the manager must have the permission of the Treasurer or a designee of the Treasurer in order to spend funds, until further notice. Rex seconded. The motion passed unanimously.  
Cary will contact Esther concerning these changes.

The meeting was adjourned at 1 p.m. without objection.

Nancy M. Miller, Secretary

KGCA Board