

# Kahler Glen Community Association

## Board Meeting Minutes

### 13 March 2016 – 9 a.m.

The meeting was called to order by Vice President Mary Long at 9:05 a.m.

Present were board members Mary Long, Dwight Miller, Paula Robinson, Kathryn DeMeritt. Mike Wandell was present telephonically.

Also present were community members Kevin Ostic, Randy Pelton, Rob Casad, Nancy Miller, Bill Miller, Mark DeMeritt, Dan Forbes, and John Christianson. John Bennett, Marcus Wood, and Carl Middleton attended by telephone.

Mary noted the presence of a quorum.

Mary presented the resignations of Mike Wandell and Darren Stober to the Board. Kathryn moved to accept the resignations, and to express the gratitude of the Board for Mike's and Darren's service. Paula seconded. Motion passed unanimously.

Kathryn nominated Nancy Miller and John Christianson to fill the vacancies on the Board until the May annual meeting, when the membership will be voting. Dwight seconded. Mary asked for any additional volunteers or nominations from the floor. There were none. Motion passed unanimously. Mary announced that there would be an officers' gathering after the meeting to elect board officers.

Kathryn reported on Communications:

There have been communications on the following topics:

- Water rights situation
- Keeping wildlife (bears, raccoons, etc.) out of the garbage dumpster
- Power failure last week
- Request to post the Golf course and Restaurant lease agreements in the documents file on the website
- Status of the Shaw-Hatfield lot (no change)
- Request to thin trees (passed on to Firewise committee; granted)
- Letter from the Golf course regarding possible Restaurant solutions
- Golf course representative letter referring 15 March 2014 KGCA Board meeting
- Letter from the Restaurant to the Board pointing out inaccuracies in the printed material distributed to guests (Randy said that would be easily fixed)

Mary responded concerning the Golf Course letter regarding the Restaurant that KGCA was sending a letter to Kaye Marks requesting that the Board receive an operations plan for the Restaurant to the Board by April 1st, and that Kaye take interim steps to meet the needs of the Golf Course. Mary requested Kathryn to send the letter to this effect to Kaye.

Kevin Ostic remarked that the Golf Course might open as soon as the 1<sup>st</sup> week of April; Randy Pelton remarked that 15 April was a more likely date.

Kathryn asked concerning food handler and bartender permits. Gary said that those permits were in place and that details would be worked out. Randy agreed to work on that also.

Mary offered the Board's assistance in setting up a meeting between the Golf Course and the Restaurant. Paula and Nancy will meet with Randy, Gary, and Kaye to facilitate. Expected timeline is 1 April for the

draft plan to the Board, 15 April Restaurant meeting Golf Course needs, 1 May Restaurant in full operation according to agreed plan.

#### Treasurer's Report

Mary announced that our primary lender, GESA, has informed the Kahler Glen Board that

1. There will be no reserve release.
2. There will be no new loan.
3. The dues must be raised to correct the income-to-debt ratio to meet the standard set by our current contract obligation.

Since there will be no new loan, KGCA must fund the water project alternately, through assessment.

GESA also has informed KGCA must

1. Undergo monthly budget oversight
2. Be prepared to meet a fiscal year-end (April 30, 2016) deep-dive audit that finds that the debt-to-asset ratio has been re-established.

Mary announced that the bookkeeper will need to set up new charts of accounts and accounting processes in order to meet KGCA's needs. Gary, Dwight and Mary will work with the bookkeeper.

Mary announced an emergency special community meeting for 9 April 2016 at 1 p.m. at the Lake Wenatchee Rec Center. The property owners will be asked to approve an assessment of \$2400, a raise in the dues of \$35 and a restructuring of the dues. Gary has completed the documents to support the e-mail that will be sent by Kathryn to all members.

Mary will speak at the special meeting, as will John Christianson.

Randy said that he disputed the information being relied on by the Board, and offered his plans to lessen the cost of the water projects. John Christianson will meet with Randy and report to the Board. Several members of the Board expressed their commitment to being as frugal as possible while still meeting the legal requirements.

Dwight said that we have had notifications that we must make significant progress on the water system this year, and that the Board's plans are made in accord with professional advice. John reaffirmed the Board's commitment to take all information into account, to correct any mistakes, and to proceed in as fiscally prudent a manner as possible. Mary said that our engineering firm will review any information presented to us.

John said that KGCA and the Golf Course must work effectively as business partners. Randy affirmed his intention to do so.

Mary reiterated the financial situation and asked the Golf Course representatives if they would support the KGCA financial requests to the membership. Kevin Ostic answered that he would support the KGCA request.

Dwight reported that our spending through February is \$37,000 in excess of revenue, but that the issue is cash flow. We have laid off people and postponed work on projects. Arrears notifications have been sent out offering to set aside interest and penalties in return for bringing accounts current. Failing that, the legal team is preparing to start foreclosure proceedings in two cases. These problems acknowledged, overall, we are within \$400 of our budget.

Mary announced that in accord with Section 7.16 of the bylaws, community members who are in arrears as of 1 April 2016 will not be permitted to vote at the April 9 meeting. This notice was also included in the packet/e-mail being sent to members.

#### OLD BUSINESS

Mary announced that the special meeting documents and the cover letter will be sent out today by e-mail and USPS tomorrow.

Manager's Report from Gary Marks:

1. There is a septic issue at the clubhouse. The pipes have been cleared but are gathering sand, whose source will have to be determined and fixed.
2. There is a springtime plan to check all septic pipes.
3. The booster pump utility vault has not yet been repaired. All changes are being done manually.

Dwight, Gary, and Mary discussed the need to open a bank account at Cashmere Valley Bank. We need the ability to accept credit card payments. Nancy will go to Cashmere Valley Bank, open the account, and arrange to have a point-of-sale credit card machine at the special meeting for those who wish to pay their assessment that way.

#### NEW BUSINESS

Mary reported on FireWise work being completed in the community. There will be a free chipping event in June, and perhaps also one in October. The debris piles by the 18<sup>th</sup> tee, constructed by the labor of John Christianson, were pointed out as the efficient way to prepare for the chipping event. We are working on becoming a certified FireWise community as quickly as possible. The first 7 such communities in the state this year will split a large grant for FireWise activities.

Mary reported that reflective number signs on houses can be any color, so long as they are reflective. This is an important assistance for emergency responders.

Mary pointed out that community members should not dump garbage on the common space above the 15<sup>th</sup> hole. A request has also been made to level out the grass dumping above the 15<sup>th</sup> fairway, and if possible, find an alternate place to dump grass clippings.

Mary announced that on Memorial Day from 9 a.m. to 11 a.m. there will be a volunteer cleanup work party in the area of the golf barn. There are a number of places identified for attention as time and volunteers are available.

Mary will send a note to Randy Pelton asking for the Golf Course's Firewise hours to add to Kahler Glen's account. Firewise assessments will be made on the Upper Pelton Place residences.

#### COMMUNITY FORUM:

John Bennett commented on the water plan budget. Dwight agreed that costs should be dealt with as frugally as possible. Gary specified additional vendors who should be included in John's budget reference.

Mike Wandell explained the timeline of meeting with the Dept of Ecology on the matter of municipal conformance. He pointed out that we relied on experts designated by the state for water issues, legal

and technical. Gary pointed out that the legal requirements have changed in recent years regarding water rights and construction, that completing the water system must meet these standards, and that municipal conformance is required to protect water for our irrigation needs.

Randy Pelton said that he understood and agreed with municipal conformance as an ultimate goal.

Kevin Ostic suggested long-time community members who might give advice.

Mary closed the meeting to the public and declared Executive Session for the purpose of selecting officers. The guests left.

Mary re-convened the meeting. She announced the following office-holders:

- President Mary Long
- Vice President Paula Robinson
- Recording Secretary Nancy Miller
- Communications Secretary Kathryn DeMeritt
- Treasurer Dwight Miller

Our next meeting is Sunday, April 10 at 9 a.m. at the KG conference center.

Respectfully submitted,

Nancy Miller  
Secretary to the Board