

Lake Marcel Community Club General Member Meeting Minutes

June 2, 2024 at 2:30PM

Beach one park at Lake Marcel

Attendees:

Board members				
<input checked="" type="checkbox"/> President: Laura Davis	<input type="checkbox"/> Vice President: Frankie Tipton	<input checked="" type="checkbox"/> Treasurer: Brian Blomquist	<input checked="" type="checkbox"/> Secretary: Nicole Roehrig	<input checked="" type="checkbox"/> Karen Giluck
<input checked="" type="checkbox"/> Doug Lapchis	<input checked="" type="checkbox"/> Travis Johnson	<input checked="" type="checkbox"/> Chris Galeucia		
Community members present				
Angie Ward	Robb McColley (guest)	Cassandra Johnson (guest)	Susie Roberts	Jeannine Keltner
Anna Peterson	Abram Jackson	Jesse Riddle	Neil Burgheimer	Andrew Simms
Kristine Gilreath	Kristi Yankacy	Susan Pearce	Gillian Whitlow	Mary Harenda
Natalie Engel	Fiona McKay	William Ready	Sharon Blomquist	Sandra Blomquist (guest)
Peter Templin	Tina Wolford	Bethany Lafferty	Laurell Ramirez	Jeff Ramirez
Rick DeBlock	Dale Keltner	Windy Walker	Juan Morfin	Paul Gibian
Karen Whitworth	Peter Beckett	Gary Wolford	Casey Krause	Laura Cox
Kim Klingenberg	Stefani Deines	Brandon Deines	Amy Wilfert	Dave Byczek
Jose Vargas	Laurence King	Kimberly Lakin	Ian Harsey	Susan Bolies
Brandt Peterson	Chris Sandy	Nicole Stokes	Stephanie Schuh	Andrew Wones
Kane Tiedt- Henson (guest)				

1. Chair Opening Remarks & Rules of Order

- a. Meeting called to order at 3:27 pm
- b. 100 total votes in person and proxy, 48 in person and 52 by proxy

2. Member Comments (2-minute time limit)

THIS IS A PLACE HOLDER FOR MEMBER COMMENTS. WE WELCOME YOUR COMMENTS. NO MINUTES FOR THESE ITEMS WILL BE RECORDED. LMCC MEMBERS WHO WISH TO HAVE THEIR COMMENTS ON FILE WITH THE OFFICE ARE INVITED TO SUBMIT A WRITTEN COPY OF THEIR COMMENTS TO BE KEPT ON FILE AT THE OFFICE.

3. Approval of Meeting Agenda

- a. **Rick DeBlock** made a motion to approve the agenda. Travis Johnson seconded. Rick DeBlock asked if the agenda should have included the vote of directors. Agenda **passes unanimously and approved.**

4. Approval of Minutes for Dec 10, 2023, Special Membership Meeting.

- **Travis Johnson made a motion to approve the minutes. Karen Giluck seconded.** Doug Lapchis states that state law that the draft minutes have be sent out before the meeting. Brian Blomquist asked if the requirements being referred to are part of the new WUCOIA regulations or some other RCW. Laurell Ramirez states that the voting occurs at this meeting. Rick DeBlock states that both statements are correct but not aware of the state law. Kristine G asked if there was a certain concern for the minutes besides the age, no concerns noted. Windy Walker does not see the Treasurer's report as not part of the meeting minutes that has been provided. She states that there is a discrepancy about playground equipment. **Motion passes by majority and is approved.**

5. Approval of minutes for Feb 25, 2024 Budget Re-ratification Meeting.

- **Travis Johnson motions to approve the minutes and Karen Giluck seconds.** Wolford states that the meeting didn't have a vote at the meeting. Brian Blomquist asked if in the attendance is all members and guests or just members. Windy Walker asked where in the minutes does it state the RCW quorum was present and if proxies were included.
- **Brian Blomquist motions that Sandra Blomquist is removed from the members list and Karen Giluck seconds. Motion passes by majority.**
- **Windy Walker motions that the minutes are amended that no proxies were taken at this meeting in 1 b. comment in the draft. Travis Johnson seconds. Brian Blomquist motions to amend the motion that no proxies were presented at this meeting in 1 b. comment section. Motions fails.**
- Neil Burgheimer asked if proxies are normally documented in the meeting minutes as a standard.
- **As amended with removing Sandra Blomquist off of community members present. Minutes have been approved by majority.**

6. President's report- Laura Davis, not on the agenda that we approved, see below.

7. Treasurer's Report- Brian Blomquist

- **Financial Summery**
 - New one-page summary document that encapsulates the LMCCs overall assets situation. The property values indicated are King County Tax Assessment values and do not necessarily reflect the resale value of the property. The LMCC accounting records will continue to show the value this property at the valuation that it was acquired at per accounting and tax reporting guidelines.
 - The Liabilities section of this report is meant to break down our average annual spending at a very rough and high level. The categories and numbers are similar to how our budget is normally presented, but where a budget is for a particular year and will reflect the anticipated spend for that particular year, these numbers are meant to reflect an average of the anticipated spend in these categories evaluated over several

years. If we were spending all the money expected, we would lose around \$20-25K per year with our current dues. Plan to refine these numbers further as we go into the budgeting process for 2025, and they should not be taken as an assumption that we will be increasing dues again this year, since that will be a more complicated question surrounding how much of an operating cushion we want to maintain and the actual amount we wish to spend in these categories in 2025.

- **Balance Sheet**

- The PayPal Account balance of \$215 that has been hanging around for some time has been reconciled and resolved. There was an Adjustments of \$65 in 2012 have been written off as account fees, and there was an amount of \$150 from 2020 that was a result of an accounting double entry error.
- The balance of the 1560 Bank of America account (\$1,176.45) has been transferred to the main reserve account and the account was closed. The majority of the reserve account funds (\$125,000) have been distributed between 4 CDs that are currently earning 4.75% interest and allow us to get ¼ of the amount at 3-month intervals without penalty. The sum of our reserve accounts is \$143, 320.32 which meets 100% of the recommended funding of our reserve study.
- The Account Receivable amount of \$26,505.62 is a result of \$9,028.53 of uncollected dues and fees from 2024 and \$17,477.09 of uncollected dues and fees from previous years.
- Plan to validate and update the fixed assets portion of our balance sheet to make sure it is current and accurate; it is unclear how well this portion of our balance sheet has been maintained.

- **Profit and Loss Comparison**

- In an effort to reduce the number of pages, the Accrual based version of this report has been eliminated this year. The Cash based version of this report is normally more informative around the progress of our dues collection and no different when looking at our expenditures.
- Outliers in the profit and loss comparisons are under Lake Maintenance (expenses associated with preparation for participation in a study) and payroll expenses associated with not having an office manager or handy person.

- **Budget vs Actuals - Cash**

- We are on schedule to come in under budget by approximately \$60K largely due to an expected budget line item of \$20K having to do with a lake study that will not happen this year and expected payroll expenses of approximately \$40K for an office manager and handy person. If we hire an office manager or handy person before the end of the year we may only be under budget by \$40K.
- Jeff Ramirez asked if annual dues are outstanding, what is being done about it. We are sending out letters. Several are in a lien status.
- Doug Lapchis asked if, on page #9, we have more money in the account than what we need for budgets. What will be used for that excess money? Reporting it as a cushion but in the future we will have to budget, or place in a reserve fund for that money or return it to the community.
- Will Ready asked about the milfoil treatment line item was part of the lake and dam budget or separate on page 10. Milfoil treatment has not occurred and that money was slotted for lake study.
- Dale Keltner asks if there is over \$100,000, is there plans to have a process how to invest or spend. The Finance Committee will be part of this review as well as the board.
- Doug Lapchis stated that the reserve money is being accumulated and not spent. Three options that were presented at the board that included for the members would advise the committee on what to do with the money.
- Mary Harenda asked if the office manager position and handyman positions are vacant. Would the excess money go to fund those positions? Yes, that money may be less if we fill those positions.
- Fiona McKay asked if we have sufficient reserves for the dam and the current level of legal support that need? It is unlikely that we do if we have a catastrophic event or natural disaster. We do have legal consult budgeted for.
- Andy Sims asked about the dam, do we have insurance if there is a catastrophic event? No, but dams are very difficult to insure. We do have a downstream emergency plan.
- Peter Templin advised that there is liability insurance that for dams and it was researched, but was not available or not reasonably priced. The dam is inspected by LMCC annually and by the dept of ecology every 5 years.
- Felicia asked if we could discuss the dam insurance before the budget meeting. Send email to admin address that the board and committee can review her concerns.
- Jeff Ramirez asked if reviewing the budget is done at the monthly board meetings in the fall.
- Windy Walker asked the food truck for 4th of July as part of the budget, Septic, paypal, office is listed as a shed, dam replacement
- Jesse Riddle stated that anything under 200 sq ft is a shed per King County. Will research it for capital improvements per codes and state laws.

8. Committee Reports

- a. **Lake & Dam:** Travis Johnson reported out.

Dam Ops:

The Dam Ops team has worked hard to complete the installation of the deflector plates in the dam spill way to help with slop erosion and to remain in compliance with the state dam safety office. The dam also received a new trash screen and a bubbler to help with trash build up.

Water Quality:

The Water Quality team worked hard to apply for toxic algae grant with King County, but the grant was not approved. While the grant was not approved, we managed to gain the attention of King County. Moving forward we will be receiving a tremendous amount of support from King County. This includes more than just our partners with the lakes group, but also from their Agriculture Program and Public Health. From this partnership the Water Quality team worked to define and implement the water sampling program.

Update from Shelly for the water quality team:

“The Water Quality Team is working with the assistance of King County to conduct a water sampling program twice per month until November, to try to narrow down the sources of phosphorous that contribute to the lake's toxic algae blooms. We will do this by collecting water samples at about 30 locations around the lake then dropping them onto "R-cards" to evaluate the relative concentration of bacteria from each sample. This is an intensive sampling program and we're looking for volunteers to assist!”

Update from Butch on the Dam Ops:

“The extra plates that we have will be held in reserve in case it is determined that more are required at a later date!”

Over the next year, the Lake and Dam committee will continue to help ensure our lake remains healthy and beautiful for this whole community to enjoy!

On behalf of the community, I would like to say thank you to all the volunteers on the Lake and Dam committee for their time and hard work to help preserve the health and beauty of our lake.

I would like to take this time to remind everyone this HOA is run by volunteers, and we are all looking for more. If are interested in volunteering, please reach out to me at travis.johnson@lakemarcel.net

- Windy Walker states there are no amphibian reports at the State. Homeowners can look at their septic tank inspection dates on the State website.
- Bethany Lafferty asked if the boat registration requests still go through the admin email. If you haven't heard back, email the request again.

b. Community Relations: No updates

c. **Community Events:** Nicole Roehrig chair

Christmas:

- Christmas boat float event with hot chocolate, thanks to Shelly Adams for planning and hosting!

Halloween:

- Trick or Treating community house map and QR Code
- Haunted House
- Witches on Stand-up Paddleboard
- Halloween Movie Night at Beach one, thanks to the Pirillo family for planning and hosting

Coffee with the Board:

- Quarterly opportunity to meet with the community
- Met in quarter one. Will set a new event date soon. The board has been busy preparing for the general membership meeting.

Easter:

- Julie Braun and Natalie Engel planned, organized, and hosted the annual easter egg hunt at the lake. Big thanks to them and all the volunteers who made this event a success.

Family Fishing Day:

- Doug Lapchis will host this event, planned for Sunday, June 9th. Signs with information have been posted around the lake and on Facebook.

July 6th, Independence Day:

- Carnival themed event
- Magician
- Inflatables, Cotton candy & Sno cone machines
- Bouncy House
- Prizes and Awards
- Advertisements and communications will start to go out after the Family Fishing Day event.
- Volunteers are needed for set up and clean up so if you are interested, please email the admin@lakemarcel.net address

Annual Garage Sale:

- Tentatively planned for the last weekend in July 27-28

Adopt-road:

- Spring 2024 event occurred on April 20th and by the pictures and shout outs on Facebook, looks like it was a great success. Thank you for everyone who participated.
- Fall 2024

- Reminder to the members that this is a 100% community volunteer led group and if there are ideas for events, we need leads and volunteers to help!
- All members are welcome to participate in the Community Events Committee. We meet on Teams the second Sunday of every month from 7-8PM.

Windy walker asked if there were several vendors that were researched before the current vendor was approved. Cassie Johnson did research on three companies, and all had similar offerings and bids.

Fireworks and laser show were also researched, and price were both \$10,000 for 10-15 minutes vs \$11,000 for 6 hours.

d. **Architectural Control:** Karen Giluck chair.

- Tree cutting permits and work
- Structures one is completed and one is in the works
- Dale Keltner asked if there was going to be a permit or sign to be placed for tree cutting and Karen showed an example of what is given to the homeowner.

e. **Governing Documents:** Travis Johnson reported out.

This committee has been working with the board to help define a direction that will help address. We have started to reach out to all our committees to receive information about the current committee's status. We also have begun to review some of our existing resolutions to make sure they are approved by the lawyer and compliant with all our by-laws.

We will continue to work to help establish documentation around the HOA's committee's role and responsibilities. We will be creating documentation on the web site to help provide information to the community about the work that each committee is doing, how the committee should operate, information about monthly meetings and points of contact. As well as information about what is expected of board members, committee members and volunteers.

We will also be looking at updating our by-laws and policies with the recent passing of WUCIOA. With the law going into effect January 1, 2028, we are going to have time to make the necessary changes to remain compliant.

On behalf of the community, I would like to say thank you to all the volunteers on the Governing Document committee for their time and hard work to help keep our by-laws and other documentation up to date.

Once again, I would like to take this time to remind everyone this HOA is run by volunteers, and we are all looking for more. If are interested in volunteering, please reach out to me at travis.johnson@lakemarcel.net or nicole.roehrig@lakemarcel.net

- Windy Walker asked that we are part of the online training to help non profit cooperation act. Lake Marcel board is part of the WA HOA committee. Request that committee meetings are placed on the Lake Marcel website calendar.

- Andy Sims asked if the online documents are part of the process, including the documents listed on the website.

f. **Facilities and Grounds Maintenance:** Laura Davis reported out.

- Reflector plates on the causeway
- Assisting lake and dam on their work
- Mary Harenda states that the beaches look good and appreciates the company that is doing the maintenance.
- Windy Walker asked if there is current septic inspection.

g. **Finance:**

7. **Director nominations:**

- Laura and Brian took the annual directors reset recommendations and were sent to the legal counsel. 8 board members, one was elected, and the rest were appointments as the seats vacated. Bylaws state that 1/3 of our board is elected every year and we are currently not in compliance with 4 seats up for election at this meeting. Counsel recommended a one-time reset with the members determining the number of board members that the community should have with staggered term lengths to move us into compliance with our Bylaws.
- **Windy Walker moves to table discussion until a special membership meeting to empower a detailed discussion, so the entire membership is part of the one-time reset. Neil Burgheimer seconds. Motion fails.** Discussion included: Laurel Ramirez states that this is our general membership meeting and the board went to the legal for counsel. Fiona McKay states that there are a lot of new people today, the board has struggled to be filled because of the ongoing issues. Recommend that we bring in a mediator so we can work together. Encouraged the community to get involved and be on the board or committees. Doug Lapchis does not think we can legally vote today as the notification has to be given. **Rick DeBlock motions to amend the motion to table to vote to change the number of directors but continue a vote to director reset. Bethany Lafferty seconds.** Bethany asked how much notice is needed as it is felt that sufficient notice was given. Juan Morfin states that he believes we need to have a letter sent out with the names of nominations for the seats. Travis states that the lawyer reviewed the process and approved to proceed with the vote. Susan Roberts suggests that the nominees provide small resume as it would be helpful. Kristine asks if we do not vote on directors today, will we be in violation of the Lake Marcel by-laws? If we do not vote today, the board would consist of 4 directors. Laura Davis states that the only requirement we have in our by-laws to be a director is that they are a member/lot owner. Doug Lapchis states that we don't have wait until another year to vote and can be done at any meeting. **Motion fails.**
- Fiona asked if we intend to vote on new seats as well as the expiring seats.
- **Rick DeBlock motions that we confirm our desire for the board to have 15 directors while recognizing that the filling of those seats is subject to the availability of qualified volunteers. Second by Brian Blomquist.** Rick states that the directors are volunteers and can have committees of the board to help do the work. Laurell states that whatever is opened at the

general membership meeting, the remaining unfilled cannot be filled until the next general meeting since those seats were never filled. **Brian moves to amend the motion to reduce the number of director seats from 15 to 9. Travis Johnson seconds. Motion passes by majority.** Travis Johnson researched how other HOA's had sole committees of the board and are misadvised as could be corruptive. Windy Walker asked if the vote for the number of board members was sent out with the newsletter. Was sent to the lawyer for review to reset at this meeting with her approval. **Amended motion on the floor is to set the 9 directors for the board. Motion passes by majority.**

- Fiona asked if two members in the same household be on the board. The only specification listed is that the nominee is a member.
- **Rick motions to help members make informed decisions as they vote, I make a motion that during the nomination process of this meeting, adequate time should be allocated for each nominee to allow members to comment on the individual followed by a vote on whether to accept or reject that specific nominee for the election. Dale Keltner seconds. RROO discourages members' comments and if done it can only be done with positive remarks. Rick asks to make an informed decision; the comments or discussion is heard about the nominees. Motion fails.**
- Laura Davis read out the code of conduct and the 3 legal duties HOA board members: Duty of Care; Duty of Loyalty; Duty to act within the scope of authority.
- **Per the approved motion, the board will be 9 seats total, 5 seats are to be voted on. 6 nominations from the floor, so the vote moves to a ballot. Members can vote on up to 5 and cannot distribute votes on the ballot; it is done with a check mark next to each candidate the member wishes to vote for.**
- Jeff Ramirez nominates Laura Davis. Bethany seconds
- Fiona McKay nominates Kristi Yankacy "Yanks"
- Tina Wolford nominates Juan Morfin **does not accept.**
- Brian Blomquist nominates Karen Giluck
- Natalie Engel nominates Travis Johnson
- Will Ready nominates Andy Simms
- Fiona McKay nominates Kristine Gilreath

Voting results:

1. Laura Davis expires 2027
2. Kristi Yankacy expires 2027
3. Travis Johnson expires 2027
4. Karen Giluck expires 2026
5. Andy Simms expires 2026

8. New Business

- **Chris Galeucia motions to allow the president to give her yearly report. Karen Giluck seconds. No discussion. Motion passes unanimously.**

- Laura Davis presented her President's report.

President's Report

There are 3 legal duties of directors:

1. Duty of Care

The HOA board is legally obliged to make informed decisions. Board members must do the research — utilizing all the information that is available to them — before making a decision or voting on a certain matter.

2. Duty of Loyalty

HOA board members must act in good faith and for the benefit of the entire community. Their decisions must not be based on personal interests. They also cannot use their position as board members for private gains.

3. Duty to Act Within the Scope of Authority

HOA board members should act within the scope of their authority. They cannot use their position, or exercise their power, on matters that are outside their duties and responsibilities.

Ramping up –

- o Almost an entirely new board
- o Not a lot of legacy directors to help ramp up
- o 9-months for some, 2 for the newest.
 - o Impressed with the commitment of this current board that have taken these 3 duties very seriously and continuously apply them to every decision and action they make.
- o Increased the number of directors – now committees have director chairs per historical precedence.

Finishing up old business from prior board

- o 2022 audit
- o Continuing HOA management company research
 - o Now with 3 directors working on establishing a list of requirements
 - o Once presented to the board, will be sent out for quotes
 - o Need at least 3 quotes to change how we do business.
 - o Will want to engage with members before implementing this big of a change
 - Prior requests for member presentations were unable to be completed by the committee without a verbal contract with the 1 company the committee had been working with.

Focus on process with Board Meetings

- o Robert's Rules of Order
- o Meetings from 3+ hours to around 1.5 hours

Consistent compliance with RCW's and our CC&Rs

Looking forward:

- o WUCIOA for All
 - o 1/2028
- o Governing Documents committee
 - o Document current processes and procedures so we know where we are
 - o Milestones on how to get to where we need to be to meet new statutes
 - o Likely require a rewrite of our governing docs.
- o WUCIOA will likely change a little
 - o WASCI (Washington State Chapter Community Associations Institute)
 - Nicole and I went to the April convention/classes
 - Great partner/experts in the field
 - Training available for all directors
- o Continue to make the board and committees more accessible to all.
 - o Improved financial reporting
 - o Introduce an Annual Operating Plan (AOP) to the budgeting season.
 - A financial planning tool used by businesses to anticipate their revenue and expenses for the upcoming year.
 - o Continue Coffee with the Board to allow for the community to have conversations to have their feelings/concerns heard.

Lastly, I wanted to end by telling you that these directors serve as volunteers on this board because they love this community and want to help keep it a place where they are proud to live. I am proud to serve this community with them and working with all the members to build an inclusive, supportive, and safe community where we ALL can thrive.

- **Rick motions that we direct the board to create an election committee so that we can have mail in ballots for the next general membership meeting. Susan Roberts seconds.** Can this work fall under one of the current committees. Travis motions to amend the current motion to research the need for an election committee. Karen seconds. Windy Walker believes that this work would fall under the governing documents committee. **Amended Motion passes. Researching the need for an election committee. Motion passes.**
- **Kristi Yankacy motions to remove Doug Lapchis from the board.** Per Brian Blomquist, this motion will need to be requested or call a special membership meeting with notification of 14 days or 50 days. RCW 24 53 a. Members were not allowed to vote on this motion.

- Susie Roberts suggests that at the coffee with the board has a draft agenda posted.

9. Member Comments (2-minute time limit)

- a. Members were given time (2 minutes) to comment

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Travis Johnsons made a motion to adjourn the meeting, Chris Galeucia seconded. Meeting adjourned at 7:58 pm.