

**SMRC General Membership Meeting  
September 24, 2011  
9:00am, Church on the Rise**

There being a quorum in attendance, President Paul Tillman called the meeting to order at 9:05 a.m. Board members and officers present were Joan Bassen, Stan Hillier, Dave Sandoz, Doug Smith, Julia Smith, Steve Smith, Paul Tillman, Jeanne Walton. Paul introduced the current board members, outlined meeting guidelines, and thanked everyone for attending. The Board prepared a PowerPoint presentation so all could follow an overview of the Board's accomplishments for the year.

**AGENDA**

The agenda was presented by President Paul Tillman. An invitation for additional items was made. There being none, Rick Chapman made a motion to approve the agenda; Jim Harbour seconded; motion carried.

**ANNUAL SUMMARY**

Presentation of some accomplishments and challenges include: recycling contract in place; solar panels re-installed on new bathhouse; new locking mailboxes; updated collection procedures; improved newsletter; adopted rules and regulations for - business approval, agenda and member input during board meetings, input during board meetings; new complaint form and processing method, and finally retained HOA legal counsel.

**SECRETARY'S REPORT**

Minutes from 2010 were previously distributed via mail, email, and posted on the website. Secretary Julia Smith asked if there were any additions or corrections to the 2010 Annual Meeting Minutes as distributed. There being none a motion was made to approve the minutes as distributed; motion carried.

**TREASURER'S REPORT – FINANCIAL STATUS**

The 2011 income and expense statement for the budget period ending August 30, 2011 was distributed via mail, email, and distributed at the meeting. Treasurer presented an overview of annual budget activity thus far. After the presentation the floor was opened up for general questions. A presentation on the 2012 budget options was made later in the meeting.

	YTD Actuals	YTD Budget	Annual Budget	Budget
<b>Income</b>				
Income Accounts	85,173.74	70,886.46	14,287.28	115,718.46
<b>Total Income</b>	<b>85,173.74</b>	<b>70,886.46</b>	<b>14,287.28</b>	<b>115,718.46</b>
<b>Expense</b>				
Administration	63.00	0.00	63.00	245.00
Bank Chrgs/Errors	407.00	0.00	407.00	0.00
Insurance	1,871.20	2,332.00	-460.80	7,000.00
Member Services	1,081.11	956.00	125.11	1,318.00
Park	5,078.11	10,150.00	-5,071.89	10,890.00
Pool	14,076.07	14,741.64	-665.57	21,434.96
Professional Services	4,841.62	400.00	4,441.62	500.00
Roads/Burn Pile	42,810.20	46,250.00	-3,439.80	56,395.50
Taxes and Licenses	136.64	145.00	-8.36	145.00
Travel	0.00	100.00	-100.00	120.00
Utilities	15,659.28	12,655.00	3,004.28	17,670.00
<b>Total Expense</b>	<b>86,024.23</b>	<b>87,729.64</b>	<b>-1,705.41</b>	<b>115,718.46</b>

## **ELECTIONS**

Vice President Stan Hillier facilitated the election process. Before elections began, two volunteers were requested to assist with ballot counting and verification. Rick Norsby, Jim Harbour and Mike Roorda volunteered. The open positions for a 2011-2012 included 2 board positions, vice president, treasurer, and secretary. Nominations were received from the floor with the reminder that each open position is voted on separately – one vote per lot owned per position.

The newly elected Directors and Officers:

- ☑ Board position 4: Steve Smith  
(Nominees: Steve Smith-incumbent, Dotty Noyes, and David Sims.  
David Sims withdrew his nomination.)
- ☑ Board position 5: Paul Tillman  
(Nominees: Paul Tillman -incumbent, Robert Gorski)
- ☑ Secretary: Julia Smith  
(Nominees: Julia Smith – incumbent, Diane Sims)
- ☑ Vice President: Stan Hillier  
(Nominees: Stan Hillier-incumbent, David Sims)
- ☑ Treasurer: Jeanne Walton (unopposed)

The ballots will be kept on file in the office for 1 year. Votes are available for review and recount at any time and in the presence of board members.

## **2012 BUDGET REVIEW & VOTE**

Treasurer presented four annual budget options for the membership to discuss and vote. The option summaries are described in the table below. After a lengthy discussion there was a motion made by Rick Chapman, seconded by ?? to pay off of bathhouse as soon as possible and structure the budget around this priority via a \$200 assessment -- \$100 per year for 2 years, first payment due April 2012 and second payment due April 2013.

	Increase Dues	Lignin in 2012	Road Maint.	Refi Loan	Contingency Fund
Option 1	\$0	No	Minimal	Yes/2016	2016
Option 2	\$50	Major roads only	Minimal	Yes/2016	2016
Option 3	\$100	No	Minimal	No	2013
Option 4	\$50	Yes	Current	Via Assessment	2014

## **COMMITTEE REPORTS**

### **Architecture**

A summary of the architecture approvals include: tree removal (2), deck addition (1), bathroom addition and garage (1), single wide trailer (1), double wide trailer (1), single wide moving to another lot (1), storage shed (1), manufactured home (1).

### **Roads**

A brief summary of road maintenance for the year was provided. All roads were maintained minimally, as the budget allows. New signage was installed to direct drivers to Larkspur Park and the central garbage area and directional signs installed on Twin Lakes Drive to give distances to the north and south entrances. A laminated map of the development will be installed at each entrance to assist with navigation. Patsy Rowland volunteered to do this.

### **Trail System**

The first trail section has been staked and multiple property owners along this trail have been contacted to determine their support for/against it. Majority are supportive. A trail segment map will be added to the website. To reiterate benefits of the trail system – aside from the recreational opportunities – are identification of property lines and boundaries, facilitating access to the common area greenbelts for removal of wildfire fuels, and allow access and visibility for control of noxious weeds.

### **Twin Lakes Aquifer Coalition**

As of September 22 meeting, significant news is the Methow Watershed Council is implementing plan to restore water in the lakes. Committee members Steve Smith and Robert Walton will provide detailed status report for distribution to the SMRC property owners.

## **OLD BUSINESS**

### **Audit**

Last year's vote decision to conduct a 2-year internal audit wasn't fully implemented due to constraints on composing the audit team. Further, the importance to have an audit which sufficiently evaluates the financial position of the association and makes effort to comply with RCWs is paramount. As such, a recommendation to seek professional audit services is being made (reflected in the 2012 budget proposals).

### **Recycle**

The recycle contract is in place and the program is working well.

### **Mail-in Ballot**

Based on poll taken through a mailing to 275 property owners, of which 100 responded:

56 = Interested in pursuing mail in ballot system

43 = Not interested

1 = Specified no opinion

Discuss about this raised several important point to consider and discuss further. Among other things if mail-in ballot process were to be enacted, it would require thorough development of process and policy, update of bylaws, and a nominating committee would need to be established. No vote or decision was made on this topic.

## **NEW BUSINESS**

### **Is there a Property Manager in our Future?**

President Tillman explained background about the need for the development to have model for property management in place. While this is not feasible to implement now, there is going to be a time after the bathhouse loan is paid off when the development really needs to consider moving in this direction. Until then, the reliance on volunteerism remains the mainstay of how it will maintain and manage the development. Many ideas were proposed on how to organize volunteer work

opportunities – create list of volunteers who have specific skills and abilities, do more timely advertisement of volunteer opportunities, and create ways of keeping the discussion about this topic open.

**ADJOURNMENT**

A motion was made to adjourn; motion seconded. Meeting adjourned at 12:10pm.

Respectfully submitted,

  
Julia W. Smith, Secretary

The minutes from the September 2011 annual meeting will be presented for approval during the 2012 annual meeting.

DRAFT