

**Summit Cove Recreation Center Homeowners Association Annual  
Meeting of the Membership held at the Summit Cove Recreation Center  
August 29, 2009 pm.**

**Members in Attendance:**

Paddy Brown  
John Karras E-12  
Rex Raimond D-11  
Melissa Moore B7  
Tim Tiefenbach B16  
Marta Hoffman B8  
Lee & Kathy Johnson A10  
Janet & Marty Blaser A11  
Allen & Rose Maruyama A4  
Tom & Debbie Haning Lake Haus A14  
Sharon Panas A7  
Dennis Bosio D4  
Betty Holland Lake Haus A13  
Vanessa Cason Lakeside C7  
Meng Lai Lim Lakeside C2  
Lynn Forsberg B6  
Dave Lawson R1 & H6  
Larry Wegrzyn E6 & D2  
James Miles Lakeside R2

Corinne & John O'Hara Lakeside #5  
Mike Fosser C7  
Bud & Sally Johnson D-12  
Sumio Go E-8  
Val & Spence Havlick C5  
Jay & Joni Bauer Lake Haus F5  
Gene Lemke Unit #10  
Liz & Giff Jackson L7  
Disko Durham Lake Haus D6  
Gary Ross C1  
Tom Griesser Lake Haus G-8  
Jody Russell A 12  
Bob Ansel C5  
Stefan Fiala Lake Haus G6  
Dorothy Vickland Hideaway #3&4  
Eric Black L13  
Jane Roehrig Lakeside #10  
Scott C Deaner Lake Haus D8  
Charlotte Shirvan Lakeside #5H

**Proxies:**

Michael/Trisha Streicher to Dave Lawson  
Sandra Vines to Tim Tiefenbach  
Susan Tynan to Tim Tiefenbach  
Betty Holland to Tim Tiefenbach  
Alan W. Demart to Tim Tiefenbach  
Carolee Gusik to Tim Tiefenbach  
Paul F. Winters Tim Tiefenbach  
Kathryn Brannan to Tim Tiefenbach  
Andrew Racuch to Tim Tiefenbach  
William Seidler to Tim Tiefenbach  
Jerry Pittman to Tim Tiefenbach  
Joseph & Jan Delia to Tim Tiefenbach  
Roger Kieft to Tim Tiefenbach  
Carol Wonsavage to Tim Tiefenbach  
Tom Newman/Michele Fuller to Tim Tiefenbach  
Kim Schiffmacher to Tim Tiefenbach  
Jennifer Abramson to Tim Tiefenbach

Suzanne Ripp to Tim Tiefenbach  
Andrew Pyburn to Tim Tiefenbach  
John Eck to Tim Tiefenbach  
Cheryl Murray to Tim Tiefenbach  
Jennifer Bergeron to Tim Tiefenbach  
Jeff Kuck to Tim Tiefenbach  
Kelly Ketzenbarger to Tim Tiefenbach  
William Grow to Tim Tiefenbach  
Steve Kunz to Tim Tiefenbach  
Darren Westlund to Tim Tiefenbach  
John Giddens to Tim Tiefenbach  
Lloyd Rhiddlehoover to Tim Tiefenbach  
John Delaney Lake Haus A1 to Tim Tiefenbach  
James Neese to Dave Lawson  
Jeff Thomas to Dave Lawson  
Kathleen Teal to Dave Lawson  
Stephanie McKay to Bud Johnson

Colleen McBratney to Thomas Griessner  
Brook & Chris Michelson to Bud Johnson  
Kathryn Coyle to Dave Lawson  
Alvarado Family Trust to Dave Lawson  
Ryan Hoffman to Dave Lawson  
Mark Lesmerises to Dave Lawson  
Jan Savat-Lynch to Dave Lawson  
Heather Urish to Dave Lawson  
Karen Schultes to Rex Raimond  
Scott McDill to J. Albert Bauer

Sara Long for Ellie Long to Dave Lawson  
Mallary Kasten to Bud Johnson  
Jeff Slavick to Bud Johnson  
Richard Holloway to Bud/Sally Johnson  
Ronald Reese to Bud Johnson  
Wendy Scott to Bud Johnson  
Mona Lisa Fair to Bud Johnson  
Al & Sharon Cedar to Dave Lawson  
Dave Lasaitis to Marta Hoffman

**Management in Attendance:**

Rick Pyle, Bob Towne, and Cathy Hyde representing the Management.

**Roll Call/ Introductions:**

Rex Raimond chaired the meeting and Cathy Hyde recorded the minutes. Rex began by thanking everyone for coming. Roll call was taken and Dave Lawson reconciled the proxies. Members and the Management introduced themselves.

**Call to Order/Quorum/ Notice of Meeting**

The meeting was called to order at approximately 4:03 pm. A quorum was determined to be reached with 38 members in attendance and 55 proxies. Notice of meeting was mailed on August 14, 2009.

**Approval of Previous Minutes**

**Sumio Go made a motion to approve the AGM meeting Minutes from August 9, 2008, as presented and was seconded by Jody Russell; as all were in favor and none opposed the motion passed.**

**Presidents Report**

Rex Raimond gave the President's report. He stated that it was great to see so many members at the meeting and to have so much involvement from the membership in deciding the future of the recreation center. He stated that he would speak more during later in the meeting.

**Financials**

Rick recapped the 2008 year end financials. There was \$80,256 cash on hand, about 33,000 in receivables netting around \$83,575. Year-end advance assessments were \$6,100, the Reserve Fund \$29,830. Overall returned earnings over the course of SCR history \$20,873, net income for the year-end 2008 was \$21,690. All reserve fund expenses for 2008 were deferred due to the possibility of closing the facility. Rick asked if there were any specific questions regarding the Profit & Loss statements. One member asked what the cash balance was, it is currently \$86,000 the liability is \$5,832 and total assets are \$87,813. Rick was asked by a member why they pay so much to the management company and was asked to justify this amount. Rick stated that for the

price the management company completes 20 hours of maintenance per week, supplies a resident manager, and completes various correspondence such as delinquency letters, statements, violation letters etc. Rick also stated that there are certain items that have fixed prices involved with maintenance that increase the percentage paid to the management. The Board responded to this topic by confirming that they had looked into new management but had decided that switching management companies would not be cost effective. An owner made the statement that if the recreation center were part of one of the associations it would reduce management costs. The owner felt that it is ridiculous to spend so much on management. Concern was expressed that the hot tub had not been working for the past six weeks. Rex responded that this was not a management company issue but a Board issue, the repair of the hot tub was stopped until a decision had been made about the future of the recreation center. The conversation returned to the financials, currently as of August 29 net income is \$9,500, again due to deferring of expenses pending today's decision.

*Approval of Excess Income Resolution:* Rick stated that in the previous year the membership had voted to keep the surplus income in the reserve. He let the membership know that due to the deferment of expenses there is currently a surplus of \$21,000 in the reserve and asked the membership if they would like to keep that amount in the reserve or to have it refunded back to the membership.

**John Karras made a motion to keep the money in the reserve fund; Jay Bauer seconded. As all were in favor and none opposed the motion passed and the Board President and Secretary signed the resolution.**

### **Property Managers Report**

Bob Towne presented the property manager's report to the membership. He reported that the property had been cleaned up this summer, railing slats were replaced over the overhang in the pool area, and two glass panels were broken in the pool area. There is a new resident manager, Zeke, who, with Bob, will keep an eye on the property. A new lock was put on the tennis court with the same code as the door to the recreation center. A few drywall repairs were needed due to some condensation problems. Bob went on to explain the trouble with the hot tub. He stated that he had received a quote for an excellent price on a replacement hot tub; a new heater and filter are in for repair to the existing hot tub. MRP is holding off on the replacement hot tub until the Board and the members make a decision regarding the recreation center. It is possible to use the old hot tub shell, though there are some cracks in it. The cost to the HOA to get the hot tub running is about \$5,800 and replacing the shell would be an additional \$1,500. It was asked whether we ever received a complete quote for the hot tub including all labor and installation-yes, MRP did receive a written quote on Friday. It came in above the \$17,500 Bob will discuss the estimate with Kaupas as they included items in their estimate that will be handled by another company.

### **Old Business**

*Survey Results-* The Board has been working over the last year to try to make decisions about how to keep the facility up and running. Working off of the decision at last year's AGM to do

research on some of the available options, the Board was approved to hire a professional, Norris Design, to put together some possible options. Some informational meetings were scheduled to include member input regarding the detailed report. Based on the responses at these meetings, a survey was put forward to the membership. 59 members responded (43%) to the survey, of those responses 35 members voted to leave the site as is, 12 wanted to develop a park, 7 wanted a mix of recreational and residential use. In regards to the recreation center itself 10 members voted to maintain the facility, 19 wanted to demolish it, 16 wanted to upgrade it, and 10 wanted to renovate the building, and 3 to build a new facility. As a Board we have been discussing which direction to go. There are short term and long-term considerations for each of these options and still decisions to be made.

*Facility Future-* Rex Raimond opened the future of the recreation center up for discussion prior to the introduction of any motions. It was suggested by an owner that they hear from the Board before hearing from the membership. Paddy Brown spoke briefly about the possibility of park. She stated that for the most part the kids go over to the school in order to play, she stated that a park on the property would certainly be used but is not necessarily a priority. Sumio Go suggested the possibility of letting the members that do not use the recreation center resign from the membership and have only those who wish to use the facility pay for its upkeep and make decisions for its future. One possibility suggested was to keep the facility open only during the ski season. Jay Bauer stated that he would like to discuss the motion that he would soon be bringing up. He said that the facility is at a fork in the road and that he would like the new board to have a direction for the next year. In his opinion there is no option to maintain the facility. He also stated that he had asked the Assistant Chief of the Fire Department what it would cost to have them burn it down and was told that they would love to do it for free for training purposes. However, should there be asbestos in the building, it would have to be dealt with as would all the debris and excavation. Jay received a bid for all the excavation of less than \$50,000. Discussion over the possibility of closing the facility continued for some time. Several questions were posed to the Board as to what other avenues they looked at for the facility. The Board answered all questions. Discussion was also brought up about the possibility of upgrades to the facility. Dave Lawson suggested the possibility of rezoning the area affecting the value of the property.

**Jay Bauer made a motion to demolish the facility with the following verbiage:**

***Motion: I move that the Summit Cove Recreation Association close its recreational facilities as soon as practicable, but no later than April 15, 2010, and that the existing facilities be demolished no later than September 1, 2010, and that the Association retain the land until it decides differently. The SCRA Board of Directors will manage the closure and demolition process. Dennis Bosio seconded the motion.***

**Tom Haning made a motion to amend the previous motion. He motioned to have a committee put together to study the options available for the property after the demolition. Spence Havlick seconded the motion.**

The amendment to Jay's motion was discussed. **Tom Haning withdrew his motion for the amendment.**

Ballots were given out to the membership in order to cast their vote on the motion put forth by Jay Bauer. A teller committee was assembled consisting of Melissa Moore, Bob Towne, and Tom Haning. While the votes were being tallied the membership moved on to New Business. The informal tally during the proceedings was 83 votes to demolish the facility and 8 votes to keep the facility. **As the majority was in favor the motion to demolish the Summit Cove Recreation facility was passed. The final total at the end of the meeting was 81 for and 10 against.**

**New Business**

***2009 Budget Ratification:* Dennis Bosio made a motion to suspend the ratification of the 2009 budget until after the votes had been tallied. Marta Hoffman seconded the motion. The motion passed.**

**Jay Bauer made a motion to approve the 2009 budget as presented with the admonition to the new board to look at the budget in light of the new objectives and to revise it soon; Jody Russell seconded the motion. As the majority was in favor with one abstention the motion passed.**

*Member Education:* Rick spoke to the membership about the need for carbon monoxide detectors in all units. He explained that there is a bill currently in effect that any unit being rented or sold must have a carbon monoxide detector within 15 feet of each bedroom. Rick suggested that the units can be purchased at Ace hardware and may be electric or battery powered.

From 6:15pm to 6:42pm—the meeting took a break to await the tally of the proposed motion to demolish the facility.

*Board of Directors Election:* Melissa Moore and Rex Raimond are resigning from the Board, and John Karras term expired this year. John Karras agreed to put his name in for re-election. Nominees included Dennis Bosio, Tim Tiefenbach, and Jody Russell.

**Sumio Go made a motion that the nominations be closed; seconded by Jay Bauer.** The nominees introduced themselves and spoke about their thoughts and ideas on the future of the property. Paper ballots were handed out to the membership and tallied by the teller committee.

**By secret vote the following were elected to the Board of Directors for two-year terms:  
John Karras, Tim Tiefenbach, and Dennis Bosio.**

**Adjournment**

As there was no further business to discuss.

**Jay Bauer moved to adjourn the meeting at 7:09 pm.**

I hereby attest that these minutes are a true and accurate account of the meeting thus held on August 9, 2008:

(signed) \_\_\_\_\_

(as) \_\_\_\_\_ (officer position)

(dated) \_\_\_\_\_