

Minutes of Quiet Water Annual Meeting June 1, 2013 Approved at the 2014 Annual Meeting

President Wally Orchard called the meeting to order at 10:05 AM and welcomed the members present and outlined the special voting issues for the meeting. He emphasized that the members would be voting on a 7.7% general assessment increase and on a transfer of \$20,000 from the general reserves to a fund in the budget that can only be used for restoration of our riparian area. He also explained that the CC&Rs (section 4.3.3) for this assessment increase requires a 60% quorum and a 2/3rd vote of the members present or by proxy.

Meeting Business:

Adopt draft minutes from the June 16, 2012 Annual Meeting. The Minutes were adopted by a unanimous show of hands.

Reports

President: Wally Orchard

Wally listed the personnel changes that have happened in the past year. In January Doug and Joan Johnson replaced the terminated Site Manager Chad McQuade. This May Jeannine Janson took over the job of financial secretary from Christine Orchard. Local landscaper Will Williams was hired to take over the mowing. Judy Line, friend of the Johnsons, will take over the pool management. The pool will be open from June 15th to September 15th a change that came from suggestions at the last annual meeting. Wally talked about the success of the "work for credit" program that was initiated this year. Members worked 200 hours and received \$2000 towards their quarterly assessment. The Board intends to continue this program. Bob Noble was thanked for an updated reserve study and his organizing efforts on the LCA garage and parking lot seal coat work. Nan Scott was recognized for her tireless work and expertise that is such a benefit to QW and Loren Dickinson for his efforts as leader of the DRC.

Treasurer: Nan Scott

Nan began with a short statement about how our budget is organized into funds. She emphasized the difference between general reserves and LCA reserves. The budget is in order and she provided the latest

balance sheet to the members present. According to the latest figures it is estimated that we will transfer \$4542 to the general reserves from this year's general operating fund.

DRC: Loren Dickinson

Loren briefly stated that there was not much activity for the DRC this year just 2 requests.

Reserve Study: Bob Noble

Bob began by contrasting the difference between the general reserves that are held to repair or replace the assets of the common property (pool, landscape equipment, tennis court, river bank path etc.) and the limited common area reserves that are held to repair assets of the LCAs (parking garages, parking lots etc.). He emphasized that by law a reserve study is required yearly and adequate reserves held. He reported that the LCA reserves are in order and no increase in LCA assessments are needed at this time and LCA4 could have their assessment decreased. Assets in the general reserve have outdated values for repair or replacement. Bob recommend that we get contractor bids for the type of work anticipated so we can obtain higher quality values for the general reserve study.

Site Manager: Doug Johnson

The pool is to open on June 15th this year and will close September 15th. This is the same amount of time just 15 days later than last year. Doug, Joan, and Judy Lyon attended a course in pool maintenance in Newport and reported that it was very useful. The Johnsons are donating the money from returnables in the recycling to a local animal shelter.

Quorum

A quorum was certified by Paul Haley, QW Secretary, with 35 signed in and 21 proxies recorded for a total of 46. A quorum necessary for an assessment increase greater than the annual Consumer Price Index (CPI) is 60% of 71 votes (43 votes). By the time of the voting there were 49 voting including the proxies.

New Business

Vote to increase the general assessment.

This was the first vote because the budget was dependent on the outcome. An assessment increase greater than the annual CPI requires a quorum of 60% of all members and a 2/3rd majority of those present (33 votes). The increase called for is a 7.7% increase to the general assessment. The new assessment would be \$210 per quarter for a developed lot and \$105 for an undeveloped lot. A written detailed rationale was presented in the meeting packet. The increase passed by a floor vote by show of hands with 4 votes against, 1 abstention, and 44 positive votes.

Vote for Budget

The Budget was explained to the members present. Contained in the budget is \$20,000 transferred from the general reserves to the Riparian Restoration Fund. A written rationale for the general reserve transfer was in the meeting packet. It was emphasized that a vote for the budget was a vote for this transfer. The budget vote needs a simple majority (25 votes) to pass. Dennis Schuelke raised the issues that a boat launch area and path restoration be part of the riparian plan. Dennis was satisfied with a verbal commitment from the Board to include these issues in the plan. The members present called for a floor vote and the budget passed with only 5 no votes. The budget vote was also part of the secret ballot and passed with 31 yes votes and 5 no votes (13 did not vote because of the previous floor vote).

Vote for Directors and DRC Members

Wally Orchard and Paul Haley were elected by secret written ballot for a second two-year term of Director. There were no other candidates. Wally Orchard received 47 votes and Paul Haley received 46 votes.

Loren Dickinson, Lynn Dimmick, Stephanie Kimmel, Isabel Prusinski, and Anne Noble were all elected to the DRC for one year with Loren Dickinson taking the lead. Dan Motley and Gretchen Armstrong were elected as alternates.

Meeting adjourned at 12:05 PM

Prepared by Paul Haley, Secretary, QWHOA