

**MINUTES OF THE LAKE WILDWOOD ASSOCIATION
BOARD OF DIRECTORS MEETING
JANUARY 25, 2011**

A. CALL TO ORDER

President Thies called the meeting to order at 2:30 p.m. and then led the Pledge of Allegiance.

B. ROLL CALL

Present: President Terry Thies; Vice President Alex Alexander; Secretary Mary Ann Brandt; Directors Don Hatten, Ward Thompson, and Tom Watson; Treasurer Chris Smallman; General Manager/Chief Operating Officer Edward Simpkins; Administrative Assistant Chris Olivas; and Recording Secretary Amy Powers. Director Bruce Stanton was absent.

C. AGENDA APPROVAL

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board approves the agenda.

The motion was unanimously carried.

President Thies made the motion, with a second by Director Thompson.

MOTION: That the Board move New Business Items 8, 9 and 10 to become the first three items to be discussed and voted on.

The amended motion was unanimously carried.

D. APPROVAL OF MINUTES

The Board will be asked to approve the minutes from the regular monthly meeting of the Board of Directors held on December 14, 2010.

Director Thompson made the motion, with a second by Director Alexander.

MOTION: That the Board approve the minutes from the regular monthly meeting of the Board of Directors held on December 14, 2010.

The motion was unanimously carried.

E. CORRESPONDENCE

President Thies received several letters from members expressing their opinion either in support of or in opposition to the establishment of a Fitness Room at the Community Center, as well as one letter from a member who does not want the Pickleball Club to use the tennis courts.

General Manager Simpkins reported that he received approximately fifty emails from Members both in support of and in opposition to the Fitness Room.

F. REPORTS

1. Treasurer's Report – Attachment A

Treasurer Smallman stated that December was worse than plan by \$63k, significantly due to Clubhouse payroll (\$20k) and Administration revenues (\$11k) and golf revenues (\$22k), resulting in the YTD positive variance to budget to decline to \$100K.

2. Secretary – No report

3. President's Report – President Thies thanked Chris Olivas for her work in preparing the Board's packets each month.

He reported that due to the efforts of our goose patrol dogs and the lasering of the lake by our Security Patrol, the numbers of geese in the community are down. LWA's goose patrol dog, Katie, is being used by the Golf Maintenance Dept. to deal with geese seen on the golf course and in the parks during the day.

4. Management Report – Attachment B

General Manager Simpkins reported on the project tracking list. At Commodore Park, the drainage culvert fill-in is complete and it is yet to be decided about whether to place boulders in front of it.

He updated the Board on the progress of the park tree-planting project.

The pool building remodel is on schedule for completion in April.

GM Simpkins also reported that delinquent account collection efforts in the Administration Office are on-going and are showing progress; however, the reports of foreclosures and bankruptcies continue.

Director Alexander noted an absence of a project status update in the Board's packets; GM Simpkins replied that a project update was given at the December Leadership Luncheon, from which Director Alexander was absent.

5. Committee Reports – Attachment C

6. Ad Hoc Committee Report – No report

7. Board Liaison Report – No report

G. CONSENT CALENDAR

Director Thompson made the motion, with a second by Director Watson.

MOTION: That the Board approve the Consent Calendar.

The motion was unanimously carried.

1. The Board will be asked to approve appointments to fill various committee vacancies. (1101-01, Thies)

The following appointments were approved:

Judy Bernard, Katherine Freer, Carolyn Loeppeke, Margaret (Betty) McCown - Community Relations;

Sharon Blackwood, Marjorie Colburn, Joe Feld, Ray Leech - Election;

Heidi Estep, Richard L. Fischer, Chris Heisler, Merle McDougall - Environmental Management;

Maria Fahey (Ladies' 18-Hole Rep.), Tom Knoflick (Men's 9-Hole Rep.) - Golf;

Nancy Fisher, Jeff Heyser, John Norton, William Yanko - Lake;

Mike Doscher, Bob Murray, Bob Wheeler - Planning;

Sally J. French, Dave Shindler, and Diana Thompson - Public Safety;

Roger Dodge, Tom Hall, Jim Pack, Allen Plake, Al Walti – Public Works;

Patt Frank, Mike Lambert, Linda Bailey - Recreation;

Maureen Baker, Barbara Byrne, Sue Carroll, Marilyn Heald, Patricia Queen - Social;

Mark A. Bailey and Peter Fraczek -Tennis;

Judy Blake, Joseph A. Padua, and Verne J. Freer - T.V. Advisory.

2. The Board will remind the Membership about a program whereby Lake Wildwood residents who are trained tax preparation volunteers assist community residents, who have relatively simple tax returns, with their Federal and State taxes. (1010-03, Orren/Simpkins)
3. At the request of Mr. Bob Martin, the Board approved expansion of the current Adopt-A-Highway Program and gave permission to use the name "The Lake Wildwood Association" on the County signs designating the newly adopted area. (1101-02, Martin/Simpkins)
4. The Board granted final approval to change Environmental Management Rule R-6.30.20 and R-6.30.30 which will update the rules regarding storage, maintenance of properties, weed abatement, and screening and cover requirements. This final notice will be published in *The Wildwood Independent*. (1010-05, Environmental Management Committee/Brandt)
5. The Board granted final approval to changes in the Golf and Maintenance rules to add Policy 7.20 and to make changes to Rule R-7.10.55, R-7.10.60, and

Clubhouse Rule R-5.10.20 and Recreation Policy 9.10. regarding charitable donations, participation in charity events, and use of common facilities by charities and other non-profit organizations for fundraising events. Further, the Board approved proposed changes to Finance Rule R-4.10.25 regarding donation funds. A final notice will be published in The Wildwood Independent. (0909-05, Thies/Brandt/Simpkins)

H. OLD BUSINESS

The Board will be asked to ratify the increase in the Workers Compensation Insurance coverage which became effective January 1, 2011.

Further, the Board was asked to approve additional unbudgeted FY 2010/11 and FY 2011/12 Operational funds totaling \$21,843.83 to cover the cost of the premium. (1011-11, Simpkins/Olivas)

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board of Directors ratify the increase in the Workers Compensation Insurance coverage which became effective January 1, 2011, and that the Board approve additional unbudgeted FY 2010/11 and FY 2011/12 Operational funds totaling \$21,843.83 to cover the cost of the premium.

The motion was unanimously carried.

I. DISCUSSION - None

J. NEW BUSINESS

1. The Board will be asked to approve FY 2010/11 Replacement Reserve funds not to exceed \$3,700 to replace two (2) two-drawer bread warmers in the kitchen and banquet service areas. (1101-09, Beever/Simpkins)

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board approves FY2010/11 Replacement Reserve funds not to exceed \$3,700 to replace two (2) two-drawer bread warmers in the kitchen and banquet service areas.

Glenn Orren from Finance/Audit Committee noted that these warmers are two (2) assets, not one, and should have separate asset tags, and that these funds are already budgeted.

The motion was unanimously carried.

2. The Board will be asked to approve FY 2010/11 Replacement Reserve funds not to exceed \$2,000 to purchase an electric food processor from TriMark Economy Restaurant Fixtures for the Clubhouse kitchen. (1101-10, Beever/Simpkins)

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board approve FY2010/11 Replacement Reserve funds not to exceed \$2,000 to purchase an electric food processor from TriMark Economy Restaurant Fixtures for the Clubhouse kitchen.

Glenn Orren of Finance/Audit Committee stated that these funds are already budgeted.

The motion was unanimously carried.

3. The Board will be asked to approve FY 2010/11 Replacement Reserve funds not to exceed \$7,300 to replace the Alto-Sham heated banquet cabinet in the Clubhouse kitchen. (1101-11, Beaver/Simpkins)

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board approve FY 2010/11 Replacement Reserve funds not to exceed \$7,300 to purchase an Alto-Sham heated banquet cabinet from TriMark Economy Restaurant Fixtures for the Clubhouse kitchen.

Glenn Orren of Finance/Audit Committee stated that these funds are already budgeted.

The motion was unanimously carried.

4. The Board will be asked to approve two (2) requests for Charity Golf Tournaments (Roots & Wings Educational Foundation and Music in the Mountains) which have been reviewed by the Community Relations Committee. (1101-03, Community Relations Committee/Brandt)

Director Brandt made the motion, with a second by Director Watson.

MOTION: That the Board approve the scheduling of two Charity Golf Tournaments this year, to be sponsored by Roots & Wings Educational Foundation and Music in the Mountains, subject to these organizations complying with the criteria as outlined in Policy 7.20.

President Thies thanked Don Streseman and Tina Skukrud for their input.

The motion was unanimously carried.

5. The Board will be asked to approve a request from Roots & Wings Educational Foundation to hold their Annual Lake Cruise on Saturday, August 6, 2011 from approximately 4:00 to 8:00 p.m. The revenue from this event will benefit local schools. (1101-04, Brandt)

Director Brandt made the motion, with a second by Director Watson.

MOTION: That the Board approve a request from Roots & Wings Educational Foundation to hold their Annual Lake Cruise on Saturday, August 6, 2011 from approximately 4:00 to 8:00 pm, the revenue from which will benefit local schools.

The motion was unanimously carried.

6. The Board will be asked to approve the establishment of The Information Technology Standing Committee and their proposed Charter. The purpose of the Committee is to review and recommend the integration of technology for the Association's Management Information Systems. Bruce Stanton will be designated as Board Liaison to this committee. (1101-05, Planning Committee/Thies/Alexander)

Director Alexander made the motion, with a second by Director Thompson.

MOTION: That the Board approve the establishment of an Information Technology Standing Committee and their proposed Charter. The purpose of the Committee is to review and recommend the integration of technology for the Association's Management Information Systems.

Director Alexander commended Dave Anderson and Darrell Trimble for the work they have done in determining what systems are currently in place and making recommendations for new systems. He stated that this work would have cost the Association \$20,000 to \$25,000 if it had been done by an outside contractor.

The motion was unanimously carried.

7. The Board will be asked to approve FY 2010/11 Board Contingency funds not to exceed \$5,000 to cover the cost in excess of the operating budget of \$5,000 to contract with a Security Consultant to conduct an Operational Security Audit. (1101-06, Simpkins)

President Thies made the motion, with a second by Director Brandt.

MOTION: That the Board approve FY 2010/11 Board Contingency funds not to exceed \$5,000 to cover the cost in excess of the operating budget of \$5,000 to contract with a Security Consultant to conduct an Operational Security Audit.

Director Hatten stated that we have no client references on Mr. Fennelly, who will be doing the audit. GM Simpkins shared a reference with the Board Members from a colleague of Mr. Fennelly, and will request client references.

Director Thompson asked how the audit would proceed and GM Simpkins stated that Mr. Fennelly will be in LWW for one week to conduct the audit and then will present his findings to the Board and GM only. The Board Members each have a copy of the written scope of the audit, which will take place during the third week of February. Director Alexander stated that the Public Safety Committee is to be included in the audit review.

The motion was unanimously carried.

8. The Board will be asked to approve proposed changes to Administration Rule R-1.20.40, Provisions 3 & 5 which will update the Association's Fine and Penalty Schedule regarding failure to submit to or complete a pre-entry boat inspection, bringing or launching a boat that has been in infested waters, and misuse of LWW Pass, Card, or Decal. These proposed changes will be published in *The Wildwood Independent*. (1101-07, Lake Committee/Findley/Simpkins)

President Thies made the motion, with a second by Director Thompson.

MOTION: That the Board approve proposed changes to Administration Rule R-1.20.40, Provisions 3 & 5 which will update the Association's Fine and Penalty Schedule regarding failure to submit to or complete a pre-entry boat inspection, bringing or launching a boat that has been in infested waters, and misuse of LWW Pass, Card, or Decal. These proposed changes will be published in *The Wildwood Independent*.

Director Thompson thanked the members of the Lake Committee for their input to these proposed changes.

The motion was unanimously carried.

9. The Board will be asked to approve budgeted FY 2010/11 Capital Replacement Reserve funds not to exceed \$23,000 to replace the two existing copiers in the Administration Office. (1101-08, Whiteaker/Simpkins)

Glenn Orren stated that a third bid is needed. Finance Manager Whiteaker gave the Board a sample of pricing from the internet and stated that it has been difficult to obtain three bids because we are receiving very competitive pricing from the vendors. We are able to purchase two new copiers for less money than the amount reserved for one copier.

Director Watson made the motion, with a second by Director Thompson.

MOTION: That the Board approve budgeted FY 2010/11 Capital Replacement Reserve funds not to exceed \$23,000 to replace the two existing copiers in the Administration Office.

The motion was unanimously carried.

10. The Board will be asked to task the Finance/Audit Committee to research methods and means for financing the remodel or new construction of a new Clubhouse and Administration Building. (1101-12, Tom Watson)

The Finance/Audit Committee has formed a sub-committee to suggest ways in which to finance a remodel or new construction of the Clubhouse building. Mike Doscher, chair of the Planning Committee, stated that the plan three years ago had been to sell some Association-owned lots, but this is no longer an option due to the downturn of the real estate market.

Director Watson made the motion, with a second by Director Brandt.

MOTION: That the Board task the Finance/Audit Committee to research methods and means for financing the remodel or new construction of a Clubhouse Administration Building.

The motion was unanimously carried.

K. PUBLIC COMMENT

1. Marty Domagala, Lot 1334, asked if the Pool Phase II project is on time and on budget at \$250,000 or if it is considered on budget with the additional \$60,000 that was approved. GM Simpkins answered that the \$60,000 is included. He also asked if the Finance/Audit Committee will be holding meetings with the Department Directors on January 28, 2011 in regard to the proposed budget for FY 2011/12 and it was confirmed that these meetings are being held from 9:00 am to 5:00 pm on January 28.
2. Ken Towns, Lot 1027, asked that the Association allocate funds to update the sound system in the Cedar Room.

Director Brandt briefly described the Penn Valley Town Hall Meeting that was held on January 18, 2011, including the fact that President Thies was a speaker at the meeting. One of the topics he discussed at the meeting was that LWA had installed a fence around the dam turnout on Pleasant Valley Road in order to prevent unauthorized boats from being launched and possibly contaminating the lake with quagga/zebra mussels. Director Thompson stated that making this information available in the Penn Valley community, as well as the designation of the LWW Community Center as an emergency evacuation center, are good for community awareness.

L. ADJOURNMENT

Director Brandt made the motion, with a second by Director Thompson.

MOTION: That the Board adjourn the meeting.

The motion was unanimously carried.

The meeting was adjourned at 3:32 p.m.

Respectfully submitted,
Amy Powers