

LAKELAND VILLAGE COMMUNITY CLUB

Annual Community Meeting Agenda



Date: June 20, 2023 at 7 pm. Meeting started at 7:05 pm.

Board Members Present: Maureen Allen, Sylvia Banzon (virtual), James Byrne, Diane Clevenger, Clint Fretz, Don Huibregtse, and Scott Horsfall.

Board Members Absent: Dave Engman and Peter Nash.

Others Present: Tim Averett (virtual-partial), Joanne Quiring (virtual-partial), Bradley Appleman (virtual), Denis Eckert (virtual-partial), Shirbish (virtual), Angel Ponce (virtual), Tom & TJ Foreman, Carr Johnson, Barb & Mal Thomson, John & Jane Indorf, Kathleen Taylor, Dave & Becky Anderson, Bryan & Barbara Jabara, Steven & Tuesdee Rehard, Sandy Cunningham, Renee Hanson, Michael Graham, Les & Cindy Dennis, Michael Mulligan & Kasey Hendrickson, Roger Debritz, John & Tracy Susan, Bob Pickles, Kevin & Pam Buck, Bob and Barb Enos, John & Candi Wardean, Richard Aydelotte, Cindy & Geri Ross, Debbie Leslie, Eldon Beck, Bryan Roof, Bruce Jackson, Christene Bennett-Schultz, Dorothy Poe, Terry Biggs, Ron & Sharon Hagedorn, Jan Foster, Janet Pederson, Tom Duren, Robert O. Gwinn, Diane Harrington, Carla Anderson, Christine Milliron, M. Leslie Foss, David Hakala, Donn Haughton, Michael Kassin, Carol Roesler, Guy Bralley, and Halina Borjarski.

Guest Speakers: Loretta Swanson, Richard Dickinson

Please sign in as you enter, please

Topic	Discussion/Vote	Action Assignee
<p>Guest Speakers- 7pm to 8 pm</p>	<p><u>Mason County Public Works</u></p> <ul style="list-style-type: none"> - Richard Dickinson- Deputy Director Utilities and Waste Management - Loretta Swanson- Manager Utilities and Waste Management <p><u>Sewer Rates:</u> A smaller community will pay a larger portion individual pays. Many different systems in play so technology varies. Capacity of 625,000 a day. Capital facility fee to join system is 11K.</p> <p>Equipment at LLVCC- 6 to 7 pump stations and a few hundred grinder pumps.</p> <p>Question: Why are the rates so high compared to other cities and counties? A bunch of counties were mentioned.</p> <p>Some of those quoted rates include water. Commercial is billed more on usage. Residential is a flat rate. Differences in the technology of the water waste management.</p>	

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The county is hiring a CPA to help them determine ways to adjust rates and find ways to refinance the current high interest bonds.

Our plant is out of date due to age. Flumes are more accurate than pumps. Reclaimed water for irrigation. Could sell water.

Question: Last summer the lake was closed 3 or 4 times due to sewage spills. How can you prevent?

Two new pumps and electric control system replace, VFP was replaced and new transfer switch were installed.

Question: Are the bonds paid off or refinanced?

A 15 million bond was paid off last year. A 6.8 million to be paid in 2042. \$15-\$17 of monthly payments go to repaying bonds, which are at 3% interest.

Question: Can you provide LLVCC with the Income Statement and Balance sheet for Waste Management?

Yes, we can send it to the office and they can distribute it. You can see what is budgeted. We have administration, finance, 6 FTE operators. Financial policies require a reserve. North Bay has 1.8 million in reserves by county policy. Our aging plant/system is hitting capacity – needs future growth and planning.

Question: What is the North Bay system?

LLV, Allyn, around the bay through Victor, Coulter Creek, Grapeview Loop. There are different rates for multi-family units.

Question: What happened with the reimbursement the community was promised?

CPI dictates the rates and changes; our system is outdated. It is reasonable to assume coverage of costs if applying for and receiving grants. Need to be mindful of taking on additional debt.

Question: Does the state match funds?

There are 2-3 pots of money that are managed. Centennial Clean Water – grants reduced, more loans, some forgiven. Public Works money increased. Commerce – good infrastructure grants. Federal government puts out infrastructure.

Community Member Comments:

Utility Department will spend 85% of the income, 15% will

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	<p>stay in reserve fund. They are accountable to state and internal audits. Grantors audit the books. Utility Dept. is held accountable many different ways.</p> <p>Loans – mandatory hookups. County claimed septic in LLV was polluting down below. Long term fight with County, the condos pay less. So does Belfair and the trailer park. There are better ways to figure out equitable rates: flow meter, power systems.</p> <p>There is no cap in sight on sewer rates. The development in Belfair – the County Commissioners forgave the cost of the hookup for \$3 million.</p> <p>Question: Are we being impacted by that loss? Not directly. The County pays Belfair through the excise taxes for real estate. Excise taxes are used to fund infrastructure, parks, etc. If property in LLVCC is bought or sold, a portion of the excise tax would go to Belfair.</p> <p>Roads: Waiting on bypass; wrapping up design \$79 million project; 5 yrs before complete.</p> <p>Local request: Roundabout N Bay and SR3 @ triangle also at Lakeland Dr and SR2. Legislation determines funding for these requests.</p> <p>Later this summer, both Homestead and Lakeland Dr will be worked on. Homestead will be closed for a day, to grind out and repave. Lakeland will just have an overlay put on. Notice will be sent out.</p> <p>Pedestrian Safety: Mirrors- City does not installed them but homeowners may install if needed.</p> <p>There is a Citizen Advisory Committee: Questions can be forward to them for pedestrian grants.</p>	
<p>Virtual Meeting</p>	<p>Article II, Section D, Number 1: Annual Membership Meeting. There shall be a budget and election annual membership meeting on the fourth Tuesday of February of each year, and a general annual membership meeting on the third Tuesday in June of each year. If approved by the Board, members may participate in a meeting by conference telephone or similar communications process so that all persons participating in the meeting can hear each other at the same time.</p>	

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	Participation by that method constitutes presence in person at a meeting.”	
Quorum/Attendance	<p>Determine Quorum: Do not have a quorum or enough votes to pass amendments. We have 58 members plus 8 Board members representing a total of 52 lots. We needed a quorum of 91 lots represented.</p> <p>Discussion: No quorum.</p>	
PUBLIC COMMENTS/ COMPLAINTS		
<p>Written Questions Received by the office- Note questions were copied as they were received. Questions were not altered or change.</p>	<p>Concern: If we attend the board meeting virtually will it count towards the quorum?</p> <p>LLVCC response: According to the Bylaws under Annual Membership Meeting on Article II, Section D, Number 1: “If approved by the Board, members may participate in a meeting by conference telephone or similar communications process so that all persons participating in the meeting can hear each other at the same time. Participation by that method constitutes presence in person at a meeting.” This indicates that virtual attendance does contribute to the quorum.</p>	
	<p>Concern: Point of order. It is invalid for people to vote for bylaw amendment without attending meeting! This is per our bylaws. Someone may have discussion that convinces people voting for the revision is a good or bad idea.</p> <p>LLVCC response: Our By-Laws state, in Article IX, Section K, “These Bylaws may be amended by the majority vote of the members in good standing voting at a meeting with a quorum.” A quorum is 10% of the membership in good standing. A majority of votes is over 50%. If these totals are not met, the vote will not pass.</p> <p>According to Article II, Section D, Number 7, “A member may cast his or her vote in person or by mail, according to procedures established by the Board of Directors.” Established procedures are in person or by proxy/absentee.</p>	
	<p>Concern: Annual Membership Meeting: What is the purpose of changing the annual membership meeting from the fourth Tuesday of February to an "open" unaccountable and potential random date in the month of February? As well as changing the general annual membership meeting from the third Tuesday of June to an "open" unaccountable and potential random date in the month of June? While</p>	

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	<p>intentions may be one thing the actual proposed changes allow for the board to meet on any given day in February or June of any given year.</p> <p>LLVCC response: Removing the specificity of the dates for the community elections and meetings is to increase continuity and avoid confusion. The plan is to keep all meetings on the third Wednesday of the month, which is when the monthly Board Meetings usually occur. We think this will improve the continuity of meeting dates for everyone, as the office hours are set for Wednesday evening meetings.</p>	
	<p>Concern: Notice: The notice to membership by, "electronic communication", is vague and unspecific as to what type and how, where delivered to community. i.e. on website, newsletter, email, text, social media?</p> <p>LLVCC response: This is correct. It was intended to be unspecific on purpose. As technology advances, we don't want to have to amend the bylaws every time there is a new form of communication. The current intent is to continue using email, newsletters, and mail as forms of communication. Currently bylaws restrict us to mailing and/or emailing with prior authorization.</p>	
	<p>Concern: How is electronic communication going to be validated, held accountable, and protected from fraud?</p> <p>LLVCC response: There are ways to verify and validate electronic communications. We called homeowners whenever we are unsure of an email and/or to clarify message. We understand any email can be hacked and we are working with our IT person to enhance the security if the Bylaws amendments pass.</p>	
	<p>Concern: What assurances can be provided for the counting of votes or the members casting of ballots to be true and valid without fraudulent use when using electronic communication?</p> <p>LLVCC response: Currently, the office staff are the only people that manage votes, ballots, etc... They keep track of the votes and ballots and validate that all votes are from members in good standing. The tool that we are planning on using if we go to electronic voting will help with the tracking but our office staff will still need to validate that the members are in good standing. The application tracks the votes and provides a report to share with the community. Ballots and vote validation are witnessed by two members</p>	

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	<p>per RCW 24.03A.460. Ballots and tracking tools are kept in the office for one year for inspection by any member of community.</p>	
	<p>Concern: C. Terms of Office: Why do you think a Director needs to have 9 years of service on the board? Doesn't it serve the community to have shorter terms for fresh ideas and changing perspectives? This only leads to the good old boys' club and frozen perspectives and preferences.</p> <p>LLVCC response: Currently the bylaws do not have specified terms for serving as a Board member. Prior to the last election the past directors were having a hard time getting members to volunteer to participate on the Board. The term of nine years is the maximum one person may serve if the person was appointed at the beginning of a term and then re-elected twice. Otherwise, a Board member can serve a maximum of six years (two elections). The community must re-elect each Board member for each term.</p>	
	<p>Concern: General or Special Budget for Income, Expenses and Reserves: "notification" is vague and unspecific as to what type and how where delivered to community. i.e. on website, newsletter, email, text, social media?</p> <p>LLVCC response: This is correct. It was intended to be unspecific on purpose. As technology advances, we don't want to have to amend the bylaws every time there is a new form of communication. The current intent is to continue using email, newsletters, and mail as forms of communication. Currently bylaws restrict us to mailing and/or emailing with prior authorization.</p>	
	<p>Concern: Election. Isn't "each" required in order to specify that "every" time not just "a time" that the Board of Directors elect its President, Vice-President, Secretary, and Treasurer from the Directors? As this is not even the case now since the current President, Secretary or Treasurer never served on the Board before taking those assignments and an interim doesn't apply to qualifying either?</p> <p>LLVCC response: The way the bylaws were written: At the first meeting of the Board of Directors after each annual meeting of the members, the Board of Directors shall elect its President, Vice-President, Secretary, and Treasurer from among the Directors. The way the Bylaws were written meant that the Board needed to wait until after the June meeting to select their officers. The term for serving on the Board is from April 1- March 31st and the elections are in February. This was very confusing and created vacancies on</p>	

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	<p>the Board. The new amendment allows the Board to select officers at the meeting following the elections. This helps with continuity.</p> <p>To clarify, both the President and Secretary/Treasurer served on the Board before taking the officer assignments. Mr. Byrne was appointed to the Board in October 2021 and then was re-elected on 2023. Mr. Byrne became Vice President shortly after his appointment due to his prior experience in HOAs, and then he became interim President in 2022 and was elected President in 2023. Mrs. Banzon started on the Board in April 2022 and became Interim Secretary/Treasurer when the position was vacated. She was elected in 2023 as Secretary/Treasurer.</p>	
	<p>Concern: K-Amendments. Doesn't voting by members in good standing via "electronically" open up the uncontrollable possibilities of fraudulent voting which would potentially allow changes to the by-laws (our quality of life in Lakeland Village) by others that may not even live in Lakeland Village through passing electronic votes on to others or through "hacking"? If not, what voting security measures are being put in place to guarantee fraud free electronic voting with measurable metrics and accountability?</p> <p>LLVCC response: The tool that we are planning on using if we go to electronic voting will help with the tracking but our office staff will still need to validate that the members are in good standing. The application tracks the votes and provides a report to share with the community. We understand any email can be hacked and we are working with our IT person to enhance the security if the Bylaws amendments pass.</p>	
	<p>Concern: Effective Date. Establishing a set date here forces an approval and determined amendment which may not be in the best interest of the community through the boards rush to record an amendment?</p> <p>LLVCC response: The date is set to coincide with this week's meeting since the vote is taking place now.</p>	
	<p>Concern: Costs of By-Laws proposed changes. What are the associated costs to the community to allow for "electronic communications" for secured voting, Microsoft Teams for community access to board meetings or other community meetings, etc.? And why have the costs not been mentioned for this meeting requesting the changes to the by-laws as it would affect the communities budget and thus be another raise to our dues?</p>	

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	<p>LLVCC response: There are no associated costs for electronic communications. We want to maximize the use of the current tools we use to serve our community. We have the capability to do electronic communication and electronic voting at no extra cost. If the amendments pass, yes, we may need to “beef up” our security but this will be part of budgeted money allocated for office operation.</p> <p>The cost has not been mentioned because there is no extra cost. The changes to the Bylaws do not affect the budget or dues.</p>	
<p>Concerns brought up at the meeting</p>	<p>Concern: Why were the questions in that order? Where did the questions come from?</p> <p>LLVCC response: The reason we answered these questions in the order we did was because that is the order in which we received them from members in the community. We were not able to publish these yet because we received them all yesterday. We believe the amendments are a good thing for the community and we will continue trying.</p>	
	<p>Concern: We have some comments on the bylaws and the amendments, how can we submit them?</p> <p>LLVCC response: If you have any comments for the amendments, please forward those to the office and we will take them into consideration. Otherwise, members can submit amendments to the bylaws with 20% of the membership’s agreement.</p>	
	<p>Concern: Subsection C bylaws. Reasonable for record protection and why is not specific for a timeline.</p> <p>LLVCC response: it is vague on purpose. It depends on the type of records and the quantity of records requested. The language for this section was not amended. This is the original language.</p>	
	<p>Concerns: Bylaws should be very specific. These bylaws are vague.</p> <p>LLVCC Response: We agree with the statement made. These bylaws were last reviewed and amended in 2017. One of the amendments was to clarify some of the vagueness when it refers to Board members terms.</p>	

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	<p>Question: Directory- why not? Quote me the RCW that says this is not possible. Start a neighbors helping neighbors program for the older members of the community.</p> <p>LLVCC Response: Board does not want to take the liability of publishing phone numbers that are private.</p>	
	<p>Concern: Wants to thank the Board, staff, and volunteers for all your work on the amendments to make electronic communication and voting. It is obvious by the attendance and the lack of votes that people are very disengaged in the community.</p> <p>LLVCC Response: Bylaws are hard to change and we knew they probably would not pass on the first try. We knew that being able to have a quorum and the majority vote was a big ask for the first time around. We are not discouraged and are happy to answer all the questions and try again later.</p>	
OFFICER REPORTS		
<p>President</p>	<p>President's Report- James Byrne Welcome and thank you all for attending, there has been some very important business to discuss this evening.</p> <p>The board has worked long and hard at some amendments to the by-laws so that there are more electronic ways of communication, attending meetings and voting. This has been a long time coming, and I thank Sylvia, Mary, and the whole board for coming up with the proposed changes and putting this out to the community for a vote.</p> <p>There has been a lot more involvement at the board meetings and I am very thankful for that as well. At the community level we still have items we are working on and hopefully painting a picture of a long-term plan instead of the board being more reactive to items.</p> <p>Once again if you have any interest in being on a committee or more involved with the board, we welcome that and get in touch with our office.</p>	
<p>Vice President</p>	<p>VP Report- Peter Nash No report</p>	

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<p>Treasurer</p>	<p>Treasurer's Report- Sylvia Banzon</p> <p><u>Balance Sheet as of June 16, 2023</u></p> <table> <tr><td>Checking</td><td>\$ 1,389.00</td></tr> <tr><td>Savings</td><td>\$ 228,690.79</td></tr> <tr><td>Money Market Savings</td><td>\$ 32,315.36</td></tr> <tr><td>KCU CD 6 mo. 3.3%</td><td>\$ 50,129.58</td></tr> <tr><td>Cap Imp Reserve</td><td>\$ 96,918.17</td></tr> <tr><td>Litigation Fund</td><td>\$ 91,066.40</td></tr> <tr><td>Accounts Receivable</td><td>\$ 31,411.73</td></tr> <tr><td>Prepaid Insurance</td><td>\$ 5,520.49</td></tr> <tr><td>Undeposited Funds</td><td>\$ 4,129.38</td></tr> <tr><td>Petty Cash</td><td>\$ 100.00</td></tr> <tr><td>Total</td><td>\$ 541,676.27</td></tr> </table> <p><u>Statement of Activities as of June 16, 2023</u></p> <table> <tr><td>Total Income</td><td>\$ 254,917.96</td></tr> <tr><td>Total Expenses</td><td>\$ 46,028.68</td></tr> <tr><td>Net Ordinary Income</td><td>\$ 208,889.28</td></tr> <tr><td>Net Income</td><td>\$ 208,889.28</td></tr> </table> <p>Budget 2023-2024 Total Revenue: 94.1% Total Expenses: 17.5%</p> <p>Open Purchase Orders March- June 2023</p> <ul style="list-style-type: none"> - PO #2 Speed Sign (\$1495 Not budgeted)- Total spent \$1740.78 Postage paid to send sign \$245.78. Waiting for billing statement Allocated to Maintenance. - PO#4 Web Training for Mary (\$85) Allocated to Contracted Services (Website Host). Waiting for billing. - PO #9 Networking Computers (\$3713 reserve budget)- Total spent in equipment \$1291.19. Estimated cost for networking and application updates is \$500.00. Waiting for billing. - PO #14 Cleaning Basketball and Tennis Courts (\$17,000 Maintenance Budgeted)- \$283.92. Paid and Close. 	Checking	\$ 1,389.00	Savings	\$ 228,690.79	Money Market Savings	\$ 32,315.36	KCU CD 6 mo. 3.3%	\$ 50,129.58	Cap Imp Reserve	\$ 96,918.17	Litigation Fund	\$ 91,066.40	Accounts Receivable	\$ 31,411.73	Prepaid Insurance	\$ 5,520.49	Undeposited Funds	\$ 4,129.38	Petty Cash	\$ 100.00	Total	\$ 541,676.27	Total Income	\$ 254,917.96	Total Expenses	\$ 46,028.68	Net Ordinary Income	\$ 208,889.28	Net Income	\$ 208,889.28	
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<p>Safety</p>	<p>Sheriff Report- Maureen Allen CITIZENS AUXILIARY ADVISORY SHERIFF'S MEETING DATE: June 8, 2023 News about the jail. For years the biggest complaint in the Sheriff's Office was the overloaded jail facility and the reluctance to officer staff. Now because of the lighter case load for the substitute Public Defender position and the restricted arresting authorization from Olympia for drug</p>																															

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	<p>possession and drug related crimes, the jail is now almost empty. Capital funds are being addressed in Olympia for the support of a new Sheriff's Jail/Office to include a co/campus for substance abuse and crime. Garbage pick-up by prisoners on work release and trustees produced 66,820 lbs. of garbage and 84 dump sites were cleaned up since June 7th. The Sheriff's Office is offering a ten-thousand-dollar sign-on bonus and lowering the recruiting age to 18. Of course, all requirements must still be met. Charlie's Vision Fund Raiser was discussed: trying to acquire a Command Vehicle which is greatly needed for extended criminal events away from facilities. Discussed the arrest of a Shelton High School Counselor. Had to go to Spokane to contact previous student to acquire evidence. The number of canines within the Sheriff's Office was four. One just removed, one retired, one died, now down to just one canine. There was an overdose situation within the jail. Even though all mailings are inspected it has been discovered that letters are being dipped in drugs that have been liquified, dried then sent to prisoners and eaten. The fix is all mailings are now being run through a copy machine and then a "copy" will be given to prisoner. This month there have been 800 Animal Control complaints. Everything from pigs, cows, dogs, chickens. 250 911 calls in the past 24 hours. This month the Sheriff's Office is losing 3 officers for multiple reasons. Because of down interference at active investigations/events they will now be shot down.</p> <p>Sheriff Spurling announced he will be attending a North Mason Community Voice Meeting at the Hub at 6:00p.m. I attended and listened to the new Auditor, Mr. Duenkel's presentation. He is focusing on all future voting procedures, counting, locations, public observations of counting, cameras at all ballot boxes. He is not suggesting that previous voting processes had issues. He just wants to make sure that all future voting will not be suspected of illegal/questionable activity. Every month this organization meets at the Hub at 6:00p.m on the second Thursday of every month with different guest speakers. Everyone is invited.</p>	
NEW BUSINESS		
Bylaws Amendment Vote	<p>We received a total of 143 (138 Yes and 5 No) absentee votes.</p> <p>Tabled. Not a quorum at the meeting.</p>	
UPCOMING MEETINGS		
July 26	5:30 pm Board Meeting	

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Aug 23	5:30 pm Board Meeting	
UPCOMING EVENTS		
July 3rd	Office Closure	
Aug 5	Garage Sale	
Aug 19	Community Picnic	
MEETING ADJOURNMENT		
Motion to Adjourn	<p>Motion: James motioned to adjourned at 8:48 pm. Second: Don Aye: Maureen, Sylvia, Diane, Clint, Don and Scott Oppose: none Abstain: James</p>	