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October 22, 2020

Account: [AccountNumber]

[Recipient] [MailingAddress1] [MailingAddress2] [MailingCity], [MailingState] [MailingZip]

RE: Lakemoore Community Club 2020 Annual & 2021 Budget Ratification Meeting

Dear [Recipient],

This letter is being sent to notify you of the upcoming Lakemoore Community Club Annual & Budget Ratification Meeting. The meeting has been scheduled for Thursday, November 12, 2020 at 7:00 PM via Zoom.

Register for the Annual and Budget Ratification Zoom Meeting in advance:

https://us02web.zoom.us/meeting/register/tZUvf-6vqzssGdMusZGSF0IhJaM21Z6Ucfm1 After registering, you will receive a confirmation email containing information about joining the meeting.

Items on the Agenda include:

- Roll call:
- Approval of 2019 Annual Meeting Minutes;
- Reports of officers & committees;
- Review of current financials:
- Review of 2021 Board Approved Budget;
- Ratification of 2021 Budget;
- Election of officers:
- Unfinished business:
- New business:
- Adjournment.

One main purpose of the Annual Meeting is to elect homeowners to serve on the Board of Directors. Nominations will also be accepted from the floor at the meeting.

Please review the attached 2021 Budget. Please note that unless the owners of the majority of the votes in the association reject the budget, in person, or by proxy, the budget will be ratified. Proxies are available upon request from VIS Group.

Should you have any questions regarding the meeting, or any other matter, please do not hesitate to contact our office at (800) 537-9619 or via e-mail at info@vismanagement.com. We look forward to seeing you at the meeting.

Sincerely, VIS Group, Inc. On behalf of Lakemoore Community Club Enclosed: Budget, Ballot, Financials

Lakemoor Community Club ANNUAL MEETING Minutes -

Meeting type: Annual Meeting

Date: January 11, 2020

Place: Rivers Edge Restaurant, Tumwater, WA

Start time: 7:20 pm

Board members in attendance: President Wendy Harris, VP John Ulmer, Treasurer Rob Panowicz, Secretary Dirk Havlak, Mike Gowrylow, Susan Dumph, Randy Lubert

Other community members in attendance: Michele Rothman – Ken Lake Clerk, Vorhoff (2), Kubel (1), Ulmer (1), Andersen (2), Havlak(1), Johnson J (1), LeTourneau (1), Ham (2), Langill (2), Dumph (1), Leland (1), Kirk (1), Panowicz (1), Gowrylow/Baker (1), Frank (2 + 2 children), Murray (2), Lubert/Ranson (1), Finley (2), Wilmes (2), Tindall-Walker (1). Also Ralph Oliver (& son) – Security, Ben Alix – new Common Areas Manager.

Minutes from 2019 Annual Meeting: none taken

President Wendy Harris opened the meeting after the social hour and buffet dinner. She reviewed the board accomplishments for 2019:

- 1. Created and implemented new Rules and Regulations to enforce Covenants
- 2. Developed a community violation fines policy
- 3. Began implementing a new Lake and Parks fencing & security system
- 4. Established first community Town Hall Meetings
 - Spring mtg special guest: Olympia Police Department
 - Fall mtg special guest: Olympia Emergency Preparedness
- 5. Initiated community dead tree survey, and communicated survey to membership
- 6. Instituted a contracts bid process policy for vendors
- 7. Reviewed and contracted a new community management company
- 8. Hired a new parks manager
- 9. Invested LCC investments into money market interest-generating account
- 10. Began review of long term analysis study of Lake requirements
- 11. Updated and revised new Residents Welcome Package that includes valuable information and city offered rebates
- 12. Established Basecamp as a board communication platform
- 13. Completed Ken Lake entrance renovation
- 14. Completed Ballpark Field renovation
- 15. Engaged with Coalition of Neighborhood Associations to better understand the impact of city initiatives upon our community
- 16. Applied for and received city-offered grant to offset entryway renovation costs

John Ulmer, chair of **Covenants Committee** discussed work of his committee to develop enforceable Rules and Regulations to clarify the 2008 Revised LCC Covenants. These R&Rs were approved in December 2019, and took effect January 1, 2020. John Ulmer and Randy Lubert from the BOD and committee have done a presurvey of the community and identified 64 lots (out of 290) not in compliance, with 6 lots far below standards. A lake survey this week revealed 22 lake lots with Styrofoam dock floatation, with 17 docks showing degradation which is causing pollution to fish, water, and shorelines. Our new management company, VIS, will begin monthly compliance checks with a board member soon.

Treasurer Rob Panowicz announced that LCC is on firm financial footing. The **2020 budget** has been drafted and after distribution to community, will be voted on at February board meeting. Assessments have increased to \$165/quarter to cover Reserve Fund commitment and increased costs.

New Common Areas Manager Ben Alix was introduced and gave an update of plans for the parks this year.

Election Results: Wendy H stated that there were 4 open board positions, and 4 candidates (all current retiring board members ran again for the board, and no other candidates applied). Ballots had been mailed to Vantage, LCC's management company, and the sealed ballot tally was opened and announced. 81 ballots were collected for the 4 candidates, and all were re-elected. No write-in ballots were received. **John Ulmer, Wendy Harris, Mike Gowrylow, and Randy Lubert were elected,** to join Rob Panowicz, Dirk Havlak, and Susan Dumph for the 2020 LCC Board of Directors.

LCC Security officer Ralph Oliver thanked the community for its support and cooperation this year. He wants to be notified of problems. He was glad to hear that the upcoming RFID security system can restrict access to park rule violators.

Community Comments:

Ben Alix had noted that Wolbert's landscaping won't fertilize new ballfield grass until fungus is treated. Barb Walker-Tindall wondered if the contractor who installed the grass should be responsible for correcting this issue, as turf installed this past year. Board will investigate.

Member voiced concern about the covenant allowing a member to possibly clear his/her lot of 35% of trees yearly for 3 years and essentially clearcut their lot. John Ulmer responded that LCC wishes to remain a forest community, and that the city's rules on tree removal are based on tree units. Dixie Havlak described the process in 2008 that resulted in LCC's current tree rules, which is still more restrictive than the city, but was a compromise as there was no rule on tree cutting prior to 2008.

John U and Rob P commented that it currently takes 60% approval of owners to change the covenants. There are new state rules passed in July 2018 for HOA and condo associations, that would allow passage of changes with 50% of votes, but there are disadvantages to adopting the other provisions in those rules. The board will reevaluate whether to adopt the rules in the future.

Several members encouraged the board to help facilitate future summer concerts in Christopher Park, since the one this summer was such a pleasant success. The board hopes to have at least 2 concerts this summer.

Members were reminded of the community potluck social on the last Friday of the summer months (May through September) at Christopher Park.

Next Board meeting will be at 6pm on Monday, February 10 at Jefferson MS Library. Meeting adjourned at 8:18 pm. Submitted by Dirk Havlak, LCC BOD Secretary

2021 Budgeting Process & Budget

The following methodology was used by the Board in preparing the 2021 LCC budget. By doing so, the Board established a process by which all expenditures and accruals for future use could be be evaluated, tested and subsequently allocated to, or removed from, the relevant budget lines. The result is a budget that is balanced without relying on the use of operational fund savings, provides clarity to the membership, reflects the long-term strategic priorities for the community and starts us on the process of fully funding our reserve requirements.

1. State Governing Principle

To maintain and improve the corporate assets of Ken Lake in order to preserve its status and appearance as premier residential community.

2. Identify and Rank Strategic Objectives in Alignment with Our Strategic Objectives

Sound fiscal stewardship of our assets and organization Covenant enforcement Lake health and Development of a strategic lake management plan Security

3. Budget According to Ranked Priorities--top priorities given first consideration

4. Set 2021 assessments according to adjusted and reviewed budget.

2021Assessments on ALL lots will be \$175 per quarter starting January 1, 2021.

This represents an assessment increase of \$10 per quarter for each lot. This increase is required to cover the increased cost for goods and services needed to operate the HOA and to fund the Reserve Study savings plan. For 2021 \$57,800 is budgeted for contribution to the Reserve Fund based on a modified full funding projection. No special assessments are planned for 2021.

The Budget Ratification Meeting will take place at 6pm on Monday, November 12, 2020 via Zoom

Reserve Study Update:

Washington State Law requires homeowner associations to have a Reserve Study which is "supplemental to the associations operating and maintenance budget. In preparing a reserve study, the association shall estimate the anticipated major maintenance, repair and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget."

Our 2021 Reserve Study was prepared by CEDCORE and meets the requirements of RCW 64.90.550. The 2021 reserve study recommends Full Funding Contributions to the reserve fund should be \$90,000. The reserve fund contribution needed for 2021, without the lake mitigation component is \$57,800, which is the amount budgeted for 2021. While we will be contributing less than the amount called for full funding in 2021, we will be making progress toward that goal while we determine an equitable allocation of the cost of Lake mitigation.

Lakemoor Coi	manity Class		
2021 Budget			
INCOME		AMOUNT	
300000	Assessments	\$202,300.00	
300600	Boat Tags	\$1,500.00	
300610	Yard sale	\$700.00	
306200	Garden Plot payments	\$300.00	
300200	Fines and Penalties	\$2,400.00	
300300	Late Charges	\$1,200.00	
300400	Legal Fees – Pass Through to Owners	\$0.00	
300500	Interest	\$900.00	
301100	Miscellaneous Income	\$0.00	
300630	Carry over 2020 unspent budget items	\$9,900.00	
TOTAL INCOME		\$219,200.00	100.00%
101/121110011112			200.007
EXPENSES			PERCENTAGE
CORPORATE COSTS			
401600	Miscellaneous Expenses	\$2,400.00	
403113	Dues and Subscriptions	\$400.00	
400200	Postage	\$1,320.00	
403130	PO Box	\$300.00	
403104	Community Involvement Scholarships	\$1,800.00	
403105	Community Sign Management	\$480.00	
403160	Printing/Copying	\$1,500.00	
403107	Welcome packet	\$120.00	
400800	Licenses and Permits	\$20	
400890	Industrial Insurance	\$1,000.00	
400000	Association Management Fees	\$18,204	
400001	Accounting Fees	\$2,400	
400050	Administrative Services	\$416	
400100	Supplies – Base Fee (excludes postage)	\$3,150	
403109	Corporate Clerk	\$7,200.00	
400450	Tax Prep	\$1,000.00	
400600	Legal Fees – General	\$6,000.00	
400400	Audit Fees	\$1,500.00	
401500	Reserve Study Fees	\$970.00	
400700	Insurance Corporate	\$5,000.00	
403111	Real Estate Taxes	\$700.00	
	Total Corporate Costs	\$57,080.00	26.049

COMMUNITY ACTIV	ITIES		
403112	Annual Meeting	\$1,500.00	
TBD	Other Event Supplies	\$500.00	
403114	Easter Egg Hunt	\$500.00	
403115	July 4th Parade and Picnic	\$1,200.00	
403116	Fall Festival	\$1,000.00	
NEW EVENT	Music in the Park	\$1,500.00	
403118	Disaster Preparedness	\$100.00	
403117	Trout Stocking	\$2,200.00	
403119	Fishing Derby	\$200.00	
	Total Community Activities	\$8,700.00	3.97%
MAINTENANCE			
401090	Maintenance Coordination	\$11,200.00	
401007	Equipment Maintenance	\$1,000.00	
401101	Vegetation Management	\$600.00	
401202	Lawn Care	\$6,000.00	
401102	Garden Plot Maintenance	\$300.00	
401300	Irrigation Maintenance	\$3,000.00	
401001	Routine Maintenance	\$4,800.00	
401107	Weed Control (Lake)	\$7,500.00	
401103	Lake Study Monitoring	\$1,560.00	
401104	Lake Maintenance	\$2,040.00	
401105	Urban Forest	\$5,000.00	
401106	Sanitation portable toilets	\$3,600.00	
400935	Trash & Dog Station Management	\$1,200.00	
TBD	Arborist/Tree Maintenance	\$5,000.00	
	Total Asset Maintenance	\$52,800.00	24.09%
SECURITY			
402410	Security Officer Contract	\$13,200.00	
402411	Safety Enhancements	\$3,000.00	
402412	Mileage for Security Officer	\$1,200.00	
402413	Security Officer Cell + Communications	\$720.00	
402414	ID Bracelets	\$1,000.00	
	Total Security	\$19,120.00	8.72%
UTILITIES	Electricity	¢200.00	
400920	Electricity	\$300.00	
400910	Water	\$9,500.00	
400930	Stormwater Track removal	\$1,000.00	
400930	Trash removal Total Utilities	\$3,000.00	C 300
	Total Otilities	\$13,800.00	6.30%
TOTAL OPERATING EX	1	\$151,500.00	69.11%

COMMON AREA IMPR	OVEMENTS		
401610	Westside Park Paddle Boat Rack	\$2,400.00	
401620	Christopher Park Swing Set	\$7,500.00	
	Total Common Area Improvements	\$9,900.00	4.52%
	Transfer to Reserve Fund Savings	\$57,800.00	26.37%
TOTAL EXPENDITURES		\$219,200.00	100.00%
NET INCOME (LOSS)		\$0.00	

RESERVE FUND EXP	PENDITURES	
	2021 Reserve Fund Contributions	\$57,800.00
	Asphalt Seal	\$6,450.00
	Refurbish Gravel	\$2,200.00
	Dock Repair	\$3,360.00
	Replace Swing Set – Christopher Park	\$11,900.00
	Replace Toy Structure – Tot Lot	\$26,670.00
	TOTAL RESERVE FUND EXPENDITURES	\$50,580.00
NET INCREASE (DEC	CREASE) IN RESERVE FUND	\$7,220.00

Bank Account Balances September 30, 2020

Operational Checking: \$103,020 Reserve Fund CD's: \$25,000 Petty Cash Checking: \$8,346 Reserve Fund: \$34,225

Operational CD's: \$50,000

Reserve Study 5-year Fund Projection (Modified Full Funding level budget)

Year	Start Balance	Annual Reserve Contribution	Interest Income	Special Assess- ment	Reserve Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2021	\$ 68,699	\$ 57,800	\$ 328	\$ 0	\$50,580	\$ 76,247	\$276,788	27.54%
2022	\$ 76,247	\$ 75,140	\$ 574	\$ 0	\$ 5,304	\$146,657	\$260,555	56.29%
2023	\$146,657	\$ 92,480	\$1,152	\$ 0	\$ 0	\$240,289	\$294,297	81.65%
2024	\$240,289	\$109,820	\$1,976	\$ 0	\$22,489	\$329,596	\$336,055	98.08%
2025	\$329,596	\$138,720	\$2,897	\$ 0	\$24,357	\$446,856	\$359,994	124.13%

Under our current reserve funding plan, which is based on our most recent reserve study, our projected reserve account balances will be sufficient at the end of each year to meet the association's obligation for major maintenance, repair, or replacement of reserve components during the next thirty (30) years.

The percent the Reserve Fund will be funded at December 31, 2020 is 25%.

Lakemoor Community Club Income Statement 9/1/2020 - 9/30/2020

	9/1/2020 - 9/30/2020	Year To Date
Income		
Income		
300000 - Regular Assessment	\$0.00	\$143,055.00
300200 - Fines and Penalties	\$60.00	\$1,110.00
300400 - Legal Fees (Passed on to Owners)	\$422.00	\$4,773.28
300450 - Collection Fees (Passed on to	φο οο	
owners)	\$0.00	\$123.00
300500 - Interest Earned	\$2.55	\$106.88
300600 - Boat Tags	\$50.00	\$1,800.00
300605 - Kayak Storage	\$0.00	\$50.00
300620 - Garden Plot Payments	\$0.00	\$335.00
300640 - Wristband	\$130.00	\$260.00
301100 - Miscellaneous Incomes	\$0.00	\$280.00
Total Income	\$664.55	\$151,893.16
Total Income	\$664.55	\$151,893.16
Expense		
Common Areas		
401610 - Westside Park Paddle Boat Rack	\$89.62	\$89.62
401640 - Dock Float Replacement	\$54.70	\$54.70
Total Common Areas	\$144.32	\$144.32
Community		
400056 - Community Enrichment	\$0.00	\$0.00
Total Community	\$0.00	\$0.00
Community Activities		
403112 - Annual Meeting	\$0.00	\$724.00
403114 - Easter Egg Hunt	\$0.00	\$389.91
403115 - July 4th Parade and Picnic	\$24.99	\$88.53
403117 - Trout Stocking	\$0.00	\$2,000.00
Total Community Activities	\$24.99	\$3,202.44
Corporate Costs		
400000 - Association Management Fees	\$1,445.00	\$13,005.00
400001 - Accounting Services / Fees	\$0.00	\$1,596.00
400050 - Administrative Services	\$0.00	\$182.00
400100 - Base Supply Fee - Excluding Postage	\$250.00	\$2,250.00
400200 - Postage	\$177.50	\$903.50
400300 - Mileage Costs	\$0.00	\$138.32
400450 - Taxes	\$0.00	\$0.00
400500 - Legal - General	\$422.00	\$4,075.15
400600 - Legal - Collections	\$0.00	\$3,828.13
400700 - Insurance	\$0.00	\$4,488.50
400800 - Licenses and Permits	\$0.00	\$20.00
400890 - Industrial Insurance (L&I)	\$0.00	\$395.47
401500 - Reserve Study related Expenses	\$0.00	\$969.82
401600 - Miscellaneous Expense	\$25.00	\$1,618.00
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Lakemoor Community Club Income Statement 9/1/2020 - 9/30/2020

	9/1/2020 - 9/30/2020	Year To Date
403103 - PO Box	\$0.00	\$288.00
403104 - Community Involvement Scholarship	\$0.00	\$315.00
403105 - Community Sign Management	\$0.00	\$155.00
403107 - Welcome Packet	\$0.00	\$194.01
403108 - Industrial Insurance & Government		·
Fees	\$0.00	\$0.00
403109 - Corporate Clerk	\$300.00	\$4,050.00
403111 - Real Estate Taxes	\$0.00	\$650.12
403113 - Paper Supplies	\$0.00	\$258.80
Total Corporate Costs	\$2,619.50	\$39,380.82
Expense		
400975 - Website Service	\$0.00	\$208.30
401016 - Fences-Maintenance	\$973.66	\$973.66
Total Expense	\$973.66	\$1,181.96
Grounds Expenses		
400940 - Gas/Parking	\$0.00	\$0.00
400990 - Workman's Comp	\$0.00	\$0.00
Total Grounds Expenses	\$0.00	\$0.00
Maintenance		
400935 - Trash and Dog Station Management	\$370.78	\$936.56
401000 - Maintenance Coordination	\$0.00	\$66.65
401001 - Routine Maintenance	\$0.00	\$569.49
401007 - Equipment Maintenance	\$0.00	\$506.14
401090 - Common Area Manager	\$0.00	\$1,950.00
401101 - Vegetation Management	\$0.00	\$514.00
401104 - Lake Maintenance	\$21.87	\$21.87
401105 - Urban Forest	\$0.00	\$3,825.35
401106 - Sanitation Portable Toilets	\$90.00	\$2,040.88
401107 - Weed Control (Lake)	\$6,800.00	\$6,800.00
401202 - Lawn Service	\$0.00	\$700.57
401300 - Backflow/Irrigation System Maintenance	\$88.34	\$3,437.47
Total Maintenance	\$7,370.99	\$21,368.98
Miscellaneous		
401605 - Misc. Expenses Debit	\$0.00	\$0.00
Total Miscellaneous	\$0.00	\$0.00
Reserve Funds		
401400 - Reserve Contributions	\$3,158.33	\$28,424.97
Total Reserve Funds	\$3,158.33	\$28,424.97
Security		
402410 - Security	\$1,100.00	\$9,900.00
402411 - Safety Enhancements	\$0.00	\$5,577.00
402412 - Mileage for Security Officer	\$164.45	\$914.78
402413 - Security Officer Cell Phone	\$20.93	\$942.74

Lakemoor Community Club Income Statement 9/1/2020 - 9/30/2020

	9/1/2020 - 9/30/2020	Year To Date
402414 - ID Bracelets	\$0.00	\$2,678.02
Total Security	\$1,285.38	\$20,012.54
<u>Utilities</u>		
400905 - Telephone	\$0.00	\$0.00
400910 - Water	\$0.00	\$6,048.38
400920 - Electricity	\$20.13	\$200.64
400930 - Garbage Removal	\$0.00	\$405.35
400932 - Yard Waste Removal	\$0.00	\$0.00
400950 - Stormwater	\$0.00	\$1,308.27
Total Utilities	\$20.13	\$7,962.64
Total Expense	\$15,597.30	\$121,678.67
Operating Net Income	(\$14,932.75)	\$30,214.49
Reserve Income		
Reserve and Extraordinary Expenses		
310002 - Reserve Contribution Revenue	\$25,273.10	\$28,431.43
Total Reserve and Extraordinary Expenses	\$25,273.10	\$28,431.43
Total Reserve Income	\$25,273.10	\$28,431.43
Reserve Expense		
Total Reserve Expense	\$0.00	\$0.00
Reserve Net Income	\$25,273.10	\$28,431.43
Net Income	\$10,340.35	\$58,645.92



www.kenlake.org LCC Elections c/o VIS COMMUNITY MANAGEMENT 8617 Martin Way E, Lacey, WA 98516

2021 LCC Board of Directors Candidate Statements and Election Ballot

Please read the attached candidate statements and make your selections on this page. To submit your ballot, you must print your name, address, and lot number. The ballot must also be signed in order to be valid. Return to VIS Community Management by email to info@vismanagement.com or by mail to 8617 Martin Way E, Lacey, WA 98516 by November 5, 2020.

Ballots <u>WILL NOT BE ACCEPTED IN PERSON BY THE CORPORATE CLERK OR AT</u>

<u>THE LCC PO BOX.</u> Ballots will be counted and held sealed by VIS Community

Management. Election results will be announced at the virtual Annual Meeting

via Zoom on November 12th at 7:00pm.

Candidates (circle your two choices):

Alicia Roberts Frank

Dirk Havlak

-		
Name:		
Address: Lot #:		
Signature:		

Candidate Statements

Dirk Havlak
1613 Camden Circle SW
Ken Lake resident for 37 years
Retired family physician
Active in Rotary and Mountaineers Youth Programs

Interests: travel, cabin/forest maintenance, hiking, biking, boating, current events Current LCC Board Secretary, ACC member, Common Areas Manager liaison, interim boat inventory guy, Holiday Hayride & Front Yard4th co-sponsor, west canal cleanup coordinator, float fixer.

I want to keep serving on the board to continue the forward progress our board has taken to maintain and improve the assets of our parks, urban forest, and lake. This board has made tough decisions to enforce our covenants, budget for future lake remediation, modify policies during the COVID pandemic, and protect our park assets. I have truly enjoyed working with a group of people that respects each other's opinions as we worked toward a common goal of preserving our beautiful community.

Alicia Roberts Frank 2179 Lakemoor DR SW

I have been a resident in Ken Lake for just over 4 years, and I moved here because of the forests and the lake. As a parent of school-aged children, I appreciate the community events and the closeness of the neighborhood. My family and I enjoy volunteering our time with the community events and needs. I am running for the board to be involved in the decisions that affect us all, to support our sense of community.