

**White Water Estates (WWE)
Board of Directors (BOD)
Feb 5, 2024**

Bill Russell - President – present
Guy Engelbart - Vice President – present
Steve Braegelmann - Secretary/Treasurer – present
Brian Kainu – present

Larry Anderson – present
Allen Damberger – absent
Ron Lunderville – present
Nichoal Flynn – present

Meeting called to order by Bill Russell at 7:05 pm.

Committee Reports

Architectural (Larry Anderson)

-Larry has received a request for building a shed. Larry sent them an AC Form and the CC&Rs but so far, no completed AC Form has been returned.

Covenant Enforcement (Brian Kainu)

-Dogs rushing the fence lines causing safety concerns for trail users.
-Dog on lot 16-I continues to be a nuisance.

Gate, Park, Arena and Trail Maintenance (Steve Braegelmann)

-There was a problem with the in gate in mid-December. The gate was not closing. Following an adjustment and reset of the gate edge guard the gates have been operating normally.
-The 2024 park mowing contract with Santos Lawn Services that was approved at our last BOD meeting has been signed by our President, Bill Russell, so we should be all set for the upcoming growing season. Total cost of the mowing/pruning contract will be \$4,950 plus tax.
-The arene is in good shape and weed free at this time.
-The trails are all open and in very good shape. The downed tree across the north boundary trail has been removed and two broken top rails have been replaced and the crushed wire fencing repaired at no charge. There has been concern expressed by riders about safety on the trails. Because of dogs charging the fence lines, some riders are no longer using the trails and instead are using the road shoulders. This is deteriorating the shoulders and defeating the effectiveness of the weed control we pay several thousand dollars for annually.
-The spring road shoulder and arena weed control application is coming due soon.

Neighborhood Watch (Jim Herold)-present

-Jim received a call the morning of January 30th about an intruder in WW-II. An unknown individual entered the unlocked door of a home in WW-II at approximately 7:30 am. The homeowner confronted the guy who appeared to be mentally unstable and ended up taking him into Yelm and dropping him off at Starbucks. A little later in the morning a guy was caught on doorbell video in the same general area. Jim and another WWE resident ended up following him out of our community and down 507. The guy eventually boarded the bus headed to Lacey. These incidents were reported to both Pierce and Thurston County sheriff departments on 911 calls. It appears that this is the same person that has previously been seen on doorbell video in WW-II. Deputy Filing has met with the homeowners involved and filed a report. The case number of this report is 2403001167. The case number from the previous incident is 2308609023. Anyone seeing suspicious activity that may be related to these two encounters is encouraged to call 911 to report it and have these case numbers to give to the dispatcher.
-In the early morning on February 3rd a guy was spotted snooping around in our community and mailboxes were found open.

Approval of Minutes of last BOD Meeting

Minutes from the December 4, 2023 BOD Meeting were approved as written.

Treasurer's Report (Steve Braegelmann)

- We ended 2023 with \$20,243.76 in checking/savings and \$288,198.90 in CDs with \$551.71 remaining in accounts receivable. There is one lot still owing dues, interest and late fees in the amount of \$1,501.71. Total current assets were at \$308,994.37. There was \$642.31 remaining in accounts payable.
- A review of the December Profit & Loss Budget vs. Actual Report shows \$550 received from sales of gate remotes which was offset by the \$560 spent on purchase of remotes. We received \$7,261.73 in interest income, \$325 in late fees and \$2,900 in other income from the sale of the old gates in 2023.
- Admin expenses remained pretty well on target throughout the year.
- There was no money spent on gates in 2023.
- We spent \$3,349.50 on minor road maintenance in 2023. This includes the \$899.50 cost of the engineer's road evaluation report and the \$2,450 spent on the recent Reserve Study.
- The \$225 spent on fence repair was for the park fence that was struck by a car last winter. This expense was offset by the driver's insurance payment for damages.
- Common area other maintenance of \$9,318.53 was mainly for weed control and mowing.
- We paid \$2,450 for sheriff patrols throughout the year.
- We spent \$12,487.71 from our reserve fund on road repairs for the asphalt patching in October.
- Total utility expenses came to \$2,181 for telephone, water and electric.
- Total income for the year was \$62,778. Total expenses were \$41,374.19. Net income was \$21,403.81. The 2023 annual budget remained on target throughout the year
- The January 2024 balance sheet shows \$37,325.45 in checking/savings, \$288,802.20 in CDs and \$5,875 in undeposited funds. There is \$28,101.71 remaining in accounts receivable. Total current assets are \$360,104.36. There was \$250 in account payable as of January 31.
- We made a few changes on the Profit & Loss Budget vs. Actual Report to show a more comprehensive breakdown of expenditures. Common area maintenance is broken down to four categories showing monies spent on road, park mowing, minor gate maintenance and other common area maintenance. Utilities are divided into three categories showing electric, telephone and water expenses.
- A \$29k Timberland bank CD was renewed January 18, 2024 for a 7-month term earning 5.00% interest maturing August 14, 2024.
- A \$38k Key bank CD was renewed January 22, 2024 for an 11-month term earning 5.00% interest maturing December 18, 2024.
- A \$36k Key bank CD was renewed January 22, 2024 for an 11-month term earning 5.00% interest maturing December 21, 2024.
- We have a \$34k Key bank CD maturing February 22, 2024, a \$17k Key bank CD maturing February 24, 2024 and a \$28k Key bank CD maturing April 6, 2024.
- The Standard Form to Confirm Account Balance Information with Financial Institutions has been signed and returned to Newman CPA for our 2023 annual audit. Lola and Steve are in the process of submitting all audit related information requested by Newman CPA, as they have in the past.
- The December and January bank statements were available for BOD review.

Unfinished Business

- The 2024 park mowing contract with Santos Lawn Services LLC has been signed by Bill Russell. Total cost for 14 mowings and three prunings at the gate is \$4,950 plus tax. The first mowing is scheduled for mid-March.
- Bill intends to get with attorney Bryce Dille in the very near future to discuss the realignment of our CC&Rs and By-Laws with current RCWs.
- The asphalt sealing that we hoped to have accomplished last fall has not yet been done due to weather. Scott from Asher Asphalt was contacted recently and he said that we are still on his schedule and when the weather allows for dry roads, they plan to get the job done.
- Now that we have funds available, we will be going ahead with the previously approved road shoulder work.

-The recently conducted Reserve Study was discussed. While this study is not a "To Do List" it does highlight the fact that our due's structure needs to be changed to meet current and future financial commitments. Without an increase in annual dues, we will be faced with special assessments as projects become due. It was suggested by the Treasurer that the BOD maintain their position, requesting a \$300 annual increase in dues, that was decided at the April 3, 2023 BOD meeting and presented to the general membership at the April 22, 2023 GM meeting. Nichoal indicated that she would like to take the lead on presenting information on the need for dues increase to the general membership.

-As a follow up on the forensic audit requested by Nichoal Flynn and Brian Kainu, Nichoal informed the BOD that the cost for audit prep alone would be \$5,000 with additional charges as the audit progressed. Nichoal told the Board that, following review of White Water Estates financials by herself, Brian and the White Water Estates Treasurer, they were satisfied that there are no discrepancies related to White Water Estates finances. Brian Kainu moved to dismiss their request for a forensic audit. This motion was seconded by Guy Engelbart and carried by unanimous decision.

-Following review of the information provided by Lola from Hartford Insurance, it appears that insurance coverage for our bookkeeper Lola would be approximately \$850 annually for errors and omissions coverage and an additional \$326 annually for \$50,000 dishonesty bond coverage. Nichoal indicated that she would provide information based on her current insurance coverage of similar type.

New Business

-The annual BOD election is coming up in April. Ron Lunderville's and Guy Engelbart's three-year term expires April 30, 2024.

-Concerns about trail and road shoulder usage by horses and dogs charging the fence as riders and pedestrians approach and pass by on the trails were discussed. There have been complaints received concerning trail safety due to homeowners that are not controlling their dogs that are very aggressively charging the fence line bordering the trails. There has been considerable use of our road shoulders by horses recently, said to be due to these concerns. We should not be walking/riding horses on the road shoulders when we have miles of equestrian trails set aside for that. The road shoulders need to remain undisturbed in order to maintain the effectiveness of the weed control applied twice a year at a cost of several thousand dollars annually. A letter will be sent to all homeowners reminding them of the responsibilities of both dog and horse owners and the need to maintain both our trails and our road shoulders.

Motion to adjourn at 9:04 pm by Brian, seconded by Nichoal

Respectfully submitted by Secretary Steve Braegelmann