

BOARD MEETING MAY 6, 1989

DOVER LOT 10AM

Meeting was called to order by President Bob Weekly. Present were Bob Weekly, George Brow, Denise Hedeem, Becky Rohling, Irene Dover, Wilbur Eaton and Bill Ostrum. Francis Dover listened.

Bob turned the meeting over to Becky who turned it over to Denise Hedeem to give a report on the audit. She presented some figures given to the audit committee of herself, Bill Ostrum and Wilbur Eaton by Declarants, Alex and Leslie Schumacher. She explained that certain items such as electricity, maintenance were verified but not everything. There was great discrepancy between actual park expenses and other expenses. And after discussing their findings with Larry Gildea, our attorney, recommended that the lawsuit be filed. The lawsuit was filed April 25, 1989.

The board reviewed the lawsuit and began to discuss preparations for our special meeting May 27, 1989. An agenda would be prepared to include a report on the audit--Denise Hedeem; Power and electricity--Wilbur Eaton; Attorney--Becky Rohling; By-laws--Wilbur Eaton and Covenant Changes--Becky Rohling. Two tables would be set up at the door of the meeting place, where owners could sign in. Denise and Irene volunteered to be in charge. It was suggested we ask Francis Dover and Jenks Ostrum to assist. This way we would have control to see that only lot owners attended. Bill Ostrum would check into the PA system and an overhead projector at the school.

Irene Dover made a motion that we provide information to George Brow regarding projected assessments, Declarants and ours, plus any other visual aids for our presentation. George Brow would transfer the information so that it would be used on the projector. Seconded by Becky Rohling.

Bob Weekly made a motion that we tell people at the meeting May 27, to pay their electric bills. Seconded by Irene Dover. This was in response to letters being mailed out by Schumachers(ex: Patterson) A motion was made by Wilbur Eaton that we adopt a district representative plan (model displayed by Wilbur) which would activate our proposed plan to have block or district representatives involved with the board. Seconded by Irene Dover. Meeting was scheduled for Tuesday Night May 9, 1989 at Irene's house. George Brow and Wilbur Eaton, along with Irene would finalize the plan and make suggestions for district representatives (suggestion was made to ask permanent people).

Next meeting was scheduled for Sat. May 27, 1989 10AM, Dover Lot to go over final presentations for meeting.

The board broke for lunch. A motion was made by Wilbur Eator to ask Larry Gildea to be our registered agent. Bill Ostrum would fill out the forms, Becky Rohling to take to the attorney. Becky Rohling seconded the motion.

W/LESLIE SCHUMACHER

April 28, 1989

TO: Coast Village Campground Board

FROM: Audit Committee: Denise Hedeem, Wilbur Eaton, Bill Ostrum
(Report written by Denise)

On Saturday, April 22nd the committee conducted an audit at the Schumacher home. We were given the final 1988 list of expenses (attached). Leslie stated that we should feel free to ask any questions, she would answer or get additional information if she did not know. She also added that if we wanted more information at a later date that it would be available to us.

We were presented with well organized and thorough information. She presented a folder on each expenditure containing invoices (in most cases) and cancelled checks. All checks were examined for endorsement, bank stamp and date of clearing.

I personally examined the following:

Insurance - Read Insurance is the agent. The policy was included for examination. My notes contain the limits of liability which appear to be adequate. The fire damage on buildings was \$50,000. Leslie is to ask Read if we were interpreting that correctly, this coverage was judged to be inadequate. Wilbur asked if the Campground was adequately covered if a camp fire would get out of control and spread to near-by neighborhoods. Leslie was to check.

Property taxes - All common areas were listed with corresponding dollar amounts. The Schumacher residence and three lots personally owned by them were not included. The list totaled the amount shown on the expense total. Of special note was the increase in the Clubhouse from \$3,397 to \$9,442. The total assessment was just over \$300,000, not the amount they paid for the park.

Power - The total checks to Florence PUD totaled \$50,482, the amount allocated to the lot owners was subtracted and the remainder was listed as common area expense. Note - All rental property electricity is in common area expense. The charge included \$270 per month for meter reading. (It was suggested that Leslie challenge this charge). Also included was \$9.60 per month for 43 light poles, totaling \$412.80 per month. There are nine lots with 200 amp service being billed direct from Florence PUD.

The 1989 rate schedule from the PUD showed a charge of .0402 per KWH. I asked why property owners were being charged .0682 and was told the difference was to produce a profit. If we all purchased direct, the charge would be .0682 per KWH with an \$8.50 minimum per month. (1988 rate was .03620)

Maintenance & repair - Items included a sander at \$89.99, Sauna heater at \$763.71 and a saw for \$149.99. It was suggested that these items be listed on an inventory to be left on the property if present owners were to sell and leave. Invoices did not state what the items purchased were used to repair, it was suggested that this would be helpful.