

HIGH VALLEY COUNTRY CLUB

P O Box 427 Packwood, WA. 98361

ANNUAL MEMBERSHIP MEETING

Sunday, May 27, 2007

Call to Order The annual meeting of the High Valley membership and its Board of Trustees was called to order by Vice President Don Kreshak at 1:00 pm.

The tellers reported that there were enough members present to constitute a quorum according to the bylaws.

Introductions Vice President Kreshak thanked the tellers who helped with the mailing of election information, counting of ballots Mary Anderson, Bonnie Marshall, Lois Kreshak, Lois Enz, Rose Gobel, Susie Putnam and Carol Hunt and on the door today, Mary Anderson, Lois Enz, Carol Hunt and . With a special thanks to Marilyn Holman. She arranged all the tellers and the mailing of the ballots. These are the fine people of High Valley's backbone.

He then introduced the Board of Trustees, Koeta Imhof - Secretary, Ed Bennes - Treasurer, Bob Mathers – Clubhouse, Gary McCarty - Golf, Bob King – Pools, Steve McVicker – Covenants, Mike Gipson and Bill Legler.

The Employees are Bookkeeper – Karen Lee, Operations Manager – Rick Jenkins, Water Manager - Randi Halverson and Club House Manager – Mary Kovacevich who has been with us for 13 years. He also listed our other employees Greens Keeper Carl Beaty, Pool Manager- , clubhouse assistants Terry Pauchert and Mary Cresap.

Don then announced the results of the recent Board Election. Ed Bennes and Koeta Imhof were re-elected and our new trustee is Ben Potter.

Approval of Minutes The minutes of the last annual meeting held May 28, 2006, were read by Secretary Koeta Imhof.

Motion made by Toni Just and 2nd by Chuck Anderson that
THE MINUTES BE ACCEPTED AS PRESENTED.

The motion passed.

Treasurers Report Ed Bennes addressed the current status of High Valley's financial resources, providing the balance in the club's operating fund and reiterating the trustee's goal of building the water reserve fund. He then reviewed the proposed budget for the fiscal year 2007-2008. We had an overage in the operating fund of \$46,674.04, this was due to watching our budget, a sale of a lot that we had foreclosed on, increased interest rate on our reserves, and past dues collected. \$17,250.00 is to remain in the operating fund and the remaining balance of \$29,424.04 to go to the Water System Reserve. Members would like Financial Statement to reflect Budget.

Motion made by Dennis Laughlin and 2nd by Mary Anderson that
THE FINANCIAL REPORT IS ACCEPTED AS PRESENTED.

The motion passed.

2006-2007 Budget

Motion made by Dennis Laughlin and 2nd by Carol Hunt that
THE BUDGET BE ACCEPTED AS PRESENTED

The motion passed.

President's Report Vice President Kreshak presented his report to the membership:

- We are strong financially. We have been keeping within our budget. But increases are coming with the State Department of Health requiring meters on every lot.
- Our operations are running smoothly. We have new faces, new construction, and we will be having more Water system meetings in High Valley which will be necessary to meet the new State requirements.
- Over 30 million gallons of water were delivered over the course of the year. There were some breakdowns, but they were handled quickly as possible.

- The swimming pool is ready for opening and improvements have allowed it to run more efficiently than in the past.
- We have modest improvements in a number of properties by working with the homeowners.
- The golf course continues to be a centerpiece for High Valley.
- The Board continues to protect your interests by being aggressive in collecting past due fees and dues. We foreclosed on one piece of property this year and have it for sale at this time. We will continue to be aggressive in this area.

All in all it was a positive year for High Valley. But, as you will hear, the government regulatory agencies are becoming stricter in their requirements for private water companies and imposing future requirements which will cost High Valley.

The water system itself is forty plus year old and in some cases not well constructed.

Opportunities continue for improvement in the clubhouse, golf course, and swimming pool conditions and operations and this Board will continue to address those in the coming year.

We are continually told that this Board is not strong enough in monitoring and correcting unsightly properties. Everyone needs to help.

Water Department Trustee Mike Gipson reported on the new water efficiency rule that went into effect January 22, 2007 by the Washington State Department of Health. The new rules require that any Group A water systems with 15 or more residential connections meet the new regulations. The rule requires water systems to use water efficiently and demonstrate that they are doing so.

Clubhouse Trustee Bob Mathers thanked his great crew. We are planning to increase the fees for renting and for cleaning of the clubhouse.

Golf Course Trustee Gary McCarty was not present.

Swimming Pools Trustee Bob King stated that we were able to bring the #1 pool up to temperature this spring by using the solar system. Pool 2 & 3 are not up yet as our new filter had a crack in it and will be replaced within 2 weeks. Employees are all certified in CPR and 1st Aide.

Reports from Special Committees

Election of Property Committee Vice President Kreshak noted that according to the By-Laws, The Property Committee is to be elected by the membership at the annual meeting. He identified the members who have agreed to serve on the Property Committee: Richard Brooks, Ernie Enz, Tom Gibbon, Daren Cresap, Carol Hunt, Toni Just, Jan Anderson, Marlene Beaty, Claudine Lofgren, Bill Fife, Bonnie Marshall, & Sally Morbeck. With Carol Hunt being Interim Chairman and Ernie Enz who goes out and talks to the people.

The motion was made by Sue Putnam

And seconded by Dennis Laughlin

To elect the property committee and the motion carried unanimously.

OPEN TO FLOOR

- Harry Swift would like to know why it cost so much to run clubhouse.
- Warren Melton brought up that the format for the budget be changes to match Profit & Loss by adding another column.
- Parents are responsible for their minor children. Guests are held accountable for their actions. But the final responsibility is the lot owner.
- The roads in high valley are county roads.
- Fire is a constant danger, always use extreme caution in the dry weather.
- Levy in HV6, the Jetty has been chained off. It is owned by the county.
- Next year to have in budget a plan for paying for the meters and cross connection valves.

The meeting was adjourned – 2:30 p.m.

Respectfully submitted.

Koeta Imhof