



2025 Annual Meeting Minutes

President, Chris Pelchat **called meeting to order** at 10:11 am.

Board introductions included President Chris Pelchat, Vice-President & Road Boss Brian Johns, Secretary Sherrie Steele, Treasurer Alexa Wilson, Park Boss Leif Tanvald, Temporary Board Member Ward Kellogg. Woods Boss Dave Becker was absent.

Secretary, Sherrie Steele did **roll call** of the members. 40 members present in person and by proxy.

The **2024 Annual Meeting Minutes from July 6, 2024** were read by the Secretary. Chris Pelchat motioned to approve the minutes. Todd Nelson 2nd and they were **approved** as read.

The **Office and Committee reports** started at 10:26 am.

PRESIDENTS REPORT - *CHRIS PEHCHAT* outlined LSHPOA as a non-profit social recreation association (501-c7). Our purpose is to foster community, maintain shared spaces and promote sociability and friendship among members. Key initiatives included improving transparency, documentation, to ensure smooth operations and maintain common grounds. Operations are governed by our bylaws and articles of incorporation. Because activities like road work and tree removal fall outside our insurance liability coverage, a volunteer program was established to address operational risks and insurance limitations. Signed agreements, project boundaries and volunteer insurance to protect volunteers and the association were established. The board is working to digitize historical records and streamline financial tracking. New membership cards and Trailer Permits stickers for boat launching and trailer parking were introduced. A 50-year master plan concept was also introduced, focusing on access, security, safety, infrastructure, and land use. Ongoing research into property boundaries, property encroachment, road liabilities, and safety incidents required extensive research with the auditor's office and Frontier Title. New board member, Brad Mickelsen, had to step down in April and Ward Kellogg took his place. Chris thanked all board members for their service with special appreciation to Secretary Sherrie & Treasurer Alexa for their substantial administrative work.

Chris explained the board's proposal to amend Article 2 of the Articles of Incorporation, The original Articles, filed in 1928, set a 50-year lifespan for the association, which technically expired in 1978. No new articles were filed until 1990, resulting in a 12-year gap in legal existence. The proposed amendment would formally extend the association's existence for another 50 years, retroactive to the original date, and require renewal every 50 years thereafter.

SECRETARYS REPORT - *SHERRIE STEELE* highlighted the new membership cards and trailer permit stickers to help identify you as an LSH member. The online app PayHOA has been live just over 1 year with online payment options, finances that sync with our bank, robust budgeting and reports, and improved communications. About 2/3 of our members have accessed PayHOA. Members were encouraged to use online forms for various requests. QR codes for PayHOA and the LSHPOA website are on the back of the membership cards. There are 3 properties for sale (Lots 67, 77 & 85). New owners for lots 46 Chris & Donna Blodgett, lot 63S Mark & Rose Marie Tracy and lot 89 Stan GFella.

TREASURERS REPORT - *ALEXA WILSON* discussed the goal to streamline the money process and provide transparency. Building our next 5-year budget plan continuing Tom Tiffany's idea. Also, looking ahead to our long-term goals for amenities we don't have a budget for now. Things like trailer parking areas and a security gate. These could be handled as assessments instead of raising dues to fulfill future amenities. Road & Woods expenses were less than last year. This year, there's only 10 past due members totaling \$1750. We have \$16,345.13 in Checking, \$22,611.13 in Savings for a total of



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\$38,956.26. A CD matured that we transferred into Savings until we had a better idea of road maintenance and tree removal expenses. Our budget is just maintaining basic expenses and doesn't allow for any major project expenses.

WOODS REPORT - *BRIAN JOHNS* read the woods report for Woods Boss Dave Becker. In April, Dave, Ward Kellogg & Kurt Zacher took down about 15 dead trees in preparation for clean-up day, saving us considerable money. A dead tree was removed from the LSH park, costing \$750 and included wood removal. Thank you to Rodney Taylor who rented equipment to grind the stump. We hosted our 4th Annual Clean-up Day on May 17th. The chipper malfunctioned so member with a large dump truck hauled debris to slash pile off South Loon Lake Rd past the mailboxes. Options will be to have it hauled off or burn the pile this winter. Some trees with blue markings are marked for removal by the utility company, who didn't remove any trees this year. Brian handed out appreciation certificates to Rick McCord, Brad Mickelsen, Nick Morse, Rodney Taylor, Ron & Jan Gregerson.

ROAD REPORT - *BRIAN JOHNS* reported that dust control was less this year (\$6537) than last (\$6583). Quotes for more road work came back at \$7-8000 to bring in more gravel and it was decided the road is in good condition. A consult with a larger commercial company on costs to do asphalt and proper drainage was determined to be way beyond our means.

BYLAWS COMMITTEE REPORT – Chris Pelchat took over as chairperson after Brad Mickelsen had to step down. The committee originally planned a phased update of the governing documents. However, after extensive review of all available historical records and consultation with legal counsel, it became clear that both the Articles of Incorporation and the Bylaws are significantly outdated and inconsistent. Chris stated that the most responsible path forward is to start fresh rather than attempt incremental revisions.

He shared findings from historical documents, including the original 1928 Articles of Incorporation, which established a 50-year corporate lifespan ending in 1978. No new articles were filed until 1990, leaving a 12-year gap in legal corporate existence. Chris noted that the original 50-year structure aligns with current discussions about long-term planning and generational stewardship.

Because of these discoveries, the board has shifted direction and is proposing an amendment to the 1990 Articles of Incorporation. Members received the draft amendment by email. Chris explained the procedural requirements for considering this amendment: a motion to adopt the amendment as written, a second, discussion, and then a vote.

He outlined the legal framework guiding the voting process. The Articles contain no language on how to amend themselves, and the Bylaws only address amending bylaws—not articles. When both governing documents are silent, Washington's nonprofit statute (RCW 24.03A) applies. Under that law, as long as quorum requirements are met, amendments to the Articles require a two-thirds vote of the members present. The following proposal was read, Tom Tiffany motioned and Roger Blizzard 2nd to open discussion.

The proposal is to amend Article 2 of our Articles of Incorporation, category duration, to the following language. *"The term of existence of this corporation shall be 50 years from its original date of incorporation in 1928. and shall expire every 50 years thereafter, unless during the year of expiration, the members prepare, adopt, and file an entirely new articles of incorporation and bylaws and adopt an actionable strategic plan, setting forth the association's vision, goals, priorities for the next 50 years to ensure the continued vitality and relevance of the community in accordance with the current laws and evolving member needs."*



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Chris concluded by noting that this amendment is the necessary first step before any comprehensive rewrite of the governing documents can proceed. Members discussed the board's proposal to amend the Articles of Incorporation, with Chris explaining that the association is out of alignment with current nonprofit laws and that many provisions in both the Articles and Bylaws are outdated or contradictory. He noted numerous compliance gaps, including outdated statutory references, missing member-rights processes, obsolete quorum and proxy rules, lack of indemnification language, and no registered agent requirement. Chris emphasized that nearly every section of the governing documents needs modernization to reduce liability and ensure long-term stability.

Several members shared historical context and concerns. Pat Tierney described how the association's original structure lacked restrictive covenants and differs from modern HOA models, contributing to today's governance challenges. Todd Nelson raised legal concerns about the proposed amendment's reliance on the 1928 founding date and the risk of unintended consequences if the association cannot complete a full rewrite by 2028. He suggested simpler alternatives, such as amending only the duration clause.

Other members focused on process and trust. Some asked whether draft bylaws could be shared before any vote, while others supported the amendment as a necessary first step and encouraged more listening sessions, community discussions, and broader member involvement.

Overall, the discussion reflected shared recognition that the governing documents are outdated and difficult to amend under current rules, with differing views on the best path forward but general agreement that modernization is necessary.

NEW BUSINESS

- Board of Trustees Election – Ward Kellogg elected with 32 votes
- Articles of Incorporation Amendment Vote passed with 32 Yes votes, 7 No
- Member Recognition – Sherrie Steele presented Ron & Patty McCaffery with a Loon Name Sign for their longtime sign maintenance service.

NEXT ANNUAL MEETING - July 11, 2026 @ 10:00 am

MEETING ADJOURNMENT – by *CHRIS PELCHAT* at 11:53 am.

Respectfully submitted,

Sherrie Steele

Sherrie Steele, LSHPOA Secretary