

Carlyon Beach Homeowners Association
Board Meeting Minutes
February 22, 2022

Present: Lisa Krupp, Sandi Allen, Stan Harris, Marv Harris, Barb Quick, Pat Olive

I. Meeting called to order at 6:00 pm by Lisa Krupp, Stan leading the Flag Salute

Motion 1: Pat moved to excuse Bill Allen from the meeting. Barb seconded. Approved 6-0

II. Member Comments

Seth Schade was concerned that some might misconstrue his work on the backhoe at his home, using his own time, money, and labor for the good of the neighborhood. He felt there were people that think he uses the backhoe without authorization and/or for personal use and wanted to enter into the record a clear statement on that. He has worked on the bio-swales, cleared roads, and tried to help where needed. He has taken the backhoe to his house to do oil changes and other maintenance on it. He has not used it for personal use.

Seth also asked if someone could share information on the water availability on unbuilt lots he's been hearing about. Pat said that had been planned for her water report, but she'd speak on it now. Right now, we are at capacity for the number of connections we can make. This is based on the Department of Health number of connections we've been issued for use for our well system. We had the ability to connect 607 and the last 3 have been secured. We started a Water Capacity Study last October to move towards increasing the connections we can issue. We have an unofficial word from an engineer involved with our study saying the preliminary overview of our Water Capacity Study appears to all be in order and he believes our output is sufficient to increase connections. The study is moving through the county steps involved, and won't be done until their process is complete, so nothing can be done until that determination is given.

Colleen Weston added that she has been talking to a gentleman for the last several weeks that wants to buy a property but needs to confirm a water connection first. He is insistent that he talk to somebody that can tell him when he will be able connect before he buys the property. He talked to the county who told him water is in the road. Yes, it is, but we were issued a finite number of water certificates, so we cannot connect until that number is increased by the county. A letter is in work, and the owner of that lot will be receiving the letter explaining the process.

Colleen also shared that we need an inspector and that she and Mike Frick have taken up the slack, but they certainly don't want to do it indefinitely, since they already have set tasks with the committee. Lisa wanted to say for the record that we appreciate so much what Dave Malaspino as Architecture Inspector has been doing for the community, and that while we have not had a manager a lot more tasks were on his plate than just inspecting. Dave is taking a break, and we can't thank him enough for all he's done for the CBHA Architecture Committee directly and all CBHA to make sure things are done correctly. Maybe he'll be back some day, but we are looking for more help from community members with construction backgrounds for architecture inspections. Colleen

in the Architecture Committee is ready to talk with you about it if you're interested.

III. Approval of Minutes for January 25, 2022

Motion 2: Pat moved to approve the minutes with the discussed changes from the meeting on January 25, 2022. Marv seconded. Approved 6-0

IV. Treasurer's Report

In Bill's absence Lisa discussed the financial pages. Financially we're good, going along as we have all year with a little bit under on personnel because we haven't had a manager, quite a bit over in parts and supplies, maintenance, and contractual labor we're a little bit over as well. If you look at the budget, we're at 58% for the year, so we're in pretty good shape. Somebody brought up that we haven't had a manager for quite a while, where's all the money going? It's not like we saved that money because a lot of that chunk was eaten up on parts and supplies because more of our equipment is old and needs constant repairs, and the costs are high to keep them running. Lisa added that we're getting by, but with a manager we will probably be in negative territory on the budget. The board will be discussing for sure in March what kind of increased assessment will be needed, because we need to do that again, another small increase to keep up with increased costs.

Capital expenditures, because we had to do a lot of repairs to the wells back in the summer, expensive truck repairs, and marina repairs that we had expected to do, we have spent \$235,000 and we bring in about \$260,000 a year. We haven't had to dip into reserves, and we're trying to build the reserves, but instead we're having to spend almost everything we bring in each year just for maintenance. We still have the Wanigan repairs and Clubhouse repairs to do, so we're not going to be saving as much as we would have liked. Our financial statements are kind of hard to read sometimes because we had the insurance claims payout for the stormwater pond damage, so it looks like we had to spent \$94,000 on repairs, but we were reimbursed \$94,000 from the driver's insurance. The Financial Report is attached.

V. Trustee Reports

a. President

Lisa reported that we are happy to have Mo back at work this week. He was on a medical leave for a couple of months, but he's back and ready to slide right back into work. We had posted a temporary maintenance position because we were unsure when he would be able to come back, but nobody even wanted the job, so we were never able to fill it. We tried to pay more than Target, but still didn't get anywhere. We posted it at \$16.50, moved it up to \$17.00, with no interest. But thankfully we heard Mo was going to be able to return! So, we will stick with the staff we have right now until it's time to get a summer maintenance person in May or June.

I'll talk more about the manager search when we get further down in the agenda.

b. Roads and Storm Water

Marv reported he's watching the freezes to see if we get any new damage to the roads, and he's happy that the contractors are keeping the roads clean while they do their work and repairing

what they damage. He's more concerned about the members parking in the bio-swales causing damage there, as they don't seem to understand the bio-swales were a million-dollar investment for CBHA to keep the County happy with our handling of groundwater. Still monitoring temperatures and rainfall for Heavy-Truck access.

c. Parks and Recreation

Barb reported she is beginning plans for Memorial Day Weekend, 4th of July, and Labor Day and needs volunteers. If anyone has ideas, and is willing to help, contact Barb. Stan has been helping with the Wanigan, so he would cover that during his report.

d. Water and Wastewater

Pat began by saying she'd already mentioned the Department of Health had responded to our Water Capacity Study on February 4th that they would go forward to see if they could grant more connections, and owners affected will be receiving a letter. John Krenik is moving forward trying to find the last few lines that need meters. The last one he found took a lot of time and was over 4 ft deep. Brian, our WW contractor, has been working with a new company on the fuel tank and the generator at the Wastewater Treatment Plant to get it in good working order. This is another example of deferred maintenance catching up with us.

Marv wanted to add that John is having a hard time with the old maps of our water system, and John is updating what he finds as he finds it. The one line that took so long to find was marked as being on 1 side of the house, and it was eventually found on the other!

e. Marina

Sandi reported an electrician had been called but wasn't sure if that work had been completed as she had been sick, so Lisa filled in that the electrician had been scheduled for today, but it was too windy for them to work safely and would be rescheduled. Sandi then reported she'd talked to Bob McConkey of Float Services NW about coming for an inspection to make sure the docks are as they should be after the storms, but the date is not yet set.

f. Architecture

Since Bill was not in attendance, Colleen's member comments covered the architecture for this meeting.

g. Compliance

Stan had the first meeting of the Compliance Committee 2 weeks ago. The committee included Stan and 2 other members. Another member is interested but was unavailable that day. If others are interested, they are still invited to get involved, the more the merrier. There are a lot of issues to address, and we will start by sending out letters. We will begin with parking issues and cleanliness of their lot. We'll try to address those issues in a polite, orderly manner with the ultimate goal to improve the community.

VI. New Business

a. New Checking Account to Keep Restricted and Unrestricted Capital Separate

We need a motion to say we're going to open a new account so the 2 funds can be separated. Our bookkeeping shows we have 2 funds, the Reserve Fund, and the Unrestricted Capital Fund, but the auditor wants them separated into separate accounts because the funds have different tax implications.

Motion 3: Pat moved to open a second checking account at Oly Federal with the signers being the current officers, Lisa Krupp, Patricia Olive, Sandi Allen, Bill Allen. Marv seconded.

Approved 6-0

b. Phones for Staff/Volunteers

We had talked about this at the workshop, and we are possibly looking at up to 4 phones, with a cost up to \$1500. This could be for staff or a volunteer; for example, one volunteer asked for a cell phone, or he would have to step away. Our process to obtain one was too slow, and he couldn't take it anymore. Because he had to use his personal cell phone for his volunteer duties people would save his number and use it to then call him at night, on the weekends, for CBHA issues that had nothing to do with his volunteer duties, and it became too much. With a work phone it could be turned off when not available to solve that problem.

Motion 4: Barb moved we designate up to \$1500 for cell phones, to be implemented as needed for future use. Marv seconded. Approved 6-0

Motion 5: Barb moved we allocate up to \$175 per month for cell fees, as needed. Pat seconded. Approved 6-0

VII. Unfinished Business

a. Wanigan Repairs

Stan said he and Ted Cohen will present their updated design plan to the County in the next couple days.

b. Manager Search Progress

Lisa reported they have a committee made up of 3 board members and 4 community members. First, they met 3 times to get the work laid out and get the ball rolling. Lisa shared a draft of the updated job description with the board. Since we had an employment consultant that gave us a free consultation last month on how to write it up to be more of a marketing tool. So, we have a section on "About the Neighborhood," and what makes this a great opportunity, what are the major areas of responsibility, desired qualifications, skills and characteristics, compensation, and we have to offer a higher salary than what we were offering in the past if we hope to get anybody with management experience or great potential. We want to start at \$65,000 or \$75,000. A lot of them are getting more than that, but our community can't really afford the higher price tags these jobs pay in most circumstances.

The title was a sticky point. We changed the Bylaws last year to remove the word "Operations"

from the Manager title. This would give the board greater flexibility in hiring for the current need going forward. But as we were going between General Manager and Operations Manager, we still felt Operations Manager got to the crux of what we need here now.

There was a long discussion on where the greatest need was. Did the maintenance crew need more help, or did the office need more help, or did the board need more help. It really depends on what you see as your function in the community on where you see the most need. But those on the board felt there was a huge need for a manager to shoulder more of the things the board is now doing to enable more people to serve on the board, even if they are still employed. This would keep the community running consistently as the board changes each year. This has come down to what we need to search for is someone who can organize time and materials, comfort and facility with financial data, strong interpersonal skills, confident in conflict resolution, competence in independent decision-making, competence in critical analysis and research. Those are all high-level skills that don't have anything to do with how much weight can you lift. We'll include something about physical ability to assist with maintenance tasks where necessary, to maneuver around the community, ability to speak clearly and competently in public meetings, ability to maintain confidentiality, integrity, enthusiasm, positive demeanor.

Because some job posting sites require a short blurb with a link to the full job description, we will be doing that to be ready. We plan to post it to several sites. The committee will meet this Thursday to finalize the job description and hopefully have it posted shortly.

VIII. Executive Session

No Executive Session needed

IX. Motion 6: Barb moved to adjourn the meeting at 7 p.m. Pat seconded. Approved 6-0

Respectfully submitted,



Sandi Allen

CBHA Secretary and Marina Trustee

Carlyon Beach Homeowners Association
Treasurer Report

Feb 22, 2022

To: Homeowners and Trustees

Highlights:

Balances are represented as of January 31, 2022

This cut off period represents our “half way” point through our fiscal year. Numbers on the P and L report can be related to “50% of annual budget”

Our P and L shows over budget expenses for the first half of the year. This can be explained in that much of our summer expenses and supplies were included during this period, as well as purification expenses for our water system.

Balance sheet as of January 31, 2022:

ASSETS:

| | |
|---------------------------------------|------------------------------|
| Operating Funds | \$436,972.99 |
| DNR Security Deposits | |
| Marina lease | \$ 13,275.57 |
| Sewer outfall lease | 1,511.45 |
| Total | \$ 14,787.02 |
| Capital Funds (combined) | \$ 431,748.40 |
| Total Liquid Assets (Cash) | \$ 883,608.41 |
| Total Current Assets (A/R etc) | \$1,185,793.75 |
| Total Assets: | <u>\$2,124,243.05</u> |

LIABILITIES AND EQUITY:

| | |
|---|-------------------------------|
| Liabilities: | \$ 113,115.34 |
| Equity: (General, Marina, Sewer) | \$ 2,011,127.71 |
| Total Liabilities and Equity: | <u>\$ 2,124,243.05</u> |

Profit and Loss January 2022: (Accrual basis)

General Fund Income:

\$519,738.03 Budget: \$523,824.00

**Expenses: Wages: \$70,759.13 ytd vs Annual Budget \$347.885, 49.1%
of budget**

**Contractual Services \$69,998 ytd vs. 105,250 Ann. Budget ,
66.5% of budget**

**Util and Fuel \$23,606.55 ytd vs. \$36,500 Ann. Budget
64.7% of Budget**

**Parts and Supplies ytd 26,748.25 vs. \$14,250 Budget
187.7% of Budget
Other Expense \$30.00**

Total Expense July-Jan: 308,120.98 (58.8% of budget)

Marina Fund:

Income \$57,603.00 Budget 59,146.00 (97.5% of budget)

Expense: \$ 6342.09 (10.6% of annual)

Net Income: \$51,817.48

Sewer Fund:

Income \$182,434.00 Annual Budget \$287,500

Expense \$176,393.39 (61.4% of budget)

Net Income: (Total Income less total expense) \$ 6,040.61

Respectfully submitted

**William A Allen
Treasurer**