

Approved Minutes of the Regular Meeting of November 15, 2008

BLUE LAKE SPRINGS HOMEOWNERS' ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

DIRECTORS PRESENT: President Norm Friberg, Treasurer Matt Salayko, Directors Dick Lawlor, Teresa Rossi-Clay and Doug Rischbieter.

DIRECTORS ABSENT: Vice President Dave Ryniec and Secretary Angela Logan.

General Manager: Tony Abila

Assistant General Manager: Marsha Hampton

President Friberg called the Regular Meeting of the Board of Directors to order at 9:00 a.m.

1. **Member Guest Introduction:** Joe Morgan, Lot 282, Unit 2.
2. **Member/Guest Forum:** Mr. Morgan is a member of the Long Range Planning Committee. He addressed the Board on issues involving the Reserve Fund and long range planning. He stated that the Reserve Fund is not overfunded, and in fact due to rising costs, it may be underfunded. He said that it is important to look at how the long range replacement issues fit in to the reserve fund amount.
3. **Approval of Minutes:** Director Rossi-Clay made a motion to approve the Minutes of the September 20, 2008 regular meeting. Director Lawlor seconded the motion. The voting results were: President Friberg abstained; Treasurer Salayko, yeh; Director Lawlor, yeh; Director Rossi- Clay, yeh; Director Rischbieter, yeh. The motion passed.

Director Rischbieter made a motion to approve the Minutes of the October 18, 2008 regular Meeting as amended. Director Lawlor seconded the motion. The voting results were: President Friberg abstained; Treasurer Salayko, yeh; Director Lawlor, yeh; Director Rossi-Clay, yeh; Director Rischbieter, yeh. The motion passed.

4. **President's Report:**
 - a) Minutes: President Friberg stated that the Minutes should be a summary of what took place at the meeting and specifically what was done. He stated that if a Board Member has a compelling reason to request 'let the Minutes reflect', then that statement will be recorded in the Minutes verbatim.

Director Rossi-Clay stated that "the purpose of the Minutes is to inform the reader, ie the membership of what has gone on, the business that was conducted in these meetings and importantly to serve as a record of what has gone on at these meetings not only for current Board Members but for future Board Members."
 - b) Review of Contacts with lawyer: A discussion of the attorney's recent correspondence ensued

and Director Rossi-Clay noted that it was not clear what questions the attorney was attempting to address.

President Friberg stated that he has reviewed the proposed By-Laws and that the issue of voting rights for Associate Members is adequately covered in the proposed By Law revision. The second issue of the Association remaining tax exempt is resolved by the fact that the Association's Attorney stated that the Association qualifies for Tax Exempt Status. After discussing the attorney's input and lack thereof, the Board felt that the best thing to do at this time was to move forward with the dues revision with IRS 501c(7) being the guideline to follow.

5. General Manager's Report:

a) Operations Review: Manager Abila gave the following report:

Well #2: It is important to have the well sited before taking the next step in repairs. This information will tell us whether the well will be productive, however, in order to site the well, five feet of the deck would have to be removed to allow access of the necessary equipment. Manager Abila will consult with Mike Herrierd on possible options.

The Edward Jones BLS portfolio was presented. Manager Abila will adjust the budgeted interest income to the projected interest income from Edward Jones.

Director Rischbieter made a motion to authorize Manager Abila to contract with O'Neill Rock & Timber Works to complete Task #1 on their bid to construct a Legacy block wall at the pool hillside at a cost of \$2450.00. Treasurer Salayko seconded the motion. The motion passed unanimously.

Maintenance will obtain a bid on attaching the shaft to the Fly In Lake valve. Some of the blocks that hold and guide the shaft are out of alignment and will need replacing.

Treasurer Salayko made a motion to approve, in advance \$10,000, for the completion of The Fly In Lake valve work. Director Rossi-Clay seconded the motion. The voting results were: President Friberg, yeh; Treasurer Salayko, yeh; Director Rossi-Clay, yeh; Director Lawlor, yeh; Director Rischbieter, abstain. The motion passed.

The Board discussed options for a payment schedule for a specific delinquent account. After extensive discussion in which a delinquent account was thoroughly reviewed, a payment schedule was approved.

Director Rossi-Clay made a motion that in this specific circumstance the Board waive the interest, waive any accrual of interest on the past dues and special assessments and proceed with the agreed upon \$50/per month payment plan that will be reviewed in June 2009 as to the amount. Treasurer Salayko seconded the motion. The voting results were: President Friberg, yeh, Treasurer Salayko, yeh; Director Rossi-Clay, yeh; Director Lawlor, yeh; Director Rischbieter, nay. The motion passed.

b) Security Report: There have not been anymore burglaries reported since the last Board Meeting.

6. Financial Report, Treasurer:

- a) Review October 2008, and YTD Financials: Treasurer Salayko gave the following report:
The total income for October 2008 was \$80553.92, 2.7% over the budgeted amount.
The total expenses for October 2008 was \$69324.83, 7.1% over the budgeted amount.
P/L for October 2008 was \$11229.09, (17.8%) under the budgeted amount.
YTD income for 2008 was \$970627.12, (5.5%) under the budgeted amount.
YTD expenses for 2008 was \$966104.02, 5.5% over the budgeted amount.
YTD P/L for 2008 was \$4523.10, (96%) under the budgeted amount.
- b) Discuss proposed 2009 Budget: Director Rischbieter presented a proposal that would assess developed lots, undeveloped lots and associate members equally. He also proposed that the Association forgo assessments on owners of additional undeveloped lots. Discussion clarified that if an owner of an undeveloped additional lot elected to accept the dues exemption, they would waive the right to vote with that lot in Association elections.

President Friberg made a motion to accept the proposed 2009 Budget as presented by Director Rischbieter. Director Lawlor seconded the motion. The motion passed unanimously.

President Friberg requested that he go on record that he is opposed to a waiver for people who own a second lot. Director Rischbieter asked President Friberg if he would like to elaborate and he declined.

It was noted that minutes from the 11/10/08 Finance Committee Meeting on the proposed 2009 budget had not been taken (committee member failed to perform this task).

7. Committee Reports:

- A. Summer & Winter Recreation: Director Lawlor made a motion to approve Winter Recreation's request to donate \$392.50 to Ebbetts Pass Elves and \$392.50 to Arnold Angels. Director Rossi-Clay seconded the motion. The motion passed unanimously.**
- B. Marketing: Manager Abila reported that the Postcard offering members a 15% certificate at Snowflake Lodge when they invite a Guest to use the Special Guest Invitation will be mailed next week. Recordkeeping requirements were reviewed for Association compliance that include date, number of nonmembers in party and total charges attributable to nonmembers.**
- C. Human Resources:**
- a) Employee Handbook Revisions: **Director Rossi-Clay made a motion to approve the revisions to the Employee Handbook as highlighted. Director Lawlor seconded the motion. The motion passed unanimously.**
- D. Architectural Review/CC & R's:**
- a) Status of ARC reviews: All plans have been reviewed and are determined to be in conformance with the CC & R's.

E. **Facilities:** Manager Abila, Mark Owens and Director Lawlor will review what repairs are needed before next summer.

F. **EPPOC:** President Friborg responded to a comment in the EPPOC Minutes about homeowner association compliance with Davis Sterling. He stated that BLSHOA does conform with all the Davis Sterling Regulations.

8. **Facilitator:** No Report.

9. **Continued Business & New Business:**

- a) Delinquent Accounts: Discussed under Manager's Report.
- b) Fee Structure/dues: Discussed under Financial Report.
- c) Membership Cards: Manager Abila will send Director Rischbieter the information he requested.
- d) Block Party Request: President Friborg stated that all the right steps have been followed in the organization of this event.
- e) By Law roll-out, etc.: **Director Rossi-Clay made a motion that the Board formalize their acceptance of the current revised By Laws dated September 20, 2008, for dissemination to the membership for vote along with a revised cover letter. The cover letter should reflect that there is unanimous consent from the Board to approve the By Laws. Director Rischbieter seconded the motion. The motion passed unanimously.**

10. **Member Comments:** None

11. **Correspondence:** FYI Only

12. **Adjournment:** President Friborg adjourned the regular meeting at 11:45 a.m.

13. **Closed Session:** President Friborg called for a closed session at 11:50 a.m.

- a) Employee Benefits: Continued discussion on employee benefits.
- b) Staffing: Proposal to reorganize Administrative staff was rejected.

Respectfully Submitted:

Recording Secretary Marsha Hampton

Approved for Posting: December 20, 2008

