

Approved Minutes of the Regular Meeting on April 16, 2011

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

DIRECTORS PRESENT: President Roy Silcox, Vice President Frank Hengel, Secretary Mary Peterson, Treasurer Ed Stahlberg, Directors Dave Ryniec and Harry Tittle.

General Manager: Tony Abila

Assistant General Manager: Marsha Hampton

President Silcox called the meeting to order at 9:00 a.m.

Introduction of Members: Eight members attended the meeting.

1. Approval of Minutes:

a) Approve the Minutes of the April 2, 2011 Regular Meeting:

Vice President Hengel made a motion to approve the April 2, 2011 Minutes. Secretary Peterson seconded the motion. The motion passed four ayes and two abstentions. Two Directors, President Silcox and Treasurer Stahlberg were absent from the April 2, 2011 Board Meeting.

2. President's Report:

a) BLSMWC – Update from Water Board: No representative present.

b) Appointment of election inspectors for the June 4, 2011 Election of Director(s):

President Silcox announced that Jeanne Multhaup, Leni Salayko and Maggie Carlson have been appointed as election inspectors.

He further announced that the Association received two applications for candidacy. He explained there will be two Director positions vacant, hence the two applicants are elected by acclamation. The new Directors are Guy Pollak and Paul Penney.

Members will still need to vote on Excess Income Tax Resolution 70-604. Background information will be in the mailing to the membership on April 27, 2011 with the ballot.

3. Manager's Report:

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

A policy delineated the procedure for employee references was presented.

Director Tittle made a motion to adopt Policy 500 A – 30 Employee References. Secretary Peterson seconded the motion. The motion passed unanimously.

b) Lodge Lake Dock:

Vice President Hengel made a motion to approve the bid of \$19,891.37 for the new dock

at Lodge Lake. Treasurer Stahlberg seconded the motion. The motion passed unanimously.

- c) Approval of Fly In Lake divers: The forms for the new staircase at Fly In Lake are under six feet of water. It is unlikely that the maintenance staff will be able to complete the project or remove the forms. Due to the depth and extreme water temperature, it was suggested that the forms be removed by divers.

Treasurer Stahlberg made a motion to approve the contract with Big Valley Divers on an 'as needed basis' to remove the forms. Director Ryniec seconded the motion. The motion passed unanimously.

Cement pads have been poured for the new bridge at Fly In Lake. The project should be completed in a few weeks.

Maintenance will repair an unsafe area along the staircase coming down from the parking lot. This area is a tripping hazard where there is a transition from the cement to the asphalt at the bottom of the staircase. There is a similar tripping hazard at the top of the stairs to the recreation area and will also be repaired.

Due to the last storm a cedar tree broke off and pulled out the electrical power line for the Association's picnic area. Since the picnic area is rarely used and only during daylight hours, it was suggested that lighting not be reinstated in this area, but to obtain the cost to add lighting to the restaurant walkway. The Board agreed with this plan.

The delivery entrance to the restaurant has suffered damage due to the amount of ground water this year. The Maintenance Department will obtain bids for the replacement of the driveway.

4. Treasurer's Report:

- a) Financial review YTD: Treasurer Stahlberg gave the following report:
YTD 2011 Administrative Expenses were 21% under budget. Restaurant income for March was \$2500 under budget, expenses were \$4200 under budget for a net operating gain of \$1700. YTD restaurant income was \$6000 under budget and expenses were \$6500 under budget for an operating loss YTD of \$500. Due to the unusual amount of snow this winter, the restaurant was closed for several dining nights. Maintenance expenses YTD were \$3000 under budget. Utility expenses were 47% over budget mostly due to the increase in propane cost. Security expenses are within 2% of budget. YTD P/L was 6.4% over the budgeted amount.
- b) Consider approval of 2010 Audit Report: The CPA/Auditor gave an unqualified opinion that the 2010 financial statements are fairly presented in accordance with 'generally accepted accounting principles.'

Treasurer Stahlberg made a motion to approve the 2010 Audit Report on the condition that our CPA/Auditor make minor word changes, and change the amount transferred to the Reserve Fund from \$36000 to the amount actually transferred of \$18000. Vice President Hengel seconded the motion. The motion passed unanimously.

5. Committee Reports:

A. Finance: No report.

B. Summer Recreation: Reported under Manager's Report.

C. Winter Recreation: Secretary Peterson reported that 80 people attended the April Potluck. May 11th will be the last Potluck for the year.

D. Personnel: No report.

E. Architectural Review: No report.

F. Facilities:

a) Long Range Planning: No report.

b) Safety Program: The Safety Program reports will be transferred from the Facilities Committee to the Personnel Committee in the future.

G. EPPOC: Director Tittle gave the following report:

Supervisor Merita Callaway reported at the EPPOC meeting that her office received over one-hundred phone calls about county snow plowing. She stated that their one ton plow trucks could not handle the snow load and there were many equipment break downs. The County is looking at other options.

The Calaveras County Budget is now on their website. There are 45,000 residents in Calaveras County.

6. Old Business:

a) Consider beverage policy: It was decided that the Winter Recreation Committee will work on the logistics of this issue.

7. New Business: None.

8. Member Comments/Forum: A member had a concern about delinquent accounts. President Silcox responded that there are 36 delinquent accounts and the Association handles these accounts the way the law allows.

Another member requested that the Board consider including in the By-Laws a stipulation that a sitting board member cannot sue the Association. If they did sue, the board member would have to remove themselves from the Board of Directors. President Silcox responded that this was a question for the Association's attorney.

9. Correspondence: The Board was informed that all requests for information about the BLSMWC issue are being forwarded to the water company.

10. Closed Session:

- a) Personnel review: Employee status.
- b) Meet & Confer update: Meet and Confer dates for two separate members will be mailed.

11. Adjournment: President Silcox adjourned the meeting at 12:15 p.m.

Respectfully submitted,
Recording Secretary Marsha Hampton
Approved for Posting: May 21, 2011