

Approved minutes of the regular Board of Directors meeting August 15, 2020

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

1. **Call to order:** 9:00am
2. **Roll Call:** Directors Present: President Doug Hjelmhaug, Vice President Mike McAtee, Treasurer Joanne Schultz, Secretary Dale Ward, and Directors Steve Pollack, Jimmy Cooke, and Roxanne Dubois. Staff Present: General Manager- Tony Abila & Assistant General Manager- Amber Meyer
3. **Member/Guest Introduction/Comments:** 22 Members attended the meeting via Zoom. Members questions were submitted prior to the Board meeting and read by Manager Meyer. Some questions and comments included notifications of abandoned vehicles, questions on the restaurant and when it will reopen, membership rules when it comes to dependent and non-dependent children of the member, the reliability of the Wi-Fi at the facility. Other comments were made regarding excessive noise from renters, as well as light pollution.
4. **Approval of Minutes of the Regular Board Meeting July 18, 2020 meeting:** Director Cooke motioned to approve the minutes of the July 18, 2020 regular board meeting. Vice President McAtee seconded the motion. The motion passed unanimously.

5. Presidents Report: President Hjelmhaug gave the following report: Good morning Board of Directors. We are now in August, which is traditionally the last month of Summer, so I hope you are enjoying summer while it lasts. In judging from the continues flow of cars, campers, boats and kayaks going up the mountain and through our town, this may be the busiest summer in our community in recent memory. The Blue Lake Springs summer recreation program continues through August, ending on Labor Day. As many of you know, the summer activities have been limited by Covid-19 related County and State restrictions. There are, however, many activities available to our members, so be sure to ask the rec staff what is available as you check in. Please note, that this year access to BLS facilities is limited to 250 members and family members only. There are signs posted at the Lodge and Fly-in Lake, which describe the restrictions in place. Fly-in lake continues to be hugely popular this summer. We had a portion of the lake dredged earlier in the year. And while it needed to be done, there were also a number of benefits that came from this project. The cove area of the lake has been expanded for use by kayaks, floaties, and expanded picnic area. The beach area is significantly larger, and we now have more space for volleyball, ping pong, horseshoes, disc golf. If you have not been to the lake lately, then go take a look. The improvements the management and maintenance team have made are great. The Snowflake Lodge Restaurant continues to be closed. We look forward to a reopening, as well as a refreshed operation, hopefully soon. We are using this downtime to review restaurant operations. The Board has authorized the establishment of an ad hoc restaurant committee to review revenue enhancements, and expense management opportunities. The committee is composed primarily of Blue Lake Springs members, and I want to thank them in advance for volunteering their time and efforts. The Board looks forward to the committee's findings and suggestions. The month of August also marks the beginning of the financial budget for next year. The Board and the finance committee will begin the preliminary

process of the 2021 budget, with a completion target of October/November. The 2021 budgeting process will be very challenging this year due to external events not in our control, and general uncertainties in the year ahead. On a final note, we have had many wildlife sightings this summer, including bears, coyotes, and mountain lions to name just a few. They live here too, so be aware they are in the BLS neighborhood. Please make sure to secure your garbage from the wildlife, and keep track of your pets. Enjoy the rest of the summer, and stay safe!

6. Manager's Report: Manager Abila reported

- Delinquent Accounts: A report was included in the board book
- ADA Updates: Automatic door openers have been installed at fly-in. Completion of handrail project will begin at the end of the summer season.
- Fly-In Lake: Cattails around the lake will be sprayed in August. No new cases of leeches have been reported since the July update. Management will look at relocating horseshoe pits. Staff will relocate over by the volleyball courts at the end of the summer season.
- Lodge Lake: Lake water is still running over the spillway.
- Food Service: Restaurant remains closed due to severe staffing issues. The Snack Bar operation is continuing to operate on a modified schedule (Friday-Sunday), due to staff shortages.
- Summer Recreation: Recreation Report included in the Board book. Generally, there have been less members at both the facility and fly-in. Staff has adjusted to ongoing changes, additions, and modifications to scheduling open hours. The Cardboard Boat Regatta was held with modifications the first weekend of August. We continue to host Saturday Outdoor Movie nights, which have been well attended. The 4th of July Fishing derby was turned into a month long derby for individual fishing. Three trophies were presented for different categories.

7. Treasurers Report: Treasurer Schultz reported the following: Good morning. The finance committee met on Thursday, August 13th. We have added a new member, welcome to Liz Newton, who has been a valuable member already. As stated last month, there are two areas that we are still looking at as part of the CID conversion. That is the receivable management and Budget alignment. This is budget season we are going into right now, and we have a whole year's worth of data from last year and this year to be able to make some good judgements going forward on where the budget should be. This is an unusual year. We have our dates set for the budget meetings, and we are on target to bring the Budget to the Board in October. One of the responsibilities of the finance committee is to review bank statements as well as financial reports. This is all to ensure the integrity of recording and reporting, which is the outcome of getting CID to come in. We also look at the financial condition of the HOA. The operating fund is doing well. Our cash flow is in good shape, and our investment accounts are holding their own, so far. We also currently have quite a few bank accounts in BofA. As we made the conversion over to CID, we also changed banks. The Board approved at that time that staff could begin to close those accounts down as activity stopped in them. We have recommended they can now start that process. The HOA net income for this month, to date, is 125K, down from last month at 148k. So we are losing a little bit of ground every month, which we expected. We still have unpaid assessments, and staff continues to work to collect those balances. We do understand that the Covid environment might have something to do with the outstanding assessments, and we will be

understanding of that. The monthly revenue is approximately 138k a month, and our monthly expenses average about 163k. We do however, still have a net income of 125k at this moment. We also have a reserve fund, which will need a new asset valuation very soon. We are looking at about 50% funded, which is a good place to be. After the review of the financial documents, the finance committee does recommend certification of this month's financial statements. **Director Dubois motioned to approve the certification of the July financials. Director Pollack seconded the motion. The motion passed unanimously.**

8. Committee Reports:

A. Summer Recreation: No additional report

B. Events Committee: No report

C. Restaurant Committee: Treasurer Schultz submitted the following report: Roxanne and I met once email information came back. We had a difficult time choosing. There were more volunteers that had restaurant experience than expected but we tried to get as wide a variety of participants as possible with restaurant experience and w/o; full time and part time; never, sometimes and frequent restaurant patrons, men and women. The committee consists of: Kevin Prosise, Rick Giorgetti, Israel (Izzy) Kushnir, Ryan Hanneman, Nancy Dommies, Jim Butera, Beverly Dierking(deerking), John Fernandez, Lyn Wilder, Roxanne Dubois co-chair, Doug Hjelmhaug President, Amber Meyer as a resource, Myself Joanne Schultz as chair replacing Jimmy Cooke who resigned for personal reasons. We have an opportunity to look at what this amenity will look like. Not open for a while – No executive chef – new home owner demographics – new tax filing status that allows more unrelated business income. This all opens up many new possibilities and perhaps some old possibilities have new life. Our first meeting we got to know each other, got a bit of Restaurant History and did some brain storming. In our second meeting we looked quickly at the 2018 committee recommendations and what Amber was able to implement of the recommendations. There are 2 sub committees set up: one to develop a survey and another to look at the finances. This is a very enthusiastic committee and I look for great things from this group. **LOOK FOR THE SURVEY IN 2 TO 3 WEEKS PLEASE TAKE TIME TO FILL IT OUT AND GET YOU EMAIL TO AMBER SO SHE CAN GET YOU THE SURVEY.**

D. Events Committee: No report

E. Architectural Review: No report

F. Facilities/ Long Range Planning: Vice President McAtee gave the following report: SNOWFLAKE LODGE PARKINGLOT EXPANSION – Reviewed two sets of revised architectural plans. The plans will be referred to the full board for consideration. ADA COMPLIANCE All 2020 ADA projects have been completed for the year. LODGE LAKE PROPERTY

1. Status of children's play area – The equipment will be installed before the beginning of next season.
2. A rowing Machine for the gym was discussed. This has been referred to the full board for discussion.

FLY-IN LAKE

1. Restriping parking lot completed.
2. Parking area on East side of Fly-In Park was discussed. It will be referred to the full board for consideration.
3. Status of POS system. Will be installed prior to next season.

4. Relocation of horseshoe pit will be done by maintenance prior to next season.
5. Corn Hole sets were discussed. The cost would be between \$75 and \$150 each.
6. Children's play area was discussed. The committee decided to postpone further discussion until next year.
7. Purchase of paddleboats / kayaks was discussed. It was decided that we approach SNAC to see if they would be interested in having a rental concession at Fly-In Lake next season in lieu of the HOA purchasing them.
8. Adding a dog run at Fly-In Lake was discussed. It will be referred to the full board for consideration.

G. EPPOC: Meeting minutes included in the Board Book.

H. Fire Prevention Program: Thomas Hein submitted the following report: We have had an outstanding July and August. Out of the 100 properties that have been given CC&R letters over the past 3 months, we have only seven properties that are in front of the BOD. There are two properties that have not contacted us. The rest have either scheduled lot cleaners or have become compliant. The Association looks great.

9. Old Business: a) Update on parking lot expansion- Two different plans were received and reviewed by the BOD and LRP. One plan includes ADA and golf cart parking only. The other includes ADA, golf cart, and some additional parking spaces. **Secretary Ward motioned to approve both plans be sent out to bid. Director Pollack seconded the motion. The motion passed with 6 yeas. 1 opposed.** b) Radio repeater location- BLSMWC has agreed to allow the HOA to install a radio repeater atop the water tower to improve radio communication to fly-in lake. Their Attorneys will be drafting a release of liability for the Association to review. c) Board Ethics Policy 500-A-33 re review- The policy was amended to exclude media, which will require its own policy. **Secretary Ward motioned to approve Ethics Policy 500-A-33 as amended. Vice President McAtee seconded the motion. The motion passed unanimously**

10. New Business: a) New Membership Card Printer- to be discussed when pricing for unit comes in. b) Media Policy- New Policy was included in the Board Book for review, and questions/comments can be sent to Manager Abila. c) Auditor Engagement Letter- Levy, Erlanger & Company who are the Associations CPA/Auditor have standard engagement letter for the Board to approve. **Vice President McAtee motioned to approve Levy, Erlanger & Company's engagement letter. Director Cooke seconded the motion. The motion passed unanimously.** d) Request for Deer Crossing signs on Moran Road- request will be sent to the County. e) Suggested use of Nextdoor as a sanctioned form of Association communication- tabled to September meeting. f) How to address questions and letters submitted during a meeting- Manager Meyer will take over reading member comments and questions. g) Suggested use of Zoom for all future BOD meetings- Will be revisited at the end of the pandemic.

11. Correspondence: One correspondence will be replied to regarding Deer Crossing signs.

12. Executive Session: 11:08am Delinquent Accounts & CC&R violations

13. Open Session: 11:38pm Vice President McAtee motioned to schedule Zoom meetings with the following APN#s for non-compliance. Director Ward seconded the motion. The motion passed unanimously.

14. Adjournment: 11:40am

Respectfully submitted: Amber Meyer