



BLUE LAKE SPRINGS HOMEOWNERS ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS
Thursday, March 24, 2022
Via Zoom

1. **Call to order:** 6:00 pm
2. **Roll Call:** Directors Present: President Kevin Prosis, Vice President Roxanne Dubois, Secretary Nancy Domm, Treasurer Joanne Schultz, and Directors Kayleen Clemens, Rick Giorgetti, and Dale Ward. A quorum was established.

Staff Present: General Manager Tony Abila and Assistant General Manager Amber Meyer
3. **Executive Session:** President Prosis reported out on meetings held on March 8th and March 24th. Topics included personnel discussions, delinquent account and CC&R violations, and payment plans going forward.
4. **President's Update:** President Prosis's update included thanks to those in attendance, as well as thanks to the staff and Board. The staff is preparing for the Summer recreation season, and the Finance committee is preparing for the annual audit as well as close out of the 2021 financial statements. Some reminders for the meeting included waiting to be called on to speak in open forum, and a time limit of 3 minutes to those wishing to speak.
5. **Open Forum-Members comments:** 18 members attended the meeting via Zoom. Member comments included a concern about the Board not reading letters sent in by the membership in their entirety. Secretary Domm responded the obligation of the board is to answer questions or concerns posed by the membership in letters sent in, which is something that the Board has been doing.
6. **General Manager's Report:** Manager Abila reported
 - POS Systems- New SQUARE point of sale systems have arrived and are being installed in the recreation office and Fly-In lake
 - Pool Deck- This project will be done after the summer season, as the ground is still too wet to do work. There has been a temporary wooden deck installed in front of the new retaining wall.
 - Reserve Specialists- A site review is due this year. Management will be scheduling that walk-around.
 - WIFI- Upgrade of the WIFI at the Lodge has begun. All new hardware is in, and we are currently

waiting for the Associations IT specialist to schedule the install.

- Summer Season Prep- The maintenance staff has begun prepping the facility for the opening of summer season. The summer recreation director as well as the assistant director are back on staff at the beginning of April.
- Financials- The Association has been notified by several of its vendors that costs/rates will be increasing across the board. Management and the Finance Committee will have to take these increases into consideration and allow for budget adjustments as necessary.
- Playground- The equipment has been ordered, and we are currently waiting to be scheduled for installation.

7. Treasurers Report:

- Finance Committee Meeting- Treasurer Schultz reported the Finance Committee met twice, March 10th and March 22nd. The committee reviewed the following documentation: recap of CID meetings, changes to the 12/31/21 financials, January and February financial statements, transaction listings, reviewed new investment program with UBS, and a review of three policies (500-A-17, 29, and 37).
- Audit- Changes to the 12/31/21 financials from the preliminary close to the report sent to the auditors include: a net increase to revenue of \$281, a net increase to expenditures of \$7,217 after accruals and adjustments, a board approved increase of reserve contributions of 150,000 and a CID adjustment of \$179,531 that brings down the reserve liability to the fully funded level.
- January Financials- The balance sheet shows operating cash at \$972,073. Receivables are at \$710,698 with a bad debt allowance of \$90,000. The reserve fund is now up to \$1,001,969 which represents 94% fully funded. The net revenue over expenditures for January is \$14,140. There will be some adjustments to this number in February. There is approximately \$10,000 that has been reported as associate fee income that was pay down of receivables.
- Disclaimer- When the Treasurer and Finance Committee recommend certification of the financial statements it does not mean they are perfect and 100% accurate. It means that we have reviewed them and identified any items for adjustment, further review and any identified changes are not material.
- Request to open additional bank account- As part of the fiduciary responsibility of the Board, credit risk is a consideration. With large sums of money in our respective bank accounts, I request the board approve the opening of a roll over account to help minimize risk.
- Request to open an investment account with UBS- In order to assist the Association with Reserve investments and minimize our own investment risk and increase our ability to generate investment revenue, it is the recommendation of the Treasurer to allow the Treasurer/Management the ability to start the process to open an account with UBS under the direction of Paul Cutter and ultimately move \$500,000 under his management.
- Recommendations- In accordance with Civil Code 5500, the finance committee reviewed the transaction reports, as well as the balance sheet, revenue and expense statement, budget to actuals, and the Treasurer and an additional Board member have reviewed the bank statements. The Board received the financials. Transaction reports a bank statements are available upon request. Based on that, Treasurer Schultz **moved “to recommend the acceptance of the certification of the January 2022 Financial Statements.”** The motion was seconded and passed unanimously. Treasurer Schultz moved **“to open an operational**

roll-over account with Columbia Bank to minimize the risk of holding large sums of money in a single account. The additional deposit will be \$225,000 and the signers will be the current signers on the Associations Columbia Bank operations/payroll accounts.” The motion was seconded and passed unanimously. Treasurer Schultz moved **“to establish an investment account with an initial deposit of \$500,000 with United Bank of Switzerland (UBS) under the direction of an investment advisor specializing in homeowner associations. The signatories will be the Treasurer, the General Manager, and at least one other Board Director at the discretion of the Board. The annual fee will be \$175, plus a transaction fee to be determined.”** The motion was seconded and passed unanimously.

8. ARC/ Facilities Fees and Usage:

- ARC: There has been a spike in applications, which have been mostly for tree removals and new decks.

9. Secretary’s Update:

- Minutes of February 24, 2022- Secretary Dommes moved to **“accept the Board of Directors meeting minutes of February 24, 2022”** The motion was seconded and passed with 6 ayes and 1 abstention due to Director Ward not having attended this meeting.
- Proposed revisions to Policy 500-A-17- Secretary Dommes presented the proposal to make minor changes to Policy 500-A-17 Reserve Component Study which were requested by Treasurer Schultz to fine tune it. Secretary Dommes moved **“to accept the slight changes to improve Policy 500-A-17 Reserve Component Study accompanied by the rationale for such changes.”** The motion was seconded and passed unanimously. The Policy and Rationale will be posted on the BLSHA website for member 28-day review.

10. Board Committee Reports:

- **Facilities and Long-Range Planning -**
 - a) Shuttle Service- FLRPC proposes offering a BLSHA Summer Shuttle Service to transport families from the homes to/from the facilities. The shuttle could potentially operate 4-6 hours a day for the busiest days in the Summer (Holiday Weekends). The idea is to reduce the number of cars on the roads and parked at Snowflake Lodge and Fly-In Lake. If the Shuttle Service is viable, consideration could be given to adding additional summer or holiday weekends as the Board might subsequently approve. Vice President Dubois moved, **“pending approval from the BLSHA insurance broker, to hire a local shuttle service, which provides necessary insurance coverages and fuel, to offer a “free” shuttle service to members and their guests to/from homes and to/from the Snowflake Lodge or Fly-In parking lots on Memorial Day and the 4th of July Holiday weekends (11am-6pm). Members would be encouraged to tip the driver. Total cost not to exceed \$2310.”** The motion was seconded, and passed with 6 ayes, 1 nay. Director Ward feels adding costs to the Association when everyday operational costs are skyrocketing is not prudent at this time.
- **Food Services Committee-** Director Giorgetti reported the committee met and are continuing to do prep work for when the new Lodge Manager comes on board.
- **Events Committee-** Secretary Dommes reported the Events Committee has been meeting regularly. Potlucks have been very popular and well attended. Bridge lessons has 2 students

graduating, and 2 new students will be attending lessons. The committee also discussed bringing back the Annual Meeting BBQ, which is already in the works for this year.

- **EPPOC** – Director Clemens reported out from the minutes from the February 2nd EPPOC meeting. Some topics included an update on the County’s Wagon Trail project between Angels Camp and Copperopolis, and the Arnold Rim trail is adding a trail that will connect the trail system to complete a loop.

11. **Fire Prevention Program:** Thomas Hein, VIP Coordinator, submitted the following report:

- VIP Inspections.: Inspections will begin on May 3, 2022. We have not yet heard how CALFIRE will be handling VIP inspections. All improved and unimproved properties will receive a BLSHA Fire prevention inspection. There will be three rounds of inspection, during the fire season. The BLSHA Fire Prevention Team will be handing out CC&R violation notices to all properties that receive a failing grade.

12. **Adjourn:** Meeting was adjourned at 8:30pm. The next Board of Directors meeting will be April 28, 2022 via Zoom.

Minutes recorded by Amber Meyer, Assistant General Manager

SECRETARY’S CERTIFICATION:

I certify the foregoing is a true and correct copy of the minutes approved by the Board of Directors.

Nancy Dommes, BOD Secretary

Date