

**Carlyon Beach Homeowners Association
Board Meeting
January 23, 2018**

I. Call to Order:

Meeting was called to order at 7 p.m. by Rick Gamas, President, and was followed by the Flag Salute.
Board Present: Rick Gamas, Mike Cooper, Robynne McWayne, Marv Harris, Lisa Krupp, Sandi Allen, Dick Morton.

II. Members Comments:

One member raised a concern on a personnel issue for the board to consider. Sandi asked if a handout with common septic issues and a resource number would be helpful. The member thought that was a good idea. The board will follow up on the personnel issue.

Another member asked for clarification of electrical issues in the Clubhouse, the manager search, the schedule for tree work party to trim the Park trees, and if we had all the maintenance workers needed. Rick let her know the electrical status in the clubhouse, and Lisa said the tree work party would be February 3, and Sandi said the manager search has been going well, with more good candidates this year than last, but none that hit every mark like Bill did. Rick mentioned the committee members by name, and that all of them were on last year's search committee, and that we had hired Andrew Bergman to join the maintenance staff.

A question from another member about the problem tree issues throughout the neighborhood was directed to Robynne, who said she'd put notices on NextDoor to remind members to get those trees trimmed before it harms the trees.

III. Approval of the minutes.

Sandi moved we approve the minutes from the December 19,2017 meeting as amended.
See motion below.

IV. Treasurer's Report

Lisa provided the following Financial Report:
**Mid-Year Treasurer Report
July-December 2017**

Balance Sheet

General Operating Fund	\$153,400
Marina Fund	\$156,500
Sewer Fund	\$ - 2,737

Capital Funds \$226,900
(combined reserve and unrestricted accounts)

Profit and Loss Budget vs. Accrual Basis

CBHA is halfway through the fiscal year, and can look at the **Profit and Loss** statements to determine if we have spent about 50% of the budgeted amount. This gives us a rough estimate of our spending, keeping in mind that not all expenses occur equally throughout the year. (If you are interested in more specific information, the financial statements are posted on the CBHA website.)

1. **General Fund:** Total expenses in the General Fund are right on target at **47.6%**. The total budget for the General Fund is \$494,484. Expenses to date are \$235,222. Line 5100 Personnel Services is at **46.4%**. The area of Contractual Services is currently at **51.9%**. We expect that Line 5200 Contractual Services may go over budget due to the unanticipated need to hire outside services for water quality management. This service costs \$1500/month. Up to this point, legal expenses have been minimal, which has kept this part of the budget within expectations. Line 5800 Utilities and Fuel expenses are at **46%**.

2. **Marina Fund:** Repairs to the marina are underway now. Up to \$60,000 has been approved for the first round of repairs.

3. **Sewer Fund:** Total expenses in this fund are at **55.6%**. Line 5100 Personnel is at **48.7%**. Line 5200 Contractual Services is at **62.2%**. This section includes the additional costs for sludge removal and maintenance for the pump trucks. Line 5800 Utilities and Fuel are on target at **50.9%**. As mentioned in the January newsletter, the Sewer Fund has been underfunded for a couple of years, thus the need to increase the pump out charge by \$2 per pump.

Capital Funds

CBHA started this fiscal year with \$290,000 in the capital reserve fund. We can expect to collect about \$152,000 this year. The major projects on tap for this year have been completed, including \$100,000 in road repairs. To date, \$136,597 has been spent on capital projects.

Recently, the carport at the maintenance shop was erected at a cost of \$8,800. (The membership approved up to \$10,000 for this building in the capital budget approved last June.)

The clubhouse was painted for \$8,800, considerably less than the \$15,000 approved in the capital budget.

Other capital expenses include \$6400 for repairs to well #1, which was an unexpected expense. Necessary electrical upgrades to the wastewater treatment plant (about \$8,500) were also not anticipated when the capital budget was proposed to members in June.

The Board is carefully considering each expense with the goal of not spending more than the current assessment will bring in, but unexpected projects have arisen. The electrical panel in the clubhouse and

wiring downstairs need upgrading for safety reasons. Estimates coming in suggest around \$5,000 for this. One corner of the clubhouse has significant decay and infestation of carpenter ants. No bids have been done yet on repairing the clubhouse, and this may not be accomplished until next summer, so this expense may or may not occur during this fiscal year. If no emergencies arise and the remaining projects can be completed for less than \$17,000, the reserve fund will remain intact, though not as much added to it as hoped.

Employee Salaries

In January, the hourly CBHA employees received raises. This was done after researching comparable salaries in the local marketplace. We value our employees and feel they deserve to be paid the market rate for their skills. The hourly increases ranged from \$0.80/hour to \$1.50/hour. With these raises, the hourly wages of our employees range from \$13.25/hour to \$23.00/hour. The cost to CBHA for the benefits package did not change. The employees' share for the cost of their health insurance did increase a small amount.

The manager position is a salaried position, with a starting annual salary of \$50,000-55,000, depending on experience and qualifications.

V. Committee Reports:

Roads & Storm Water:

Marv stated there is erosion on Westwind they are dealing with because too many trees and brush were cleared and is a mess. Roads are patched as can be done. Mailboxes on Island Drive are too close to a storm drain and the mailman is having to pull over into soft dirt that is washing out into the drain, so the Board has asked them to move the mailboxes.

Parks & Recreation:

Tree trimming in the Park is scheduled on February 3. All volunteers welcome!

Water & Wastewater:

Still putting in meters and the WWTP is okay.

Marina:

Sandi reported the new test fingers are in place with the 2 kinds of flotation discussed last month. An update on the price she reported last month for the higher flotation: originally was quoted \$20, but when Bob McConkey, Float Services Northwest looked it up it was actually \$50.

Architecture:

Marv reported that there's some small construction projects have been inspected and completed, and there will be more updates after the next architecture committee meeting.

VI. New Business:

1. Pressure Washer: Rick said the pressure washer is broken, but the cart is now hauling the welder around, so the cart portion has a second life. There will need to be a discussion of what to do about the pressure washer at the next Board Workshop.
2. Pump Truck: pump truck information is being gathered, and we now have 3 bids, from FMI Truck Sales and Service, Erickson Truck and Pump, and KeeVac Industries, Inc., all of them with 3,600 gallon tanks. There are many options with each company that puts these trucks together.

Choose Peterbilt, Kenworth, or Freightliner, or others, and then add the equipment needed. Truck requirements are: automatic transmission, hydraulic pump, and preferably most of the same part types as our current Peterbilt and keep as many parts available to keep all trucks running well. There will be lag time from the time the truck is ordered from the time it is built. As soon as the deposit is paid, the truck can be built. The question is how CBHA goes forward. Lisa said we know we need a new truck. CBHA needs to get the members to decide how to pay for it. Suggestions out there are: sell the rental house, raise the Capital fund, do a Special Assessment, get a loan, and get a grant. As treasurer Lisa doesn't want the funds to dip too low, as other things can go wrong, requiring ready cash. Options need to be presented to know which payment plan members choose, which pushes out ordering the truck. Lisa contacted the banks and confirmed that CBHA has accounts with and interest on a loan was quoted 3-5%, which doesn't fit our budget.

Rick stated the white truck is leaking sewer water from the tank and cannot be fixed because of the thin welders that would burn right through. The frame bends when fully loaded and leaks more, so it can't do more than 1 pump and then must return to the WWTP. It also doesn't go uphill well anymore. The first step is getting a new truck. Lisa stated the first step should be getting information into the newsletter.

Mike stated the newsletter should let the members know this is being discussed by the board. Dick added that when new people are elected to the board they should know they are to act in the best interests of the community, without soliciting everyone's opinions. It appears nothing gets done that way. Dick stated the Board is tasked with handling business, and we should send a solution for the members to vote. The board's responsibility, when the membership elects them, is to use your best judgement and not cause them to have to make every decision. Instead, for us to cause them to have a specific proposal to vote yea or nay and be done. Lisa said she agreed, but she felt it was important to give people the option of how they want to pay for this on the ballot.

Dick said the problem with that there are too many options that can stifle a solution. The options should be as few as possible, and be as realistic and as clear as the member would expect. Lisa said this information would let them know a ballot would be coming, and give them the rough estimate of the costs of each option.

Robynne stated that Paul said it is important to use 2 trucks a day to get all the effluent to the WWTP early enough for all the cycles to run before the next day's loads arrive. Marv added that the trucks could run simultaneously, shortening the hours the trucks need to be driving through the neighborhood.

Lisa asked if we needed a motion to go forward with the truck search. Robynne moved that CBHA begin the process of informing the membership of the need for a replacement truck for

the International, and that the Board is looking into the best price around the country, and the options to purchase it, and more information will be forth coming. **See motion below.**

Discussing the best time for a Town Hall Meeting, it was decided to start the Board Meeting with the Town Hall at the beginning, then follow with the Board Meeting items after, rather than add another night.

3. **Portable Toilet:** The maintenance men do not have a real bathroom, and are currently using a portable toilet. It's very small for men in winter gear, and has cracks that lets water leak in. Island Johnny has a standard layout that has been reconfigured to give more usable space. The oversized ADA unit that Bill had suggested would be more than twice the cost, and the maintenance crew has said the standard unit is big enough. Lisa moved to purchase the standard Poly John Fleet Portable Restroom. See motion below.
4. **Camera:** The next discussion was on camera replacements. They have been upgraded 2 at a time, and we have 4 more still to do. The tech said we would save his trip charge to get the last 4 cameras to install one at a time. Lisa moved we purchase the 4 cameras. **See motion below.**
5. **Employee Leave of Absence:** An employee requested information on medical insurance while on a leave of absence. It will not be continued, but the employee can pay for their premium. Lisa moved we approve an employee's unpaid Leave of Absence effective January 9, 2018. **See motion below.**

Sandi then moved to adjourn. **See motion below.**

1. **Motion:** Sandi moved to approve the December 19, 2017 minutes as amended. Marv seconded. **Motion passed unanimously.**
2. **Motion:** Robynne moved that we begin the process of informing the membership of the need for a replacement truck for the International, and why, and that we are looking into the best price we can get anywhere around the country, and the options to pay for it, and more information will be coming out about it. Lisa seconded. **Motion passed unanimously.**
3. **Motion:** Lisa moved to purchase a Poly John Fleet Portable restroom for the maintenance shop, not to exceed \$1,000. Robynne seconded. **Motion passed unanimously.**
4. **Motion:** Lisa moved to purchase 4 cameras to complete the upgrade and save on installation trip charges, not to exceed \$1,800. Marv seconded. **Motion passed unanimously.**
5. **Motion:** Lisa moved to approve an employee's unpaid Leave of Absence per employee handbook, effective January 9, 2018, for up to 90 days. Sandi seconded. **Motion passed unanimously.**

Motion: Sandi moved to adjourn, which was seconded by Mike. **Motion passed unanimously.**

Meeting was adjourned at 9:48 p.m.

Respectfully Submitted By,



Sandi Allen,
Secretary