

# Palmer Lake Beach Club (PLBC)

Spring 2022 General Member Meeting

Meeting Agenda

2022-04-02

This agenda has been updated with minutes and comments of the meeting and serves as the official minutes. Comments/minutes are annotated in red.

# Agenda

- Call to Order. President Robert Perry called the meeting to order.
- Pledge of Allegiance. Robert Perry led the pledge of allegiance, and noted prior that participation is optional.
- Agenda Review. Robert Perry reviewed this agenda with the membership.
- New Motions from the Membership. Robert Perry asked the membership if anyone wanted to make a formal motion. There were no motions from the membership, although several agenda items were added.
- Introduction
- Nominations and Elections for Open Board Seats
- Financial Report – Dee
- Audit Committee Report - Dee
- FY 2021~2022 Budget/Capital Spending Ratification
- Bylaw Changes
- Spring/Summer Events - Sarah

# Pledge of Allegiance



# Motions From The Membership

There were no motions from the membership.

# Introduction/Operations Review

- The HOA – Palmer Lake Beach Club, a Washington corporation.
- Overall establishment & management process
- Part-Time Paid Staff
  - Rosa Velder, Operations Manager/Bookkeeper
  - Richard Goad, Maintenance Supervisor
  - Jay Wood, Maintenance Technician
- Website – [www.palmerlakebeachclub.com](http://www.palmerlakebeachclub.com) Facebook is not the official website, it contains non-members and is not under the control of the HOA. It is not private.
- Meetings – two general membership meetings announced by legal notice, 12 board of director's meetings, held the 4<sup>th</sup> Thursday of each month at the center building on the South end of the lake, at 7:00pm.

Robert Perry did a brief overview of the HOA and it's operations.

# Existing Board Member Terms & Vacancies

| Position    | Incumbent        | Term             | Comment      |
|-------------|------------------|------------------|--------------|
| Board 1     | Robert Perry     | 7/1/20 ~ 6/30/22 | Need to fill |
| Board 2     | Jeffery Prestage | 7/1/20 ~ 6/30/22 | Need to fill |
| Board 3     | Kim Hunsaker     | 7/1/21 ~ 6/30/23 |              |
| Board 4     | Dolores Starr    | 7/1/20 ~ 6/30/22 | Need to fill |
| Board 5     | Sarah Watkins    | 7/1/20 ~ 6/30/22 | Need to fill |
| Alternate 1 | Jada French      | 7/1/21 ~ 6/30/22 | Need to fill |
| Alternate 2 | Johnathan Lund   | 7/1/21 ~ 6/30/22 | Need to fill |

- Duties are detailed in the controlling documents.
- Becoming an alternate is a great way to prepare for a formal board position.
- Your active participation in the management of the HOA is great for everyone.
- The existing board is people from a wide variety of life experiences and viewpoints.

Robert Perry reviewed the above information.

# Board Nominations & Voting

*You may be nominated or “self-nominate” during the meeting. If there are more nominees than positions, then voting will take place after the close of nominations, and each nominee may make a brief introduction/statement.*

**There are four board seat open for election. Nominees are:**

| Name             | Vote Tally |
|------------------|------------|
| Robert Perry     |            |
| Jeffery Prestage |            |
| Dolores Starr    |            |
| Sarah Watkins    |            |
|                  |            |
|                  |            |
|                  |            |
|                  |            |

**We would like to increase the alternates to 3. Nominees are:**

| Name           | Vote Tally |
|----------------|------------|
| Jada French    |            |
| Johnathan Lund |            |
|                |            |
|                |            |
|                |            |
|                |            |
|                |            |
|                |            |

See notes appended to this agenda regarding the conduct of the voting and results.

# Current Financial Report (Summary)

Dolores Starr, Treasurer

|                                      |                     |
|--------------------------------------|---------------------|
| <b>Income Statement:</b>             |                     |
| Income                               | \$53,165.13         |
| Expenses                             | -\$97,642.25        |
| <b>Net Income:</b>                   | <b>-\$44,477.12</b> |
| <b>Balance Sheet:</b>                |                     |
| Assets                               |                     |
| Acct's Receivable                    | \$166,624.00        |
| Other Assets                         | \$323,554.00        |
| Total Assets:                        | \$490,178.00        |
| Liabilities                          |                     |
| Obligated Liabilities                | \$92,000.00         |
| Total Liabilities:                   | <b>\$92,009.05</b>  |
| <b>Equity (Assets - Liabilities)</b> | <b>\$398,168.95</b> |

**A/R Quality Issues:**

We have a substantial number of members out for legal collection actions – these are members who have not paid dues in years, some over a decade.

More than \$50,000 in A/R is legal fees we in collection for, and a bit more than \$50,000 is the past due amounts.

Some (it’s not possible to know exactly) of these amounts will have to be taken as bad debt expense in the next couple of years.

*July 1 to Feb 28<sup>th</sup>.*

Dolores Starr reviewed the financial report. Robert Perry made some comments regarding the timing of revenue flows, which tends to move us into the profit range by the end of fiscal year.

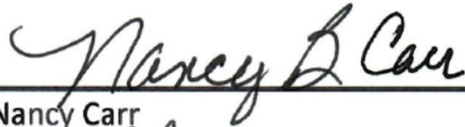


# Audit Committee Report

## Overview & Statement

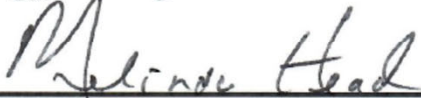
February 19, 2022

On February 19, 2021, the Audit Committee reviewed the books and records of Palmer Lake Beach Club. The examination included random reviews payments made and back-up documentation, as well as other reviews. In the opinion of the Audit Committee, the books and records accurately reflect the transactions of the Palmer Lake Beach Club, and no discrepancies or improper transactions were noted.



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Nancy Carr



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Melinda Head

/s/ Genee Grimmett

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Genee Grimmett

/s/ Carol Opalinski

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Carol Opalinski

Robert Perry reviewed the role and freedom of the audit committee as a direct representative of the membership in reviewing the books of the HOA.

# Budget Ratification FY 2022-2023

## *(July 1 to June 30)*

On February 19<sup>th</sup>, 2022, the Budget Committee (members who volunteered in the fall member meeting to be on the committee) and reviewed a draft budget created by the BoD. The Committee then recommended the draft budget that was circulated with the formal notice of this meeting.

The membership can ratify the recommended budget, or not. Under Washington State Law (RCW 64.038.025), if the budget is not approved, the past budget is used until a new budget is approved by the membership.

### Overview comments:

Past due collections, late fees, interest, fines & penalties have driven revenue significantly above normal dues. If every member paid their dues on time, total revenue would be only \$75,300. The estimated EOY operations of the HOA costs \$89,199.28, a gap of \$13,899.28.

The Board believes that late fees, interest fines and penalties should not fill the gap long term, we would love to avoid such assessments.

As a separate point, the bylaws discussion which occurs next includes a increase in 2023 that does not affect this budget and is a separate ratification for the membership.

# Budget Ratification

Approach - We can step line-by-line through the budget, or we can address questions then see if we desire to ratify....

So.....

Are there any specific questions regarding the proposed budget?

Are there any specific concerns regarding the proposed budget?

Do we want to take a vote to see where the membership stands?

Appended to this agenda is the discussions and results of voting with regard to budget ratification.

| Budget Categories/Accounts |  | 2021-2022            |                      |                      | 2022-2023                  |
|----------------------------|--|----------------------|----------------------|----------------------|----------------------------|
|                            |  | Approved             | YTD                  | Est Annual           | Budget Comm Recommendation |
| <b>Income</b>              |  |                      |                      |                      |                            |
| <b>400-INCOME</b>          |  |                      |                      |                      |                            |
|                            | 410-MEMBER DUES                        | \$ 80,000.00         | \$ 28,616.59         | \$ 75,616.59         | \$ 80,000.00               |
|                            | 415-LATE FEE                           | \$ 30,000.00         | \$ 13,200.00         | \$ 30,000.00         | \$ 30,000.00               |
|                            | 416 - LEGAL FEES INVOICED TO MEMBERS   | \$ 10,000.00         | \$ 26,861.05         | \$ 35,000.00         | \$ 35,000.00               |
|                            | 420-TRANSFER FEE                       | \$ 7,000.00          | \$ 4,300.00          | \$ 7,000.00          | \$ 7,000.00                |
|                            | 430- INTEREST - CHECKING               | \$ 100.00            | \$ -                 | \$ 100.00            | \$ 100.00                  |
|                            | 431-INTEREST - SAVINGS                 |                      | \$ -                 |                      |                            |
|                            | 432-INTEREST-CD ACCOUNT                | \$ 800.00            |                      | \$ 800.00            | \$ 800.00                  |
|                            | 460-LIENS                              | \$ 8,000.00          | \$ 6,459.50          | \$ 8,000.00          | \$ 8,000.00                |
|                            | 465-PREVIOUS DUES, INTEREST, LATE FEES | \$ 30,000.00         | \$ 2,774.98          | \$ 12,774.98         | \$ 30,000.00               |
|                            | 475-NON-COMPLIANCE FINES               | \$ 10,000.00         | \$ 25,000.00         | \$ 35,000.00         | \$ 10,000.00               |
|                            | 414 · Temp Late Fee Credit COVID       |                      |                      |                      |                            |
|                            | 49900 · Uncategorized Income           |                      |                      |                      |                            |
|                            | 400-INCOME - Other                     | \$ -                 | \$ 4,000.00          | \$ 5,000.00          | \$ 5,000.00                |
|                            | <b>Total 400-INCOME</b>                | <b>\$ 175,900.00</b> | <b>\$ 111,212.12</b> | <b>\$ 209,291.57</b> | <b>\$ 205,900.00</b>       |
| <b>Total Income</b>        |  | <b>\$ 175,900.00</b> | <b>\$ 111,212.12</b> | <b>\$ 209,291.57</b> | <b>\$ 205,900.00</b>       |

YTD is July 1 2021 to January 31, 2022.

|                                |  | 2021-2022            |                     |                      | 2022-2023                         |
|--------------------------------|--|----------------------|---------------------|----------------------|-----------------------------------|
| Budget Categories/Accounts     |  | Approved             | YTD                 | Est Annual           | Budget Comm<br>Recommendatio<br>n |
| <b>Expense</b>                 |  |                      |                     |                      |                                   |
| <b>600-GENERAL &amp; ADMIN</b> |  |                      |                     |                      |                                   |
|                                | 610-Office                             | \$ 500.00            | \$ 14.34            | \$ 500.00            | \$ 500.00                         |
|                                | 611-Supplies                           | \$ 600.00            | \$ -                | \$ 600.00            | \$ 600.00                         |
|                                | 612-POSTAGE                            | \$ 1,000.00          | \$ 524.70           | \$ 1,000.00          | \$ 1,000.00                       |
|                                | 613-MEETING                            | \$ 300.00            | \$ 158.75           | \$ 300.00            | \$ 300.00                         |
|                                | 614-ELECTION EXPENSE                   | \$ -                 | \$ -                |                      |                                   |
|                                | 615-Website Maintenance                | \$ 150.00            | \$ -                | \$ 150.00            | \$ 150.00                         |
|                                | 616-COLL.-BAD DEBT                     | \$ 16,000.00         | \$ 154.10           | \$ 16,000.00         | \$ 16,000.00                      |
|                                | 618 Bank Fee                           |                      | \$ -                |                      |                                   |
|                                | 619 - LIEN FEES PAID                   |                      | \$ 3,052.50         | \$ 5,000.00          | \$ 5,000.00                       |
|                                | 620-INSURANCE                          | \$ 8,000.00          | \$ 8,381.00         | \$ 8,381.00          | \$ 8,381.00                       |
|                                | 630-LEGAL                              |                      |                     |                      |                                   |
|                                | 630A · Collection Exp Billed to Member | \$ 2,500.00          | \$ 31,017.55        | \$ 40,000.00         | \$ 40,000.00                      |
|                                | 630C · Capital Projects Lake Drainage  |                      |                     |                      |                                   |
|                                | 630-LEGAL - Other                      | \$ 700.00            | \$ 10,484.90        | \$ 10,484.90         | \$ 10,484.90                      |
|                                | 640-ACCOUNTING-CPA                     | \$ 2,000.00          | \$ 1,985.00         | \$ 2,000.00          | \$ 2,000.00                       |
|                                | 645-BOOKKEEPING                        | \$ 1,500.00          | \$ 601.74           | \$ 1,500.00          | \$ 1,500.00                       |
|                                | 650-LAKE TREATMENT                     | \$ 3,500.00          | \$ 4,700.00         | \$ 7,000.00          | \$ 7,000.00                       |
|                                | 655-LAKE FISH STOCK                    | \$ 3,500.00          |                     | \$ 3,500.00          | \$ 3,500.00                       |
|                                | 660-MAINT. COMMON AREAS                | \$ 2,500.00          | \$ 516.40           | \$ 2,500.00          | \$ 2,500.00                       |
|                                | 670-PROJECTS                           |                      |                     |                      |                                   |
|                                | 670A - PROJECTS - Other                |                      |                     |                      |                                   |
|                                | 670B - Lake Drainage                   |                      |                     |                      |                                   |
|                                | FY2021-2022 Proposed Cap Invest        | \$ 92,000.00         |                     | \$ 92,000.00         | \$ 30,000.00                      |
|                                | 675-GOOD NEIGHBORS                     | \$ 1,000.00          | \$ 16.19            | \$ 1,000.00          | \$ 1,000.00                       |
|                                | 600-GENERAL & ADMIN - Other            |                      |                     |                      |                                   |
|                                | <b>Total 600-GENERAL &amp; ADMIN</b>   | <b>\$ 135,750.00</b> | <b>\$ 61,607.17</b> | <b>\$ 191,915.90</b> | <b>\$ 129,915.90</b>              |

|   |                                      |                      |                     |                      |                      |
|---|--------------------------------------|----------------------|---------------------|----------------------|----------------------|
| <b>700-UTILITIES</b>  |                                      |                      |                     |                      |                      |
|   | 710-ELECTRIC                         | \$ 9,000.00          | \$ 6,473.03         | \$ 11,000.00         | \$ 11,000.00         |
|   | 720-GARBAGE                          | \$ 500.00            | \$ 233.84           | \$ 500.00            | \$ 500.00            |
|   | 730-TELEPHONE                        | \$ 75.00             | \$ 71.39            | \$ 120.00            | \$ 120.00            |
|   | 740 - Broadband Internet             | \$ 900.00            | \$ 447.61           | \$ 900.00            | \$ 900.00            |
| <b>Total 700-UTILITIES</b>  |                                      | <b>\$ 10,475.00</b>  | <b>\$ 7,225.87</b>  | <b>\$ 5,161.34</b>   | <b>\$ 3,686.67</b>   |
| <b>800-EMPLOYEES WAGES</b>  |                                      |                      |                     |                      |                      |
|   | 810-CARETAKER WAGES                  | \$ 11,830.00         | \$ 3,886.26         | \$ 12,000.00         | \$ 12,000.00         |
|   | 820-SECURITY PATROL                  | \$ 16,000.00         | \$ 10,760.00        | \$ 18,000.00         | \$ 18,000.00         |
|   | 830- - PLBC BOOKEEPER                |                      |                     |                      |                      |
|   | 840 - OPERATIONS MANAGER             | \$ 16,000.00         | \$ 6,359.25         | \$ 4,542.32          | \$ 16,000.00         |
| <b>Total 800-EMPLOYEES WAGES</b>  |                                      | <b>\$ 43,830.00</b>  | <b>\$ 21,005.51</b> | <b>\$ 15,003.94</b>  | <b>\$ 10,717.10</b>  |
| <b>900-TAXES</b>  |                                      |                      |                     |                      |                      |
|   | 910-FEDERAL INCOME TAX               | \$ 200.00            |                     |                      |                      |
|   | 920-TAXES & LICENSE                  | \$ 50.00             |                     |                      |                      |
|   | 930-FICA TAXES                       | \$ 1,400.00          | \$ 783.52           | \$ 559.66            | \$ 399.76            |
|   | 940-LABOR & INDUSTRIES               | \$ 400.00            |                     |                      |                      |
|   | 941 FUTA                             | \$ 60.00             | \$ 141.58           | \$ 101.13            | \$ 72.23             |
|   | 942-SUTA                             | \$ 30.00             | \$ 37.76            | \$ 26.97             | \$ 19.27             |
| <b>Total 900-TAXES</b>  |                                      | <b>\$ 2,140.00</b>   | <b>\$ 15.57</b>     | <b>\$ 11.12</b>      | <b>\$ 7.94</b>       |
|   | 66900 - Reconciliation Discrepancies |                      |                     |                      |                      |
|   | 66910 - Bank Service Charges         |                      |                     |                      |                      |
|   | 66915 - Paypal Service Charge        |                      |                     |                      |                      |
| <b>Total Expense</b>  |                                      | <b>\$ 192,195.00</b> | <b>\$ 89,854.12</b> | <b>\$ 212,092.29</b> | <b>\$ 144,327.61</b> |
| <b>Total Income Minus Total Expenses:</b>                               |                                      | <b>-\$16,295.00</b>  |                     | <b>-\$2,800.72</b>   | <b>\$ 61,572.39</b>  |
| <b>Deduction of Capital Expenditures</b>                                |                                      | 92000                |                     | 92000                | \$ 30,000.00         |
| <b>Total Income Minus Total Expenses, Not Incl Capital Expenditures</b> |                                      | <b>\$75,705.00</b>   |                     | <b>\$89,199.28</b>   | <b>\$ 91,572.39</b>  |
| <b>2022-2023 Capital Spending Proposal</b>                              |                                      |                      |                     |                      |                      |
| <b>Amount</b>   | <b>Project</b>                       |                      |                     |                      |                      |
| \$30,000.00   | Ballfield Irrigation System          |                      |                     |                      |                      |



# Bylaws Amendments

## **ByLaw Amendments:**

- Require 15 days minimum advance notice to the membership.
- Require a 75% of the members present to approve.

In general, the Bylaws updates incorporate two general areas – all important...

- A. Cleaning up the language to be more clear and precise, based on review by the HOA's attorney.
- B. Providing for a method to decrease or increase the dues as inflation increases or decreases. There has been no change in the dues in 12 years. Inflation for the last 12 months has been 7.9%, the highest since 1982. Over the last 12 years it has been

## **Process:**

- The membership can ratify or not ratify any section. No material “edits on the fly” can be made.
- The membership cannot add new changes because of the required notice provisions.

# Cleanup....

## Article II Membership Meetings

SECTION 1: There shall be two (2) general membership meetings each year; March and October. Special meetings of the membership may be called at such times as may be necessary by (a) the Board President, (b) the majority of the Board of Directors, or (c) ten (10) percent of the membership. In the event of a special meeting of the membership called by ten (10) percent of the membership, such members shall create a roster in a form and process as specified by the Corporation that lists the property address, owner's name and has the signature of such memberowner, with a statement requesting a special meeting and purpose of such special meeting and the roster shall be sent by registered mail to the Corporation's address, so that the Board can give notice of the special meeting. From time to time the Corporation shall publish the form and process to the Corporation's website. Special Meetings called by the membership shall use the then current version of the form and process.

SECTION 2: Written notice of each meeting of the membership shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) days but not more than sixty (60) forty five (45) days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the corporation, or supplied by the member to the corporation of the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in such case a special meeting, the purpose of the meeting. The Board of Directors shall mail meeting notices for meetings as authorized in Article II, Section 1(a), (b) & (c) within thirty (30) days after the receipt of written request. Members shall have the right to provide their email address to the Corporation, and authorize email notices, communications and invoices to that address in lieu of written notices, communications and emails.

SECTION 4: At all meeting of members, each member in good standing may vote in person or by proxy or by absentee ballot. All absentee ballots and proxies shall be in writing in a form specified and published by the Corporation on the Corporation's website, and filed with the corporate secretary; ~~and member's wishes clearly stated regarding issues declared for said meeting.~~



# Cleanup....

## Article III Dues and Charges

SECTION 1: By the Declaration of Restrictions, Covenants and Conditions of the plat of Palmer Lake and these Bylaws each member is deemed to covenant and agree to pay the Corporation; (a) annual dues and charges, and (b) special assessments, together with such interest thereon and the costs of the collection thereof, as herein provided, which shall be a charge on land and which shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time the assessment fell due and shall pass to his or her successors in title. Current dues amounts are posted to the Corporate website. A claim of non-receipt of any notice, invoice or bill to a member shall not be a basis for claim of any right of non-payment related thereto.

SECTION 5: Additionally, the Corporation may assess or levy fines, fees, penalties and charges to members determined by the Board of Directors for violations of the Declaration of Restrictions, Covenants, Conditions and Easements for the Plat of Palmer Lake and these Bylaws. Once finalized in accordance with the procedures provided elsewhere, such fines, fees, penalties and charges shall be considered dues and assessments as for the purposes of Section 1 above as well as Section 6 and Section 7 below.

## Article IV Powers and Duties of the Board of Directors

SECTION 1: The board of directors shall have the power to:

(G) Create and maintain a Policy containing a set of standards and processes regarding the compliance of members with the Declaration of Restrictions, Covenants, Conditions and Easements for the Plat of Palmer Lake and these Bylaws, as well as the architectural standards and policies enacted by the Board of Directors and/or Architectural Committee, as well as common area rules such as beach area rules, etc. This shall include notices of non-compliance, reasonable periods to cure non-compliance, and the assessment of fines, fees, costs, penalties and other amounts related to non-compliance, as well as appeal processes. The imposition of compliance assessments shall require the lesser of unanimous approval of the Board of Directors or approval of a quorum plus one additional Board Member approval vote. The Policy created and maintained under this Section does not alter or apply to Article III Dues and Charges, except that such fines, fees, costs, penalties and other amounts invoiced under this Section, once finalized, are regarded as Dues and Assessments under Article III Dues and Charges.

# Cleanup....

SECTION 2: It shall be the duty of the Board of Directors to:

(C) As more fully provided herein and in this Declaration. (1) Fix the amount of the annual dues against each lot at least sixty (60) days in advance of each annual dues period, as hereinafter provided in Article III, and (2) Send written notice of dues to every owner subject thereto at least thirty (30) day in advance of each annual dues periods. Such written notice of dues shall be sent by ordinary US mail, or if authorized by the member, via electronic communications.

(F) Cause all officers having fiscal responsibilities to be bonded or otherwise insured. Should the Corporation's insurance carrier or other carrier refuse to issue a bond or policy to an officer due to derogatory information, such officer shall immediately removed from the Board of Directors.

## Article V Directors

SECTION 6: There shall be a meeting of the Board of Directors within ~~two~~ four weeks after each general meeting of the Membership. Special meeting of the Board of Directors may be called by the president or any directors by giving oral or written notice to all directors. A minimum of three (3) directors shall constitute a quorum for transaction of business.

SECTION 12: The duties of the officers are as follows:

(E) The treasurer shall oversee the bookkeeper to receive and deposit in appropriate bank account all monies of the corporation and shall disburse such fund as directed by resolution of the board of directors; shall co-sign, with either the president or the 1st vice president, all checks and promissory notes of the corporation; be responsible for proper books of account; cause an annual audit of the corporation books to be made by the audit committee and a copy of the annual budget to be presented to each member present at the March general membership for adoption; and also prepare a written statement of income and expenditures to be presented to each member present at the membership meetings. The fiscal duties of the treasurer may be contracted, with or without monetary gain, with the approval of the membership if the board treasurer is not qualified or unable to handle the corporation fiscal responsibilities. In the event the contracted treasurer resigns, is absent or unable to fulfill the duties, the board of directors, by majority vote, may contract a treasurer to fill the vacated position until the next general membership meeting. The existing contract terms will be followed in contracting a treasurer to fill the vacated position.



# Cleanup....

## Article VI Standing Committees

SECTION 2: A budget committee shall prepare the corporation's annual budget recommendation to the Board of Directors for the final preparation of a budget to be presented to the membership at its regular meeting as provided in article 5, Section 12(e). The budget committee shall consist of three (3) members to be appointed by the board of directors and the Treasurer unless the Treasurer is a contractor, in which case a board member shall substitute for the Treasurer.

## Article VII Nominations and Elections

SECTION 2: Nominees must be members in good standing, and shall disclose to the membership prior to the election vote any felony convictions, or any determinations under law or courts of competent jurisdiction limiting the members ability to interact or associate with minors. Should a nominee fail to disclose under this provision, and be elected, upon the discovery of such failure to disclose, they shall be immediately removed by a majority vote of the other Directors.

## Article VIII Property Rights / Rights of Enjoyment

Each member shall be entitled to use and have enjoyment of the common areas and facilities as provided in the declaration. Any member may delegate his rights of enjoyment of the common area and facilities to persons who reside in the member's residence located on the member's lot in the plat of Palmer Lake, as well as to ~~to the members of his/her family, friends, his tenants or contract purchasers on the property,~~ friends who are present with member in the common area and facilities. The rights and privileges of such delegate are subject to suspension to the same extent as those of the member.

## Article IX Books and Records

The books, records and paper of the Corporation shall at all times, during reasonable business hours, be subject to inspection by any member. The declaration, the articles of incorporation and the bylaws of the corporation shall be available for inspection by the member of the principal office of the corporation, where copies may be purchased at a reasonable cost. In lieu of physical inspection, the Corporation may make such documents available electronically. The Corporation shall publish policies and costs regarding such access.

## Article XII Miscellaneous

Article III, Section 1 of the Declaration inartfully describes the prohibition on hunting, target practice and the discharge of firearms in a manner that questions the ability of a member to own such firearms. These Bylaws recognize there is no prohibition on the ownership of firearms as allowed by law, the prohibition is solely related to the discharge or use of such weapons for the purposes of hunting or target practice within the confines of Palmer Lake Beach Club.

# Dues Increase

## **Background:**

Dues increases for PLBC are part of the Bylaws, approved by the members. State law allows HOA boards to set dues without membership approval, we require member approval, many HOA Bylaws do not.

Dues have not increased for PLBC since 2010. This has a negative effect on budgeted revenues, and if not corrected, will force down spending further. It will ultimately consume reserves that should be used for repair and improvements, as well as shortfalls in collections.

Inflation over the last 12 years has forced a decline of about 26% in value of the budget.

# Dues Increase

| Annual Inflation Rate (CPI) |               | Social Security COLA History |                  |
|-----------------------------|---------------|------------------------------|------------------|
| Year                        | Inflation %   | Year                         | Benefit Increase |
| 2010                        | 1.50%         | 2010                         | 0.00%            |
| 2011                        | 3.00%         | 2011                         | 3.60%            |
| 2012                        | 1.70%         | 2012                         | 1.70%            |
| 2013                        | 1.50%         | 2013                         | 1.50%            |
| 2014                        | 0.80%         | 2014                         | 1.70%            |
| 2015                        | 0.70%         | 2015                         | 0.00%            |
| 2016                        | 2.10%         | 2016                         | 0.30%            |
| 2017                        | 2.10%         | 2017                         | 2.00%            |
| 2018                        | 1.90%         | 2018                         | 2.80%            |
| 2019                        | 2.30%         | 2019                         | 1.60%            |
| 2018                        | 1.40%         | 2018                         | 1.30%            |
| 2021                        | 7.00%         | 2021                         | 5.90%            |
| <b>Total:</b>               | <b>26.00%</b> | <b>Total:</b>                | <b>22.40%</b>    |

*The proposed dues increase is a \$25.00 increase to only partially “catch-up” for FY 23-24, and an annual adjustment process – up or down, depending on inflation.*

|                                       |                    |                             |  |
|---------------------------------------|--------------------|-----------------------------|--|
| <b>Value of PLBC Revenue in 2010:</b> | <b>\$75,300.00</b> |                             |  |
| <b>Value of PLBC Revenue in 2022:</b> | <b>\$55,722.00</b> |                             |  |
| <b>Value of PLBC Revenue in 2023:</b> | <b>\$68,272.00</b> | <i>(With \$25 increase)</i> |  |

# Dues Increase

SECTION 3: The annual dues to be paid by the membership shall be one hundred (\$100.00) per lot, as of July 1<sup>st</sup>, 2007, and one hundred twenty-five dollars (125.00) as of July 1<sup>st</sup>, 2009, and one hundred and fifty dollars (\$150.00) as of July 1<sup>st</sup>, 2010. Payment of dues for each fiscal year starting July 1 is due prior to the start of the fiscal year, and if not paid in full by July 30<sup>th</sup>, shall be assessed the late fee on July 31, and interest will accrue thereafter. Effective July 1, 2023, the annual dues shall increase to \$175.00 per year. Thereafter, the dues shall increase or decline on an annual basis from the previous year by the change in the 12 month All Items CPI-U (Consumer Price Index-Urban) ending February<sup>st</sup> of the year prior to the start of the new fiscal year. In the event that the Bureau of Labor Statistics materially changes the calculation method of the CPI-U, the Board of Directors will select an alternate approximately comparable index as substitute. The Board of Directors may cancel an annual increase or decrease of the dues if in its judgement the dues change is not appropriate for the proper operations of the Corporation. Such cancellation can only be made once each year for the upcoming fiscal year. The Board of Director will post the current dues to the Corporation website. All dues shall be payable in advance, commencing on July 1<sup>st</sup> of each year.

Please see the comments appended to this agenda regarding discussions and the actual vote of the membership

# Community Events

*Sarah Watkins, Corporate Secretary*

**Children's Easter Egg Hunt**      April 16<sup>th</sup>, North Beach (Shady side), Noon.

- Need volunteers to help hide eggs and overall event help.
- Children must accompanied by an adult, and bring their basket.
- Hot Chocolate, Prizes and Coffee will be provided.

**4<sup>th</sup> of July Celebration**      July 2<sup>nd</sup> (Sat), South Beach, Noon.

- Hot Dogs, Hamburgers, Chips, Cupcakes, Water, Prizes & Games.
- Canoe and kayak races with prizes.

**National Night Out**      August 2nd (Tues), South Beach, 6:00pm.

- Hot Dogs, Hamburgers, Chips, Cupcakes, Water, Prizes & Games.
- Meet our local first responders and community support organizations.

**Halloween HOA "Stop"**      Same night when kids trick or treat, South Beach

- Hot Chocolate, Coffee, kids candy, games.

**Photos with Santa**      Date TBA, kids photos with Santa

**Christmas Lighting Contest**      Details TBA

**Sarah Watkins reviewed this plan and asked for volunteers to help with each event.**

# Closing....

- Final Comments
- Please come a Board meeting (4<sup>th</sup> Thursday of each month, 7:00pm, center building south beach).
- Please visit the web site for important updates.



# Board Election Results:

## Board Voting Results

1. Process for nominations was reviewed by Robert Perry.
2. The floor opened for nominations.
3. For the 4 open board seats, there were four nominations.
4. For the three open board alternate seats, there was five nominations
5. Because the nominations for board seats matched and did not exceed the open positions, IAW the Bylaws, no vote was necessary, all board nominees were elected.
6. Then voting took place for the alternates. The vote results on the first pass of voting showed that Jada French and Tanya Stevens were elected.
7. Then there was a run-off between Kathy Wright and Kacey Ingalls. Members who voted for Johnathan Lund were allowed to revote for either Kathy Wright or Kacey Ingalls.
8. On the final tally, Kacey Ingalls received the larger number of votes, and was elected.

Voting was done via Zoom chat comments. Kim Hunsaker tabulated the votes, Tanya Perry annotated the tabulation onto the PowerPoint slides shown to the right.

## Board Nominations & Voting

*You may be nominated or "self-nominate" during the meeting. If there are more nominees than positions, then voting will take place after the close of nominations, and each nominee may make a brief introduction/statement.*

There are four board seat open for election. Nominees are:

| Name             | Vote Tally |
|------------------|------------|
| Robert Perry     | Elected    |
| Jeffery Prestage | Elected    |
| Dolores Starr    | Elected    |
| Sarah Watkins    | Elected    |
|                  |            |
|                  |            |
|                  |            |

We would like to increase the alternates to 3. Nominees are:

| Name           | Vote Tally |
|----------------|------------|
| Jada French    | 18         |
| Johnathan Lund | 5          |
| Kathy Wright   | 6          |
| Tanya Stevens  | 10         |
| Kacey Ingalls  | 6          |
|                |            |
|                |            |
|                |            |

Run Off Between Kathy Wright and Kacey Ingalls

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| Sarah Watkins    | Elected    |
|                  |            |
|                  |            |
|                  |            |

We would like to increase the alternates to 3. Nominees are:

| Name           | Vote Tally |
|----------------|------------|
| Jada French    | 18         |
| Johnathan Lund | 4          |
| Kathy Wright   | 7          |
| Tanya Stevens  | 10         |
| Kacey Ingalls  | 9          |
|                |            |
|                |            |
|                |            |

## **FY 2022-2023 Operating Budget Ratification**

Robert Perry explained the budget process to the membership – the budget committee, made up of member volunteers who volunteered at the Fall 2021 General Member Meeting created a recommended budget, which was provided to the membership as part of the meeting notification for this meeting.

Robert Perry offered to step line-by-line through the budget, or answer questions regarding the recommended budget which had been provided to the members in advance. No member requested a line-by-line review. There were a few general questions from the membership which were answered.

Then Robert Perry asked for a vote. Out of the 49 votes available, 32 votes were in favor of ratification, and the budget was ratified with more than a 50% majority. Kim Hunsaker tabulated the votes from the chat function of the zoom call, and counted the votes of the Board members who were present in the office for the zoom call.

## **Bylaw Amendments Votes**

Robert Perry reviewed with the membership the Bylaws change process, and proposed that we address the amendments in two groups, Group 1 is the amendments that do not adjust the dues amount, and Group 2 would be the amendments that changed the dues amounts (Art III, Sec 3).

Group 1: Robert Perry then went through each PowerPoint page for the amendments for Group 1, which consisted of the amendments of Art II, Sec 1, 2 & 4; Art III, Sec 1 & Sec 5; Art IV, Sec 1 & Sec 2; Art V, Sec 6 & 12; Art VI, Sec 2; Art VII, Sec 2; Art VIII; Art IX; and Art XII. As Robert Perry went through each page showing the amendments (see the meeting presentation), there were questions that were raised and addressed. After going through each page for Group 1, a vote was held. 38 of the total 49 available votes were cast in favor, an approval of 77%, therefore approving the amendments in Group 1 to the Bylaws of PLBC.

Group 2: Robert Perry did a review of the dues and the present inflation adjusted value of the dues level in comparison to 2010 when the current dues were last set. After reviewing the details, there were questions that were raised and addressed. Then a vote was held regarding approval of the proposed amendment to Art III, Sec 3. 13 of the total 49 available votes were cast in favor, an approval of 27%, which did not reach the required 75% approval under the Bylaws, and therefore the Group 2 amendments were not approved.