

Palmer Lake Beach Club

Fall 2022 General Member Meeting

2022-10-22, 10:00am ~ 12:00pm

Home Fire Station

This presentation was used during the meeting. Meeting notes, comments and results are noted in blue italics, representing the record of the meeting.

Pledge of Allegiance



October 2021 General Membership Meeting Agenda

1. Welcome
2. Pledge of allegiance
3. Review of Agenda
4. Brief review of HOA structure, process and voting.
5. New agenda items from members.
6. Construction Update
7. Financial Update
8. Bylaw Changes - Dues.
9. Capital Spending Recommendation – Children’s Play Area
10. Capital Spending Recommendation – Ball field irrigation.
11. Audit Committee Volunteers
12. Budget Committee Volunteers
13. Event Committee Volunteers
14. Fall Events
15. Adjourn

This agenda was briefly reviewed after the Pledge of Allegiance.

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
- Meetings – two general membership meetings announced by official notice, 12 board of director's meetings, held the 4th Thursday of each month at the center building on the South end of the lake, at 7:00pm.

Robert Perry introduced the Board and explained the operations of the HOA.

Agenda Items from the Membership *(Added by Members in the Meeting)*

- 1. North Beach Docks: For Swimming or Fishing?** *This discussion item was in regard to the designation of docks at the north end of the lake – historically there was a shorter fishing dock, and a longer swim dock, equipped with a swim ladder. Due to some signage changes, there has been confusion as to the use of each dock. Attendees discussed the fishing benefits of the north and south ends of dock, perhaps marking the long dock as fishing/swim at your own risk. There was also discussion of perhaps making the smaller dock the swim dock and the larger dock the fishing dock. To provide guidance to the Board, there was a series of votes to get a sense of member consensus. In summary, only 3 of the 36 member votes were for making the north side fishing only. And only 3 were in favor of possibly swapping the north side long and short docks (making the short dock swimming). At the end of the discussion, there was 27 votes to designate the north beach short dock for fishing only, and the north beach long dock for swimming only.*
- 2. Loose Dogs:** *There was a discussion point regarding loose dogs in the community, the potential for some of them to be aggressive, how to take action, and does the HOA have the ability to fine the owners. In the discussion several members thought we should investigate a potential declaration change to give the HOA authority in this issue, and there were also discussions on how to report dog problems to animal control. Deputy Betts also provided his input on the issue. In summary, there was no clear consensus that the HOA should be involved, and Deputy Betts urged members to call animal control, because after they get a number of calls, they will take action.*
- 3. Junk Cars/Property Appearance:** *A member asked about how to handle junk cars and trashy properties, and another member asked about overgrown vacant lots. Robert Perry explained the property compliance system, and how to make a complaint.*
- 4. Street Signs – intersection of 24th and 194th.** *A member asked if we could get the yield signs changed to stop signs. It seemed there was broad consensus from the membership that this is a desirable change. Robert Perry agreed to reach out to the county to see if we can get a change.*
- 5. Gary Gerstner** *wanted an open discussion regarding his non-compliance fines. Robert Perry reviewed the photos and actions regarding his non-compliance, and Gary commented that he still has junk on his lot. Gary asked for 2 years to get it cleaned up, Robert Perry said the Board would review his request at the next meeting and get back to him.*
- 6. Waiving Late Fees:** *A member asked if we could waive late fees, so the question was put to the membership – did the membership want a bylaw change to allow the Board the authority to waive dues and fees on a discretionary basis. Not a single member in attendance wanted the Board to have the authority.*
- 7. Community Speed Limit:** *A member suggested that we consider asking the county to change the community speed limit from 25mph to 15 mph. A straw vote was taken, and membership was roughly split, with 50% in favor, and 50% against a change. The Board agreed to take the point under advisement.*

Capital Spending Project - Update

(Bob Perry)

At the Spring 2021 General Member Meeting capital spending in the amount of \$92,000 was approved for beach and common area improvement, including a security system, beach cleanup/grading, a security system and improved picnic facilities, etc.

We solicited for multiple contractors, and got one referral. Federal Construction was contracted to perform the work. In the fall of 2021 Federal began it's work, and it continued into the spring of 2022.

In June of 2022, the owner of Federal Construction, a relatively young man, passed away unexpectedly. The company did not have a clear process for a transfer of ownership, and therefore the remainder of the project was put in limbo.

The Board agreed to work with the electrical sub-contractor on a direct basis to get the electrical improvements completed, which are done.

The Board is working with the sons of the owner of Federal Construction to get the remaining work completed.

There was discussion regarding the expected timeline to get the gravel piles spread out, Robert Perry noted the Board would probably be forced to find another contractor if it is not done by the sons of Federal Construction in the next month or so. It was also explained that the HOA had not paid in advance for work, so we only paid Federal for what was completed.

Current Financial Summary

(Sarah Watkins)

Income Statement

Category	Full FY Plan	Year to Date
Revenue	\$205,900	\$52,914
Expenses	\$144,327	\$78,347
Net Result:	\$61,573	(\$25,433)

Balance Sheet Summary

Category	Amount
Assets	
Cash/CDs	\$283,801
A/R	\$97,716
Fixed	\$5,742
Total:	\$387,259
Liabilities	(\$801)
Net Assets	\$388,060

Sarah Watkins explained the income statement and balance sheet summary, and also commented on the revenue timing (that most of our revenue is received in the month of June when dues are paid). Robert Perry commented that the full FY plan revenue is probably aggressive, but we should come in at above break-even.

By-Law Amendment – Annual Dues

PLBC has not increased its dues of \$150.00 per year since 2010, a span of more than 12 years.

Inflation over the past 12 years, particularly in the last year, has exceeded 34%. Federal benefits such as social security, SSI, military pensions, etc have increased by 31.1%. Most other wages and income have increased as well.

The HOA's dues have not increased. The current value of the 2010 dues of \$150 per year is \$98.55. This means without an increase, we will be forced to start defunding spending such as security, lake treatment, maintenance, bathrooms, etc. as we move forward.

Defunding will negatively effect the quality of life and property values in Palmer Lake.

Annual Inflation Rate (CPI)(BLS)

Year	Inflation 5
2010	1.50%
2011	3.00%
2012	1.70%
2013	1.50%
2014	0.80%
2015	0.70%
2016	2.10%
2017	2.10%
2018	1.90%
2019	2.30%
2020	1.40%
2021	7.00%
2022*	8.30%
Total:	34.30%

Federal Benefits COLA History

Year	Increase
2010	0.00%
2011	3.60%
2012	1.70%
2013	1.50%
2014	1.70%
2015	0.00%
2016	0.30%
2017	2.00%
2018	2.80%
2019	1.60%
2020	1.30%
2021	5.90%
2022*	8.70%
Total:	31.10%

** Through Sep 21, full year will be higher.*

The Board recommends that we increase the dues, and circulated with the meeting notice is two options for your consideration and approval. To increase the dues to the 2010 value of \$150, the dues would need to increase to \$201.45 per year.

Proposal 1 increases the dues to \$180.00 per year, which means there will be some defunding of security and maintenance in the next budget.

Proposal 1: Amend Article III Dues and Charges, SECTION 3 as follows:

The annual dues to be paid by the membership shall be one hundred (\$100.00) per lot, as of July 1st, 2007, one hundred twenty-five dollars (125.00) as of July 1st, 2009, one hundred and fifty dollars (\$150.00) as of July 1st, 2010 and one hundred and eighty dollars (\$180.00) as of July 1st, 2023. All dues shall be payable in advance, commencing on July 1st of each year.

Proposal 2 increases the dues to \$212 per year, which provides about \$10.55 increased value over 2010 dues, which will probably fund increased security in the next budget cycle.

Proposal 2: Amend Article III Dues and Charges, SECTION 3 as follows:

The annual dues to be paid by the membership shall be one hundred (\$100.00) per lot, as of July 1st, 2007, one hundred twenty-five dollars (125.00) as of July 1st, 2009, one hundred and fifty dollars (\$150.00) as of July 1st, 2010 and two hundred and twelve dollars (\$212.00) as of July 1st, 2023. All dues shall be payable in advance, commencing on July 1st of each year.

Before we move to voting, there is time for questions and discussions.

There was a range of discussion points, including creating future budgets to draw down the reserves instead of raising dues as well as how the budget is built from a revenue forecast based on the dues amount.

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Voting Process:

1. Round 1: Please cast your vote for Proposal 1, Proposal 2, or No to both, by raising your hand when the vote is called. If you are a no, please keep your hands down. If you have more than 1 property, please show that many fingers. We will count the votes, and eliminate either Proposal 1 or Proposal 2 based on the lowest vote count. *At the end of Round 1 voting, the count showed that the \$212 dues proposal was the most popular and the process moved to Round 2.*
2. Round 2: Then, we will vote on the remaining proposal using the same show of hands process. In order to pass, 75% of those members in attendance who can vote or who have voted by absentee vote must approve a Proposal. If we do not get 75%, the change to the Bylaws fails. *At the end of Round 2, the yes votes were 71% (27 yes votes from a universe of 38, including absentee ballots). Therefore, the Proposal 2 failed to pass (requires 75% approval of those in attendance or absentee balloting).*

Based on membership comments that some members may change their votes from \$212 to \$180 so that at least a small increase in dues is approved, another Round 1 vote was held, and the yes vote was 84%, passing Proposal 1 to increase the dues to \$180 per year. Because the Round 1 vote was so high in favor membership agreed that no Round 2 vote would be necessary.

Capital Improvement Project – Children’s Play Area

The community improvement committee has recommended that we allocate capital funds to build a children’s play area at the corner of the ball field. Target age is 3~10.

Committee consultation took place with Key Pen Parks and other experts.

There were two options explained in the member meeting notice – Option A \$90,000 for a less equipped play area and equipment, and Option B for \$100,000 for a substantially better equipped play area.

The following are some renditions of proposals we have received. If funds are approved, the objective is to have it installed before spring of 2023.

Because pricing is constantly changing, the exact playground equipment configuration is not fixed, the following are some examples. It seems that the roughly 10% additional cost of option B over option A provides substantially more play equipment.

Children's Play Area Location

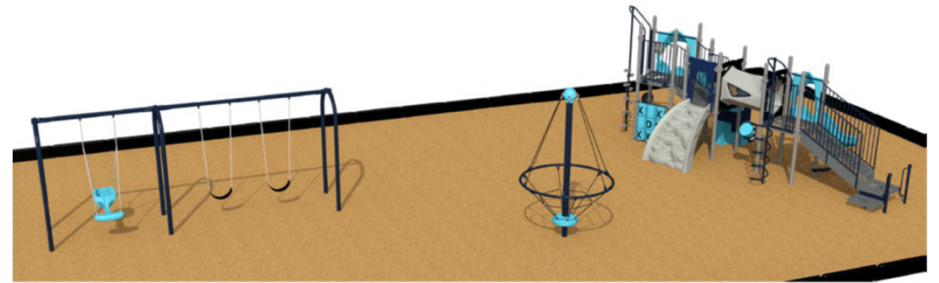
Play area would be fenced and have cushioned ground material



Option A Concept



Option B Concept



Before we move to voting, there is time for questions and discussions.

There was a substantial amount of discussion with some concerns regarding vandalism and the durability of the equipment. It was noted that this is commercial grade equipment and Key Pen Parks has had virtually no issues. It was also discussed that the exact configuration would be based on the specific agreement, that pricing and configuration is constantly changing. It was noted that unlike a bylaw change, this approval required only “more than 50%) of the members to approve.

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Voting Process:

1. Round 1: Please cast your vote for Option A, Option B, or No to both, by raising your hand when the vote is called. If you are a no, please keep your hands down. If you have more than 1 property, please show that many fingers. We will count the votes, and eliminate either Option A or Option B based on the lowest vote count. *During the Round 1 voting, 35 votes were available (some members had left), and out of the 35 votes, 25 voted for Option B – to allocate \$100,000 for the playground. This is a 71% approval rate, and based on this result, no Round 2 vote was necessary and Option B was approved.*
2. Round 2: Then, we will vote on the remaining Option using the same show of hands process. In order to pass, over 50% of those members in attendance who can vote or who have voted by absentee vote must approve a Proposal. If we do not get over 50%, the options fail.

Capital Improvement Project – Ball Field & South Beach Irrigation

The ballfield and south beach grass becomes crunchy and dry in the peak summer months. As part of the beach and common area improvement project, we have water and power to the edge of the ballfield and beach areas. Connecting an irrigation system to water the areas is a fairly simple project.

The question before the membership is should we allocate \$10,000 in capital funds to install and irrigation system, to water during the 2~3 driest months of the year.

Discussion & Comments.....

Vote: If you are in favor of this allocation of capital funds, please raise your hand, and make sure we can count your fingers if you have more than one lot.

At the end of discussions, 29 of 35 available votes were in favor, an 83% approval rate, and the \$10,000 irrigation budget was approved.

Audit Committee Volunteers

(Sarah Watkins)

Each year, the books of the HOA are reviewed by our outside accountants for the preparation of our tax returns.

In addition, a group of member volunteers also form the Audit Committee, and do a detailed examination of the financial records of the HOA, and then creates a report for the membership which is presented at the Spring General Membership meeting. The Audit Committee consists of at least 3 members plus the Treasurer. Our Bookkeeper/Operations manager assists in pulling any records the committee wants to see.

This typically is done on a Saturday, and takes 2~3 hours. However the Committee is free to spend whatever time it desires in conducting the examination

We need 3~4 volunteers. Please volunteer and help the HOA.

Bob will buy the coffee & donuts! 😊

There was some discussions about how much work this would entail, and more than 5 members agreed to serve. Sarah Watkins recorded the names for follow-up.

Budget Committee Volunteers

(Bob Perry)

Each year, a committee of HOA members prepares a recommended budget for review and approval of the membership at the Spring General Membership Meeting.

The Committee is assisted by the Treasurer, and to help move the process along, the Board prepares a draft recommendation for the committee to consider.

We need at least 3~4 volunteers to help in this effort. It typically is done on a Saturday, and takes 2~3 hours.

Please volunteer and help the HOA.

Bob will buy the coffee and donuts! 😊

There was some discussion regarding the actual process, that the budget recommendation is typically fully supported by the Board and submitted to membership at the March meeting for membership approval. About 5 members indicated they would serve, and Sarah Watkins recorded their names for follow-up.

Event Committee Volunteers

(Dee Starr)

We are looking for member volunteers to serve on the event committee, to help plan and execute the annual event calendar.

It's fun and a great way to meet your members and improve the community.

Please volunteer and help the HOA.

The event committee was explained, and members who were interested were requested to send a note to the HOA for HOA follow-up.

Fall Events Plan

(Rosa Velder)

Halloween Trunk or Treat:

To improve the safety of our children, we plan to close 24th street by the south beach, and we are hoping that community members will set up vehicles, tents or areas to have children visit and get their candy. This will keep them off the darkened streets, and away from the traffic. Please be set up and ready for kids by 5:00 pm on Monday October 31st (ends at 8:00 pm).

Pictures with Santa:

In mid-December we are planning to have Santa visit PLBC for photos with your children & pets. In mid-November we will announce all the details. It was a big hit last year, and we hope for another great year of holiday memories!

Holiday Lighting Contest:

In 2021 we had a great contest, and three winners who were over the top in bringing the holiday sparkle to Palmer Lake. In November we will announce the details and the prizes!

Rosa explained the events, and there was some discussion regarding Halloween event, and the underlying strategy (safety on the streets, no disruption of those who do not want to participate, etc).

The General Membership Meeting
was adjourned at 1:30pm.