

FINAL SVSLB HOA BOARD MEETING 6/7/2022  
POST-ANNUAL MEMBER MEETING

DRAFT SVSLB HOA BOARD MEETING 6/7/2022

Meeting held via ZOOM

Present:

Tim Hillman  
Bob Winqvist  
Karen Johnson  
Norm Ledbetter  
Cheri Fillion  
Richard Townsley  
Nathan Ware  
Barbara Bennett  
Ed Sheets

Rick called the meeting to order at 10:03 am.

I. Secretary's report: Cheri Fillion

Cheri submitted minutes from May 13, 2022.

It was moved by Ed Sheets and seconded by Bob Winqvist to approve those minutes. After opportunity to discuss, the minutes were unanimously approved.

II. Treasurers report:

A. Financial Report: Karen Johnson

B. Karen said she needs to get a PDF of the financials for 2021 to send out for the Annual meeting. Query: if posted, would the information be sufficiently disseminated? There is concern about having our financial information posted for the world to see. It was decided to send an abridged version with the annual meeting packet and provide a complete copy if requested.

Per Norm, the budget also needs to be provided so the members can vote on it.

III. Finance: Norm Ledbetter

Norm had the budget up on our screens to review. We have multiple bank accounts and Karen is re-doing them. As a result, Norm is renaming them. There is a new Reserve Account – for capital expenditures going forward, of which we have some coming up in the next 2 years.

We need to understand our buckets of money.

1. General operating fund.
2. Temporary restricted fund for filters.
3. Emergency reserve, which is approximately \$51,000.
4. New: capital reserve fund.

These funds will determine what we need, can expend, rates...

Line 24, \$150,000, is included in line 33. Starting in 2022, we will need to spend \$75,000 out of our \$150,000 reserve fund leaving \$75,000.

Line 33 is the balance sheet for the end of the year.

He has renamed some, and created a new (capital reserve fund) to keep track of \$ for each type of expenditure.

Line 19 – shows stable income but expenses are going up over the next 6 years leaving a negative. For now we have sufficient cash.

On the capital side, row 61 estimates. The salmon colored lines are non depreciable items.

Row 68 or 69 in blue lavender show large capital outgoes. We have a good feel for outlays for the next two years unless the unknown happens. These are depreciable items.

Members need to approve the budget at the annual meeting so it needs to have a resolution.

Norm moved to approve the budget, seconded by Rick. It was passed unanimously. In sum, this budget shows that in the future we may need to raise fees and may need an assessment. We will need to be in contact with Tim re ongoing issues and expenditures.

#### IV. Operations: Tim

Tim reported that King Water has a new pump for well #2 and they are trying to schedule the install, hopefully, next week.

The generator was looked at 2 weeks ago and we are still awaiting an estimate. One pump is running, but burning oil. Once the generator and pump are done, the system should be good for 15 – 20 years. We have \$50,000 budgeted for the generator. The Board needs to approve the expenditure once we get the second bid (coming from Washington Generator Services).

We are still awaiting media for the filtration system that King Water expects to

receive in August. Tim will get an update next week. King Water has parts but not the media.

If the new pump is installed by the 4<sup>th</sup> of July, we should have no problems providing sufficient water. He noted it is always good to conserve anyway. We will include a thank you to members for conserving in our annual meeting cover letter.

#### V. Governance – Bob

Bob moved and Karen seconded a motion to elect Rick president of the HOA. The vote was unanimous.

Cheri, Bob, and Nathan will meet on June 20 to plan the mailing packet for the annual meeting. Norm and Karen will need to provide financials and budget. Also, need information to Rick for the cover letter by June 20. The annual meeting will be via zoom on August 6 at 10:00 am.

#### VI. Planning: ED and Barb:

We are applying for a grant. Ed moved and Barb seconded a motion to:

1. Authorize the Planning Committee to submit a grant application to the Washington Department of Drinking Water Consolidation Feasibility Study Program.
2. Authorize the President to sign and submit the attached Letter of Commitment with the application.
3. Authorize the Planning Committee to prepare and sign an inter-local agreement with the Planning Committee of the Sunlight Beach Water Association to prepare the grant application and oversee the grant if we receive funding.
4. Authorized a consulting budget of \$2,000 to assist the Planning Committee in its efforts.

Discussion followed with a slide show. Issues to be explored by the grant are what is the condition of our current wells? Does their location cause concerns? It is counterintuitive that the density, i.e. likelihood of use doesn't show greater risk of failure near the water. It all depends on the residues of glacier on our island. The Balance of fresh, salt, uses, and pollution contribute to failure. A change in one can change other dynamics.

We need to assess our options. Do we need to move the wells? The other water system has the same risks. We have a planning committee with them to assess options. Hopefully obtain the grant. We may or may not get the grant which will help assess the system and future need. Maintenance vs. moving wells and issue of consolidating the 2 systems as well as alternate management structures.

If we get the grant, we must do the study but there is no requirement we implement any suggestions. Ed and Barb want to present this at the annual meeting. If we get the grant we will have a special member meeting and again once we get the report. Any decisions would go to the members for a vote. The application is due at the end of June and we expect an answer by the end of September. \$2,000 is needed to cover work pre-grant such as update our map.

The board voted unanimously to approve the motion.

#### VII. Compliance – Nathan

Nathan had to leave early. Bob reported there are ongoing website issues that he is trying to stay on top of.

#### VIII. Conservation: Rick

Issues of conservation have already been discussed. Signs re conservation are up. He will remove once second well comes back on line.

#### IX. There was no new or old business.

The next meeting will be the annual meeting on August 6 at 10 am.  
The meeting was adjourned at 11:34 am.