

Public Meeting Minutes (Wednesday, November 30,2022 – 6:30pm-7:30pm)

Attendees: David Davis, Traci Aita, Jeffrey Poth, Lena Fowler, Karen Amici & Cody Hess. Atty Joe Baranko, Jacob Meyer and Kevin Ferra participated in the Executive Session.

President's Report (Dave Davis):

- Approved October 26, 2022 Executive Board Meeting Minutes.
- Approved October 2022 Financials. Finance Committee reviewed the financials and found them to be in order. The Committee is continuing their review of the 2023 proposed budget. Finance Committee reviewed the October 2022 Capital Expenditures.
- Addressed Lake Access Rights for Blooming Dreams Development/ Deep Wood Lakes/Seth Maurer- Legal action is proceeding. The Board authorized additional steps regarding the litigation. Cost YTD is \$35K.
- Discussed the 2022-2024 Swale/Paving project- The project is being completed by American Asphalt and Ronca and should be wrapped up in the next few weeks. An additional \$20k was added to do work on Covey Ln. Total for the project will be \$240k. Mainline work is being completed by Ronca and re-paving of all affected roads- Debbie Dr. Trapper Springs Ln (partial) and Trapper Springs Ct. will be done in the Spring of 2023. Affected property restorations will also be done in the Spring of 2023.
- Discussed the 2022 Dam Review Engineering Proposal- DEP timeline remains unchanged. The analysis options are engineered but do not have any \$ value to date. This should be completed by the end of 2022. Association is looking into grants, loans and special assessments to cover the cost, which is unknown at the present moment and will be pursued in 2023. Construction slated to begin in 2024. The cost could be between 3-4 million dollars. BML continues to fully cooperate with the DEP.
- Discussed the Significant Increase in Insurance Coverage- The long-term goal is to secure the Association optimal coverage at affordable cost. The goal is to reduce our risk and increase coverage at a fair price and to remove us from the substandard carrier designation. We are targeting bids for early-mid December. JGS Insurance is working vigorously on our behalf.
- For the 2023 budget, the Board will put out the proposed 2023 budget by December 1, 2022 for the 30 day comment period. The budget will be available on the website and hardcopy in the Administration Office. Restaurant will lose approximate \$30k this year, which is considerably less than previous years. The \$87k insurance coverage overage has to be factored into the 2023 budget, as it was not budgeted into the 2022 budget. The Board concurs with the Finance and Advisory Committees regarding the increase in fees and fines for 2023 and have approved the 2023 Fee and Fine Structure. Future budgets must contribute more to capital expenditures. BML dues are considerably lower than comparable

HOA's with similar size structures and budgets. This trend is not sustainable, given the needs of the Association.

Department Reports (Highlights):

- **Restaurant**
- Slight profit for the Restaurant in October. Sales and loss continue to track better than expected vs. the budget.
- **Maintenance**
- Maintenance continues to paint and repair the gym equipment.
- Maintenance painted the entrance of the restaurant.
- Maintenance helped move the wet slips onto the beach for the Winter.
- Maintenance replaced shingles on the clubhouse roof.
- **Public Safety**
- Security continues to focus on vehicles with no or with yellow stickers.
- Pothole and road edge repair has been completed by Meadow Landscaping.
- **Recreation**
- Children enjoyed the November Kids Craft of disguising turkeys so they wouldn't be eaten on Thanksgiving. All of the children were super creative.
- The December kids activity will most likely be a movie night. More information to follow.
- Thank You to everyone who donated to Toys For Tots, The Giving Tree and Brandon's Forever Home. Your generosity is much appreciated.
- Giving Tree gifts must be returned to Recreation by 12/6/22. Toys For Tots boxes will be collected on 12/10/22. Donations for Brandon's Forever Home will be accepted all Winter.
- Recreation will be sponsoring a Holiday House decorating contest. Houses do not need to be signed up to participate but registration is encouraged so the judges do not miss your home. To register your home, call Recreation at 570-788-1199. Judging will take place on December 22nd starting at 6pm.
- **Committee Reports (Highlights):**
- **Advisory (Chris Blazic)**
- The Committee reviewed the 2023 Fee & Fine Structure, wet slip rental fees and campground fees.
- The Committee recommends considering leaving the wet slips in the lake for the Winter to save on pulling them out and putting them in. This is not feasible, due to extensive damage done to the slips one year due to large chunks of ice crashing into the docks.
- The Committee recommends that the ACC permit application for driveway paving include a "berm" or "no berm" designation. The owner must sign off on the decision of the pre-approval.
- **Appeals (Karen Amici)**
- No appeals for the month of November.

- **Finance (Kevin Walsh)**
- The Committee met on 11/28/22 and reviewed the October 2022 financials and found they were in order.
- The Committee is continue to review the proposed 2023 budget and provided initial recommendations to the Board for the 2023 budget. The Committee will meet twice in December to finalize the review of the proposed 2023 budget.
- **Public Safety (Fr. Mike Kloton)**
- The Committee is working on getting the Next Door Community Watch app up and running. No launch date has been set as of yet. The Security Survey results have been released to the Board of Directors for their review.
- **Volunteer Committee (Karen Amici)**
- The Committee is getting ready for the Christmas tree lighting on December 3rd starting at 4:00pm. There will be holiday crafts, hot chocolate, cookies and Santa.
- The proceeds of the November tricky tray raffle will benefit Valley Regional Fire & Ambulance.
- **Restaurant (Brian Griffith)**
- No report.

Questions/Comments from Residents:

- An owner requested that the Manager report be included in the newsletter. It will be inserted beginning in December.
- An owner commented that a Door Dash delivery vehicle was on her street with no visitor pass. She would like to know how they are getting into the community. They are admitted by Security.
- An owner on Debbie Dr. commented that the construction equipment and constant noise and dirt is jeopardizing the quality of life and property values of the residents living close by. The residents in this area do not deserve to live with these conditions. The Board and GM will discuss the situation and possibly look to manage the situation better in future years. The Owner is looking into pursuing his options regarding this situation.
- An owner asked if the contractors using this space are paying a fee to store their equipment on BML property. Not this year, but this will be looked into in future years.

FINANCE REPORT OCTOBER 2022 YTD

DUES COLLECTION: 92% OF BILLED. (91% at this time in 2021)

NON-OP INCOME: \$1342.3K WHICH IS \$10K OVER BUDGET

INCLUDES: Membership Dues, Quail Hollow Reimbursement, Misc. Income, Late Fees, Interest Income, Resale Certificates, ACC Filings, CEO & ACC Fines \$ Fees, Rental Fee Income, Garbage Fees, and Over/Short.

NOTE - Collections Income is not included in this number.

NON-OP EXPENSE: \$699.7K WHICH IS \$96K OVER BUDGET

INCLUDES: Unrestricted Reserve Fund, Garbage Expense, Lake/Dam/Spillway Reserve Acct, Reserve Fund, Building Replacement Fund, Property & Liability Insurance, D&O Insurance, Dam Insurance, Interest Expense, Bad Debt, and Dock ROI to Capital.

NOTE- Collection Inc to Reserve Fund and Depreciation Expense are not included in this number.

NET DEPARTMENTAL EXPENSE/(INCOME): \$683.2K WHICH IS \$63.3K UNDER BUDGET

| | | Y.T.D. | Y.T.D TO BUDGET |
|------------------|-----------------------------|----------|------------------------|
| INCLUDES: | Administration: | 205.6K | \$3.8K Under Budget |
| | Clubhouse: | \$100.7K | \$3K Under Budget |
| | Recreation: | \$119K | \$5K Under Budget |
| | Maintenance: | \$108K | \$4.1K Under Budget |
| | Security: | \$168K | \$7.9K Under Budget |
| | Campground: | \$22K I | \$8.6K I Over Budget |
| | Food & Beverage: | \$17K L | \$20.1K L Under Budget |
| | Road Maintenance: | \$56K | \$35.3K Under Budget |

TRANSFER FEE INCOME: \$1.2K WHICH IS \$3K UNDER BUDGET

THE BOTTOM LINE EXCLUDING THE ABOVE MENTIONED ACCOUNTS IS A NET INCOME OF:

ACTUAL - \$ 9K PLAN \$44K

| | | |
|--------------------------|--------------------|-------------------------------------|
| CASH IN THE BANK: | | |
| OPERATING FUNDS | \$254,157 | (OP SAVINGS & CHECKING, PETTY CASH) |
| CAPITAL FUNDS | \$443,287 | (LONG AND SHORT TERM CAPITAL) |
| RESTRICTED FUNDS | \$404,405 | (SPILLWAY, BUILDING REPLACEMENT) |
| TOTAL | \$1,101,849 | TOTAL OCT 2021 \$1,224,364 |

Beech Mountain Lakes Association
Monthly Capital Account Breakdown
November 2022

Capital: \$303,795.11

Short-Term Capital: \$112,598.91

Projected Transfer Fee Income: \$6,300

Projected Past Dues Collection: \$1,000

Total Capital: \$423,694.02

Pending Completion Projects:

Wetslip Re-wire: \$5,000 (Kennedy Electric)

2022 Swale Funding: \$184,000 (Base Bids 1,2,3,4, 5 & 6) + \$18,000 Change Orders (Additional Pipe & Labor) = \$202,000

Emergency Road Work: \$23,000 (Ronca, to be completed in December)

Capital Balance: (\$423,694.02 - \$202,000 - \$5,000-23,000) = \$193,694.02

Capital Reserves to start 2023: -\$150,000

Projected Remaining Capital Balance: \$43,694.02

Completed and Funded Capital Projects:

Pothole Patching/Edge Repair: \$26,893 (Meadow Landscaping)

Bathroom Upgrade Project: \$1,700 (Maintenance)

Clubhouse Roof Patch: \$1,000 (Crooked Ladder Roofing)

Restaurant Equipment: \$6,138.73 (Webstaurant Store)

Restaurant Deck Awning: \$2,949.20 (Lowe's)

Light Pole Painting: \$4,875 (Frank Luddy Painting LLC)

Boat Launch Dock: \$7,800 (Joe Silkowski Contractor)

Swale/Road Engineering: \$14,404 (Pennoni)

Main Entrance Grinder Pump: \$2,850 (Joe Silkowski)

Capital Projects Currently on Hold:

- **Decking Project \$56K (Recreation Main Entrance)**

**General Manager Report
November 2022**

Public Safety

- Pothole and Road Edge Repair has been completed by Meadow Landscaping
- Security continues to focus on vehicles with yellow stickers

Maintenance

- Maintenance continues to repair and repaint the gym equipment
- Maintenance painted the entrance of the restaurant
- Helped move wetslips onto the beach for Winter
- Also replaced shingles on the clubhouse roof

Restaurant

- Slight profit for the restaurant in October
- Sales and loss continue to track better than expected vs. the budget

Code Enforcement

- Code Enforcement is currently focusing on cars parked on the road and leaf backups in driveway pipes

Karen is now going to go over the Recreation Report