

Big Trout HOA

Board Meeting - Budget Workshop

Meeting called by: Dg Garcia

Type of meeting: Board Meeting

Note Taker: Chris Lowe

Location: Liberty Lake Municipal Library & Zoom

Time: 6:30 PM

Attendees: Dg Garcia (President), Chris Lowe (Secretary)(Zoom), Roger Liermann (Treasurer), Dale Robbins (Vice President), Tim Liese (Member-at-Large), Christina Ross, (Ops Solutions Northwest) (Zoom), Sharon Hilditch (owner/resident), Linda Schneider, (owner/Resident), John Fast (owner), Larry Trefry (owner/Trustee), James Trefry(owner) (zoom), Talia Torrani (owner/resident) (Zoom), Barbara Croneburger (owner), Sharon Hilditch (owner/resident) Dan Jones (owner), unknown resident

Minutes

Dg called the meeting to order at 6:31 PM.

Roll Call - Chris Lowe, Tim Liese, Dale Robbins, Roger Liermann & Dg Garcia were present.

Minutes - September 25, 2023, approved as presented, unanimously.

Dg - Reminded the attendees about board decorum before starting the agenda.

Dg - provided an update on the insurance work, and said it was continuing and moving forward. Noted meeting would not be recorded.

Roger - Provided his treasurer's report. Roger mention that no financials have been provided to date (August 23 are the most recent). He advised that he is working to put 1 million in reserves by building a good budget, then he covered previous reserve study amounts. Reserves is on track to reach \$500,000 by end of year. And stated that there are difficulties in providing dollar amounts because of insurance checks.

Discussion

Fixed asset account - i.e., outdoor items etc. What are those dollars amounts?

Unknown resident asked a clarifying question about financials from Rockwood/transitional funds.

Dg went through each line item on the budget worksheet with input from the Board and the community.

Board discussed removing the Community Events \$3k line item and adjusting it by removing \$2500, dropping it to \$500.00. Passed unanimously. Question was raised about Paying "Income Taxes." Christina advised that Non-Profits shouldn't pay income taxes.

Christina advised that the Board/Annual Meetings- line items, was small and kept low to accommodate copies (print jobs).

Accounting - includes Tax Return/Audit and the line-item description should have had a better description.

Security System/Contract - \$14,400 annual item. The Board members discussed removing it: Tim, Dale, Chris, and Dg were ok removing it. Roger thought it should remain as reflected on his budget document. However, it was considered by the community residents as something they would be happy to see eliminated. The room raised their hands in favor of removing the security patrol when asked. Cameras were considered (at owners' cost) to be a way to look out for the property and would allow for Ring Cameras at the peep hole in the doors and cameras mounted on the limited common area (wooden frame) but not in the siding at owner's expense also a recommendation made the Chief of Liberty Lake, police department at a previous meeting. Security patrol was eliminated.

Insurance - What is making the association such a risk? BBQs. Roger and Dg have reached out without a response. But the insurance partners (Alliant) are shopping carriers and getting quotes.

Dg - provided some information regarding personal liability insurance on the building structure/common area in the event we lose our Master Policy Insurance, and what if no other carrier would take us. Worst case scenario would be that each owner would be responsible for their own limited common areas/exterior, etc. However, Dg advised that she had received a call earlier that day and Alliant insurance the Broker for our current insurance provider is Philadelphia and they are most probably

going to renew our policy for 2024, however, there would be a high premium, possibly as high as 30%. We would be notified of the decision.

Tim - mentioned that the line item of \$57k was not enough- Roger's estimate was \$105k. Dg said that that figure did not seem right as we are paying over \$8k now, per month, so it must be higher than \$105k going forward.

Staffing / Maintenance (Lola - RPM employee checklist items) - and what was the charge often used for. Dg went through the list of duties performed by Lola.

Chris - pointed out that staffing/maintenance included administrative items. Everyone agreed to keep the dollar amount the same.

Roger - stated the minimum for the insurance would be \$105k.

Tim - stated the budget would be basically a good guess, but to finalize a budget with that figure wouldn't make sense.

Dale - stated he would tend to agree with Tim and Roger and wants to change the number to \$105k (\$106k).

Dg - stated again that she thought that number was incorrect, but we aren't deleting anything now we are just going through each line item.

Street Maintenance - was defined as i.e., crack sealing, etc. Fix costs were discussed: Sewer, maintenance, gas, trash, electricity which should include at minimum a 6% increase on average.

Sharon Hilditch - Advised the Board that 6% increase in several services, i.e., sewer, water, gas, etc., was standard practice when doing budgets as her experience over the years, and that over the years Gil would call the service provides and inquire as to what percentage they would be up or anticipating going up by. She said her said about 6%.

Tim - discussed the results of the cable and internet survey that was sent out. He explained the results and what people are concerned with. Out of approximately 65 surveys returned, most preferred a healthy balance. Some of the responses: keep cable, would rather not raise dues: no increase, some said get rid of the cable. Some wanted to get rid of the internet, however, some said keep or improve the internet. Other responses were to upgrade cable, and a lot of responses to upgrade the internet.

The bulk of the comments - were people not wanting to pay for cable. Sharon asked for information on the amount of money it was going to cost.

Tim - clarified and Roger gave prices that currently we are paying around \$47, including taxes and fees for just cable. About 30% of people are using comcast internet.

Currently Tierpoint is about \$12/each but think the quality is not great. And there is no option to keep what we have. Roger negotiated a great deal. Owners would pay less for more boxes. Comcast could not just change whatever they want.

Citizens Comments - Unknown speaker said they had to get xfinity. The needed more services.

Sharon - explained that work from home folks should have business class internet.

Chris - stated that paying \$43.29 for cable now, but we'll have 2 boxes for \$36.80. Internet for \$18.00, and the owner would have 200 MPS combined and the Ultimate TV Package, also gaining channels, with a \$55.30 / per unit without taxes and fees and the annual rate increase is waived the first year. And the contract is a 5-year term.

Dan - Roughly 1/2 of the people are not using TV/Cable and people don't want to pay for what they are not using.

Citizens Comments closed -

Dg - moved to extend the meeting to 8:15 PM, seconded by Roger, motion passed unanimously.

Discussion went back and forth from internet to cable.

Tim recommended that if a homeowner gets their cable equipment on their own, at a fee of approximately \$100 that deal is pretty good overall--could go with the majority and upgrade both.

Sharon - asked when the contract is up (early 2024?).

Tim offered to assist to help with install.

Tim moved to accept package that comcast offered and do cable/internet through 1 provider as of December 2023. Seconded by Roger - approximately \$66 per person all inclusive. Dg, Tim, Dale, Chris, in favor, Roger abstained. Motion passed.

Pool/Hot Tub - Chris recommended adding 6% to the expense.

Fitness Center - there is a workout bench that is broken but thought we should keep the expense at \$4k.

Snow removal/Lawncare service is a package both done by the same provider--mowing is all inclusive - for 12 months (Flowers, are not included due to owners handling that. A small amount should be left to include purchase of new flowers. Dropping flower purchase to \$1k.

Chris - mentioned that snow plowing is hard to determine because no one can really know for sure when the snow will fall and how much. Chris went over the entire contract amount after being asked by an owner. Chris motioned to add an additional 5 minutes. All in favor.

Capital expenses items - to be kept at \$15k.

Postage - Keep at current rate.

Swale Maintenance - staying the same. Roger moved to keep it the same.

Next Meeting date will be notified.

Chris motioned to adjourn the meeting, seconded by Dale, all in favor, passed unanimously.

Meeting adjourned at 8:28 PM

These meeting minutes have been respectfully submitted by Ops Solutions NW, Christina Ross, Community Association Manager