

Shangri-La Shores Board Meeting

Meeting minutes for the Board of Trustees Meeting

on

April 6, 2023 at 4:00pm – 6:00pm

In Person and via Zoom

Board Members: Brian Pulk, Duane Smith, Billie Alcott, Dave Heron, and Lois Craig present; Beth Binger and Ron Roberts attended via Zoom.

Also present on Zoom: Steve Hucik, Tom Alcott, Eydfinn Tausen

1) Approval of Minutes: February 9, 2023 meeting

Lois called the meeting to order at 4:00 pm and covered the working guidelines. Agenda was reviewed.

Motion for approval of February 9 meeting minutes provided by Billie.

Motion seconded by Dave.

All in favor.

Motion carried.

2) Treasurer's Report

A. Accounts Receivable Status

Seven (7) homeowners have not paid the annual dues. SLS will add 3% quarterly for past due annual dues. One homeowner has not paid the \$700 assessment.

B. Financial Report

Brian reported on the proposed budget for next year. The proposed increases are:

- Water increasing from \$350 to \$376
- Common Areas increasing from \$168 to \$200

The total is \$576. That is a \$58 increase for 2023 – 2024.

The operating fund is now at a comfortable level. But with costs increasing, we need to build up to be prepared. The reserve level is based upon long-term expectations.

Lois asked if the state has a criterion of a percentage of the overall budget to be kept in reserve. Brian said the value of the community assets and the plan for replacing and maintaining the assets is the base of the reserves and he is not aware of a set percentage to be kept in long-term reserves.

Lois asked for a motion to accept the proposed budget and present the budget at the annual meeting. Billie moved to accept and present the 2024 budget at the annual meeting. Ron seconded. All in favor. **Motion carried.**

C. Special assessment status

April's bill will have the second installment of the assessment, which will be due the end of June.

4) Water Systems Report

A. Water Systems Report

Duane reported that we have no issues. We did have a new water hook up for the lot at 769 Shangri-La Circle. The HOA pays for an existing water share hook-up. Dave made the point that the new homeowner "hook-up" will contribute also \$700 to the second well.

B. Second Well Update

Tom Alcott provided an update on the second well. He noted that the total cost will be \$241,000, while \$46,034 has been spent so far.

Two new expenditures since the last board meeting - The Department of Ecology fee is \$7,000 for processing the water right application. The Whidbey News announcement was \$243.

The State of Washington controls how much water, and from where it can be drawn. We have an established water right, but we need permission from the State for the second well. The State requires us to offer public notice for our water rights in the new location. The notice ran in the Whidbey News the last two weeks of March, and we received a notarized statement that the public notice ran. We now have until the end of April to hear from anyone objecting to this change of water right.

Brian asked if Pacific Groundwater would know the timeline better. Tom and Brian are hoping that summer is prime time for drilling the well. Ron asked how deep the well would be. Brian responded that it will be around 275 feet deep.

5) Dock & Common Area Report

A. Status of Common Area Assets

Ron reported on the common area. He mentioned that there is a tree on the south corner of the property that has snapped off and he was looking for comments on if we should take the remaining portion down. Comments reflect leaving it as this was a natural occurrence.

Otherwise, the area looks good. Ron noted that it is time to replace the winch rope that raises and lowers the ramp. It has been there for 11 or 12 years, and the elements affect its effectiveness. Ron asked for approval to replace the rope around \$300. Ron will receive Brian's approval as part of Common Area maintenance.

We also need to "Round-Up" the gravel trail for Upper and Lower Circle for weed control.

The usual installation for the float is around mid-May.

B. Float Removal

Tom asked about the timing of the float. Ron reported mid-May, and that it weighs \$8,000 lbs.

Dave and Ron reported on the float entry and removal. They are considering buying a winch anchored to the concrete so that a truck is not necessary. The final product will be a tower, 24” in diameter, protruding one foot up from the ground. The concrete underground would be three (3) feet deep and would have rebar inside. A benefit would also be that it would allow the winch to be stored out of the weather.

The estimated cost is \$1,425. Brian moves to approve cost. Ron seconds approval. All in favor. Motion carried.

Brian amends the motion for the cost not to exceed \$2,000, as the earlier estimate did not include labor. Ron seconds the motion with a cost cap. All in favor. **Motion carried.**

Brian notes that this investment is from the long-term capital fund.

6) New & Old Business

A. Next Steps with Short-Term Rental Policies

The board discussed restricting all common areas or not for STRs. Ron would like a by-law to change that restricts STRs access to the dock, float, boat launch, picnic area, beach, and Tract A. Lois requested that Steve Hucik help her with the by-law change. There was also a discussion about considering STR advertising write-ups and not mentioning some of the assets SLS offers. (For example, not to put in kayaking available, etc)

Ron proposed a by-law revision to be approved by the general membership that STR be excluded from using the dock, pier boat launch, beach front picnic area and Tract A. Steve and Lois will craft a by-law revision.

B. Other

Eydfinn reported from Zoom that he'd like to propose a Crab Derby on July 22. He proposed having a sign-up sheet. There would be five (5) crabs per license, per day, with a maximum of two (2) licenses per boat. There would be a maximum of 10 boats, as it would be just the SLS boats. A crab feed would conclude at the end. Lois said she will add to the agenda for May 20.

Eydfinn is concerned about liability as an organizer and the sign-up will help to know how much crab will be needed for the crab feed. When the Board approves an event, this will come under the general liability policy as a community event.

C. Annual Meeting Prep

Lois reported that the Annual Meeting will be on Saturday, May 20 from 1:00 – 3:00pm.

There will be four (4) open board positions based on 2-year terms. Brian, Dave, Duane, and Ron will be completing their service as board members. The elections will be held at the meeting, and refreshments will be served after.

Beth offered to host an informal picnic in the evening with wine and cheese in the picnic area. More info to be shared at the annual meeting.

D. Architectural Committee

The Architectural Committee needs committee members to serve with Billie, who is the chair. Duane volunteered to be on the committee. . We need a minimum of three (3) members with 3-year alternating terms.

Tom reported that the Seller's Disclosure is typically used to offer info about the HOA.

Duane reported that a new manufactured home was permitted in January, and water rights were given.

Lois reported that there are 71 lots, which have 53 structures.

Ron reported that there are three (3) outbuildings that are illegal per County code. They must be at least 5 feet from the property line and 20 feet from the road (county regulations). One may have been built on top of a septic field. Ron suggested that outbuildings be included in the purview of the Architectural Committee and suggested putting together a write-up of the Architectural Committee responsibilities and procedures.

E. Next Meetings

Annual Meeting: Saturday, May 20, 2023 from 1:00-3:00pm at the Coupeville Library

For the budget approval, Brian suggested having a peer review. Duane suggested that we contact Les Dodge (a former accountant) to do the peer review, as he has experience in this area.

Ron motioned to adjourn the meeting.

Duane seconded.

All in favor. The meeting was adjourned at 5:53pm.

Secretary

Beth Binger

On behalf of the SLS Board of Trustees