

Lake Carlos Villas Board of Directors Meeting
Sunday, July 14, 2024 (7 p.m. via Zoom)

Pending Approval 8-3-2024

1) Call Meeting to Order – at 7:06 p.m.

- Directors Present: Chair (V.P.) Pete Schwingle, Jeff Nelson, Tom Lindquist, Mark Wahlstrom, Judi Johnson, Jim Overtoom, Susan Boris. Directors Absent: Nancy Seth.
- Owners Present: Tara Barry, Rosemary Schneiderhan (and newly elected Director Kathy Montag). On-Site Manager Carrie Braaten.

2) Approve Agenda

It was MOVED by Tom and SECONDED by Jeff to approve the agenda. The Motion CARRIED.

3) Secretary's Report -- Susan

It was MOVED by Mark and SECONDED by Tom to approve the June meeting minutes. The Motion CARRIED.

4) Treasurer's Report -- Jim

- Year to date income is \$416,392; and anticipated additional income this year is \$10,000 for dues and \$17,000 in other income. There are currently 63 fewer dues-paying members than when this budget was developed last year. This is a major threat to the resort.
- Expenses through June 2024 are \$165,770 with another \$71,631 spent for the spa replacement. Anticipated additional expenses through the end of this year are: \$252,290. It is still anticipated the association will add approximately \$20,000 to the Reserve account, barring any unforeseen expenses.
- The treasurer requests a detailed plan on how money will be spent on large projects and replacement spending, before the end of the year. Cashflow projections show we can do this work with no problems, while leaving our money in the CD's as invested.

It was MOVED by Jeff and SECONDED by Mark to approve the June Treasurer's report. The Motion Carried.

5) Appointment to fill vacant Board seat (New Business 9-A)

Discussion included review of each candidate's submitted information.

It was MOVED by Mark and SECONDED by Tom to appoint Kathy Montag to fill the vacant seat. The Motion CARRIED.

6) On-Site Manager's Report – Carrie Braaten

The dock and tree damage from the overnight storm on July 13th/14th was discussed. The owners were able to get their boats on the lifts. Tom will contact insurer Cal; Carrie will coordinate repairs/dock placement via a vendor and keep track of all costs.

7) Committee Reports

A) Audit Project – Tom, Matt, Susan

Matt conducted a portion of the audit on 7/6/24. Additional work to follow.

B) Personnel Committee -- Jeff

A historical chart was provided on staff pay increases, from the period 2022 through 2024. The committee will be bringing additional staff performance, pay, and job structuring recommendations to future board meetings.

The Earned Sick and Safe Time law that was new for 2024, already has revisions to the original version due to the MN legislature being in session in the spring. Susan will send out a link to the board to review the changes.

C) Buildings and Grounds -- Pete

- Sidewalk condition report (high priority).

Discussion reviewed the recap email sent 6/17/24 and also safety patching, and minimal replacement vs. full replacement. No action taken on these options. Pete asked that Dean work on temporary patching the week of July 15, 2024.

- Status updates on: Wood Repairs; Burgess Painting company evaluation; Scrapping of lifts.

Discussion included differing scopes for the project (the bids are not all for the same amounts of work). Newly added was an aluminum soffit or fascia option. After having an approved painting bid in place, a second bid was received with additional wood repair work to be completed at a lower price. The rotting boards on the fish cleaning house are an added item that needs attention. Not all board members have received copies of all the bids for various work. Jeff will produce a simple chart to attempt to compare the differing scopes of work and pricing structures to help in decision making by the end of the week. Pete is working with the adjacent property for lift access for whomever is chosen.

Lift scrapping was not discussed.

- Unit remodeling project plan for approval.

Discussion included having Carrie get more bids on cabinetry and countertops. Jim wants an approved plan ready in the early fall, for late fall (Nov. & Dec.) spending. However, Jim also requests a total overall plan, based on priorities for all the other types of spending besides Unit remodeling. Susan requests a transition plan be ready for the work to be taking place in early 2025.

D) Interiors – Nancy and Susan

- Survey for Unit remodeling project (New)

No report received from Nancy. Susan has joined the committee. Nancy is working on interior upgrades owner survey question development.

- Outstanding items from late April walk-thru – Nancy; (report sent by Carrie)

No report for outstanding item completions.

E) Future Enhancements/Amenities Project – Tom, Owners Tara B., Kathy M.

- Initial Draft Survey

Tara, Kathy, and Tom provided a draft survey on possible amenities and enhancements. The committee is seeking the Board's input, edits, and additions. Interior remodeling questions could also be added. A suggestion was made to offer an incentive drawing for those who complete the survey, of a free winter stay.

8) Old Business

A) Insurance – Tom

- Additional coverage and premium

Discussion included the premium amounts for increasing our liability coverage. Tom asked Carrie to confirm review of the brand-new policy document to be sure the latest changes were completed.

It was MOVED by Tom and SECONDED by Jeff to add an additional one-million-dollar umbrella liability coverage for \$300.00. Discussion ensued.

An Amended Motion was offered:

It was MOVED by Tom and SECONDED by Jeff to increase our umbrella liability policy amounts by an additional 2 million dollars for a \$600.00 premium. The Motion CARRIED. This brings LCV liability coverage to 3 million dollars.

Tom WITHDREW his original Motion and Jeff SECONDED it.

B) Owners' survey content – Volunteerism – Nancy

No report received.

C) Rules & Regulations – Nancy

No report received. The Chair asked for additional Board members to work on this project – none were received.

D) Owners' weekend ROI report – Susan

Susan sent the summary highlight and full report to Board members. The report showed a 139.8 % ROI (return on investment), including acknowledgement of 196 volunteer hours for Owners' Weekend in April 2024.

E) Board expenses evaluation and policy – Mark

Mark will send out a draft policy.

F) Major repair projects -- committee formation

Discussion included the need for the Board to devise a plan and documentation for long-range improvements and repairs so that we can plan ahead for aging infrastructure and unanticipated major expenditures. The Board requests other owners to volunteer to help in this area.

Pete requests that all Board members send him a list in rank order of what items of major repairs need to be done. This will help develop the beginning of a draft plan.

Jim discussed a Planned Obsolescence program plan – which most HOA's have. It helps to figure out what we should have in reserves based on needs and costs. Jim volunteered to work with Pete on this report.

G) TV/cable/internet (contract or replacement) project – Jim

The Direct TV quote was received (\$ 420.00 per month). Spectrum will be retained as our provider, at the newly quoted lower rate (\$639.00 per month). The location of the Villas is outside of the underground cables in Alexandria which reduces our options for service purchase. The Board discussed it does not want to install dishes and make holes in the roofing.

H) Ambassadors program -- Board & Owners – Judi

Judi discussed her outline sent out on 6/14/24. Meeting and greeting of other Owners while staying at the Villas helps us gain their feedback and would help broaden their knowledge of what kind of help the Board needs from owners as volunteers. It has helped to recruit new people for the board, and has helped to network to find good vendors to work on our repair projects.

I) "June" marketing team – Jeff and Mark

Social media options and other "marketing" for promotion were discussed. No action taken.

9) New Business

A) Select and appoint replacement Board member.

Completed in Item # 5 above.

Note: Board Member Mark Wahlstrom needed to leave the Zoom meeting at this point.

B) Elect new V. President from Board of Directors

Pete is resigning as Vice President now; and is resigning his position at the Annual Meeting this year.

It was MOVED by Susan and SECONDED by Tom to appoint Judi Johnson as the replacement vice president. The Motion CARRIED. Note: Judi is only volunteering for the position until November.

C) Discuss survey data sent by Carrie

RCI reports and internal survey data were sent out recently to the Board. Carrie does review it to look for any maintenance or housekeeping issues that need attention. Future discussion will take place about how the Board might use this data.

10) Date for the August Meeting -- Sunday, August 11, 2024, at 7 p.m. via Zoom.

11) Executive Session

It was MOVED by Jeff and SECONDED by Jim to move into executive session at 9:26 p.m. (for the Board and personnel committee members). The Motion CARRIED.

It was MOVED by Jeff and SECONDED by Kathy to close the executive session at 9:58 p.m. The Motion CARRIED.

A) On-Site Manager initial 6-month performance review and compensation

It was MOVED by Jim and SECONDED by Tom to increase the annual pay rate for the On-Site Manager to be \$45,760.00 per year, (salaried, based on 2080 hours) effective the first full pay period in July 2024. The Motion CARRIED.

A new miscellaneous topic was brought up:

Mark and Jeff did a walk-around in June while staying at the Villas, and Jeff will send out their list of items that need attention and repair to the Board and will send it to Carrie for the action items to be completed.

12) Adjournment occurred at approximately 10:04 p.m.

Respectfully submitted,

Susan Boris

LCV Secretary