

# CVE HOA Annual Meeting Minutes

## June 3, 2023

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Attending board members were Deb Egeck, Brent Morrison, Lynn Cockrum, Greg Feist, and Tricia Best.

- The meeting was called to order by Lynn Cockrum, President at 10:07am. The meeting location was Campbell's Resort "Lake Room".
- The complete list of Attendees to follow.
- The June 4, 2022, Annual Meeting minutes were posted on the CVE Website for review. A motion to approve these minutes was made by Homeowner Tim Sullivan and Homeowner Jeep Carpenter seconded this motion to approve – **Approved by all in Attendance.**
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### Introductions of all Attending Members

- All attending Homeowners were asked to introduce themselves and mention either their Lot number or address.

### Treasurer Report: (Greg Feist)

The two treasurer's reports and the 2023 budget were mailed to HOA members prior to the meeting in the meeting packets for the Annual Meeting. (The 2023 Budget was also emailed to all homeowners in December 2022 for review).

#### **Report #1 - 2022 Budget vs. Actuals**

Greg noted that last year the Association spent very close to the planned budget.

Notable items for 2022: 1. Landscaping over-ran by \$7,000 primarily due to Entry Sign expenses carried-over from 2021 budget. 2. Pools budget under-ran by \$8,000, largely due to a contractor did not submit \$7,000 worth of invoices until January 2023. Aside from the cost overrun and the under-run, our Operating Costs were largely in-line with the budget.

#### **Report #2 - Balance Sheet**

Our Balance Sheet at year end of 2022 remained strong with total assets at over \$3.5M. Members were thanked for getting their dues sent in.

Greg explained that this time of year we are at the high point for total cash and cash reserves, and on April 30<sup>th</sup> our net cash balance was \$324,000. In the January/February time-frame we are at our annual low point for cash, and this year we were at \$230,000 cash and reserves with \$105,000 in CDs and \$125,000 in cash. At that time the Board rolled our 5-yr CDs into higher interest rate CDs, and we purchased two additional \$25,000 CDs, one from HOA general fund and one from the Marina Fund. In total, the Association currently has over \$157,000 in CDs. In summary, our Balance Sheet looks very good.

#### **Report #3 - 2023 Budget VS Actuals thru April**

Our 2023 Budget which was submitted in December planned for a near balanced budget. There are four Projects or Reserve Items included in this year's Budget:

- \$20,000 for Entry/Lower Pool Area Landscaping
- \$10,000 for Pool Fence Refurbishment, involving sanding and painting wrought iron fence.
- \$12,500 for Sport Court Upgrade including adding higher fencing and Security gate lock, adding lines for four pickleball courts four rolling pickle ball nets and wind screening. Greg noted that this project was complete and thanked Tricia for working on the Board's 2023 planned sport court upgrade project that was presented in the 2023 budget to the community.
- \$12,500 for Retention Pond Refurbishment -

Greg stated that five months into this year we are currently looking at two risk areas and a couple opportunities:

Risk 1 - Retention Pond final expenses are largely unknown. We are awaiting the Dept. of Ecology to provide guidance of further work.

Risk 2 - We are expecting an overrun of the Pool Maintenance budget due to the 2023 budget was based on 2022 actuals that did not include the \$7000 of late invoices, and an unexpected upper pool surface repair last month which cost \$5,500.

Opportunity 1 - we do not foresee spending any landscape project money on Entry Area until after Highway 150 left-turn lane project is complete, which could be next year or later.

Opportunity 2 - we can save almost all the pool fence refurbishment budget if we organize a volunteer paint party. (A sign-up was presented at this meeting and a group of volunteers were gathered).

In summary the 2023 Budget looks good with a couple of challenges, and we have adequate cash reserves if we are unable to offset our two expected overruns.

### **Reserve Study**

Greg stated that historically one third of our annual budget is typically spent on Reserve Items or Projects. Examples of these reserve items are pool resurfacing, pool heaters & pump replacement, pool bathroom & shelter roof replacement, swim dock deck replacement, retention pond refurbishment.

This spring the Board developed a comprehensive Reserve Study which is a budgeting tool that provides an independent assessment of the adequacy of our Reserve Balance. The results of the study were provided in Chart A provided in the mailed Packet. Greg reported that overall, our HOA Reserve Funding level outlook appears good, and the Board feels confident that the Reserve Study tool will help us manage our funding.

We received excellent data from TransPac (Marina Contractor) and plan to do a Marina Reserve Study later this month. John Pembroke can share the results with boat owners when this is completed.

Concerning electronic payments for dues, Greg noted that at a minimum next year we will provide the HOA savings account number and bank routing number so that members can do electronic check payments.

The Board asked if there were any questions regarding Greg's report, and Joe Plouf asked for clarification on vacant lot dues being a future increase of budget funds and Greg answered that all lots pay dues vacant or occupied does not make a difference, all lots pay dues so no extra income from dues is in the future from existing vacant lots. No other questions or concerns were raised.

## President Lynn Cockrum Closing Remarks:

Lynn asked Tricia Best to address the homeowners on her experience of the past two years as a Board Member and to encourage people to apply. Tricia completed her two-year Board term and will not apply for re-election. With this vacated Board seat, we do not currently have anyone applying to fill this position to date.

There was one person that submitted a bio for election for the two positions open. Lynn Cockrum was the only candidate to run on the ballot for the 2023-2025 term for his current expiring term that ends after this meeting. Lynn was re-elected having received 60 votes.

There were four ballot initiatives –

1. Remove Developer consent to CC&R revisions. 67 votes in favor, 4 votes opposed. **PASSED**
2. Amend language to give Board Guideline change authority. 64 votes in favor, 7 votes opposed. **PASSED**
3. Amendment of Allowable signage. 66 votes in favor, 5 votes opposed. **PASSED**
4. Amend the CC&Rs and By-Laws to allow mail-in voting. 68 votes in favor, 3 votes opposed. **PASSED**

Lynn talked about the Pickle Ball expansion and the Court security project. The lower fences were raised to 6' and a security lock was purchased that allows homeowners to access the court with their amenity access passes. The four new pickle ball courts and nets have been in place prior to the Memorial Day Weekend prior to this meeting for all to use.

Lynn asked if there were any questions, and no questions or concerns were raised.

Lynn also mentioned the great work done by the Marina Committee over the past years that recently was completed: the installation of the “No Wake Buoys” outside the Marina. We all appreciate this so much!

The Board recognized all the great Committee’s we have in our community, run by wonderful volunteers. A huge “Thank You” was extended by the Board. All Committee’s had sign-ups at the meeting for anyone interested in becoming a committee member.

Lynn mentioned the Social Gathering at the Upper Pool for all to attend after the meeting and refreshments/food was provided by the Social Committee.

The meeting was adjourned at 11:13am.

Respectfully Submitted,

Tricia Best – Secretary

(See following Attendee list)

## Attendee List: 6/3/2023 CVEHOA Annual Meeting:

Schmidt (Lot 100)  
Ohrh (Lot 114)  
Cairns (Lot 12)  
Heye (Lot 16)  
Sessions (Lot 18)  
Bolinger (Lot 31)  
Gegus (Lot 40)  
Bean (Lot 49)  
Nickle (Lot 56)  
Everett (Lot 58)  
Cockrum (Lot 59)  
Hepper (Lot 6)  
Plouf (Lot 62)  
Robinson (Lot 64)  
Christensen (Lot 65)  
Cullen (Lot 69)  
Carpenter (Lot 73)  
Buell (Lot 74)  
Bolinger (Lot 75)  
Hartway (Lot 76)  
Feist (Lot 80)  
Bain (Lot 81)  
Harberd (Lot 82)  
Meredith (Lot 84)  
Sullivan (Lot 86)  
Egeck (Lot 87)  
Comiskey/Dixon (Lot 88)  
Hodge (Lot 9)  
Roberts (Lot 89)  
Smith (Lot 90)  
Best (Lot 95)  
Mitchell (Lot 46)  
Jeans (Lot 107)  
Pembroke (Lot 13)  
Morrison (Lot 15)  
Thompson (Lot 3) –Son attended but did not vote due to ownership transfer not complete.

### Proxy Votes:

Lots: 1, 2, 5, 17, 21, 22, 28, 29, 32, 33, 42, 49, 53, 54, 60, 61, 66, 67, 68, 71, 79, 83, 85, 92, 93, 94, 96, 101, 102, 103, 105, 106, 108, 109, 110, 120, Lot A, Lot B. (Submitted by Evergreen Accounting)



## Crystal View Estates HOA

### Board Members

Lynn Cockrum, President

Tricia Best, Secretary

Greg Feist, Treasurer

Debra Egeck

Brent Morrison

Website: [www.crystalviewestates.org](http://www.crystalviewestates.org)

### **Treasurer's Report 2023 Annual Meeting - June 3, 2023**

Attached are three reports which will be reviewed at the annual meeting:

- Report 1 - 2022 Budget to Actuals
- Report 2 - Balance Sheets as of April 30, 2023 and December 31, 2022
- Report 3 - 2023 Proposed Budget and Actuals thru April

The Association spent very close to our planned budget in 2022. Landscaping overran due to expected Entry Sign cost carryover from 2021 budget and we had a Construction Bond liability adjustment. Our pools budget significantly under ran largely due to invoicing not submitted until January of this year. We ended 2022 with a loss of \$21,777 versus the \$21,555 loss projection that was included in the 2022 Approved Budget. Aside from the two overruns and the noted under-run, operating costs were largely in line with expectations.

Our balance sheet at the end of 2022 remained strong. The association had \$326,000 in total cash at the end of 2022 including \$134,000 in operating funds, \$106,000 in Reserve funds, and \$86,000 in Marina funds. As expected, during the early months of 2023 our cash balances grow, as we collect Dues early in the year and then incur expenses throughout the remainder of the year. Total cash balances at the end of April were \$402,301.

The 2023 Proposed Budget reflects a loss of \$429. This near balanced budget assumes 3% operational cost escalations over last year's services. Budgeted projects include Entry/Lower Pool landscaping at \$20,000; pool fencing refurbish and painting at \$10,000; sport court upgrade at \$12,500; and retention pond refurbishment at \$12,500. We expect to overrun the pool maintenance account as the budget was based on 2022 actuals that did not include invoicing of \$7000, plus an unplanned upper pool floor repair that is currently being assessed. The cost of retention pond refurbishments is largely unknown. Conversely, we have budget opportunities which include delay of lower area landscaping into 2024, after completion of the highway 150 turn lane work; and a planned volunteer "paint party" for the pool fence refurbishment (see me after the meeting). Cash reserves are adequate to cover budget overruns should they occur.

Respectfully submitted,

Greg Feist  
Treasurer

# Report #1 2022 CVE Budget to Actual

				2022 Approved Budget	2022 Actual	Notes
<b>Income</b>						
<b>4000 Association Dues</b>						
4005	Association Lot Dues	122 Lots @ \$875		\$ 106,750	\$ 106,750	
4025	Lot Association Dues - other			\$ -	\$ 100	
<b>Total Association Dues</b>				<b>\$ 106,750</b>	<b>\$ 106,850</b>	
<b>4100 Other Income</b>						
4105	Interest-Savings			\$ 150	\$ 100	
4110	Interest- CDs			\$ 1,800	\$ 871	
4115	Architecture Review Fees			\$ 5,000	\$ 7,575	1
<b>Total Other Income</b>				<b>\$ 6,950</b>	<b>\$ 8,546</b>	
<b>Total Income</b>				<b>\$ 113,700</b>	<b>\$ 115,396</b>	
<b>Expense</b>						
<b>6000 Business Expense</b>						
6020	Comm Liability Insurance & Umbrella			\$ 5,100	\$ 6,779	
6030	D&O Insurance			\$ 1,785	\$ 1,748	
6040	Printing			\$ 100	\$ 0	
6050	Web Hosting			\$ 500	\$ 517	
6060	Annual Meeting			\$ 600	\$ 542	
6070	Legal Fees			\$ 5,100	\$ 3,719	
6080	Accounting Office expense			\$ 6,500	\$ 6,270	
6090	Postage			\$ 255	\$ 390	
6095	PO Box			\$ 255	\$ 312	
6097	Other			\$ 210	\$ 20	
<b>Total Business Expense</b>				<b>\$ 20,405</b>	<b>\$ 20,297</b>	
<b>6100 Architecture Review Committee</b>						
6110	Architecture Review Committee Expense			\$ 5,000	\$ 6,475	
<b>Total Architecture Review</b>				<b>\$ 5,000</b>	<b>\$ 6,475</b>	
<b>6200 Landscape Committee</b>						
6210	Landscape Maintenance Contract			\$ 19,500	\$ 19,465	
6220	Water			\$ 1,700	\$ 1,912	
6230	New Projects			\$ 41,500	\$ 48,610	2
6250	Other			\$ 500	\$ 213	
<b>Total Landscaping</b>				<b>\$ 63,200</b>	<b>\$ 70,200</b>	
<b>6300 Pool Committee</b>						
6310	Pool Maintenance and Repairs			\$ 2,000	\$ 4018	
6320	Pool Permit			\$ 600	\$ 590	
6330	Pool Contract and Chemicals			\$ 12,000	\$ 1,974	3
6340	Pool Phone			\$ 900	\$ 731	
6345	Pool Water/Sewer/Garbage			\$ 4,000	\$ 4,526	
6375	Pool Projects/Furniture			\$ 10,700	\$ 10,678	4
6380	Pool Electric			\$ 2,700	\$ 2,900	
6395	Other			\$ 500	\$ 0	
<b>Total Pool</b>				<b>\$ 33,400</b>	<b>\$ 25,417</b>	

**Notes:**

- 1 - Review Fees for ten (10) new home starts.
- 2 - Approx. \$20,000 of entry sign costs (approved in 2021) carried over into 2022.
- 3 - Pool contractor did not submit invoices in 2022, totaling \$6992.
- 4 - Includes lower pool heat pump replacement.

## Crystal View Estates HOA Report #2 Balance Sheet

		Dec 31, 2022	April 30, 2023	
<b>Current Assets</b>	Checking	\$ (3,281.14)	\$ 1,872.79	
	Savings	\$ 137,689.13	\$ 171,030.02	
	Total Operating Funds	\$ 134,407.99	\$ 172,902.81	
		\$	\$	
	Reserve 25-Mo. CDs (3.65%)	\$ 106,067.43	\$ 106,916.85	1
	Reserve 7-Mo. CD (4.09%)	\$	\$ 25,252.12	2
	Total Reserve CDs	\$ 106,067.43	\$ 132,168.97	
		\$	\$	
	Marina Fund	\$ 85,645.28	\$ 71,977.44	
	Marina Reserve 7-Mo. CD (4.09%)		25,252.12	2
		\$	\$	
	Total Cash and Cash Reserves	\$ 326,120.70	\$ 402,301.34	
<b>Fixed Assets</b>		\$	\$	
	Pools, Marina, Tennis Court	\$ 3,134,800.83	\$ 3,134,800.83	
		\$	\$	
	<b>Total Assets</b>	\$ 3,460,921.53	\$ 3,537,102.17	
<b>Liabilities</b>				
	Construction Bond Deposits	\$ 75,000.00	\$ 78,000.00	
<b>Equity</b>				
	Retained Earnings and Equity	\$ 3,385,921.53	\$ 3,459,102.17	
	<b>Total Liabilities &amp; Equity</b>	\$ 3,460,921.53	\$ 3,537,102.17	

**Notes:**

1. Two 5-Year CDs rolled into higher interest rate, shorter term CDs in January 2023.
2. Two \$25K CDs purchased, one from HOA and one from Marina Funds in January 2023.

**Report #3 – CVE Budget vs. Actuals 2023**

			2023 Proposed Budget	2023 Actual YTD April	
<b>Income</b>					
<b>4000 Association Dues</b>					
	4005	Lot Association Dues 122 @ \$975	\$ 118,950	\$ 88,725	1
<b>4100 Other Income</b>					
	4105	Interest-Savings	\$ 120	\$ 19	
	4110	Interest- CDs	\$ 1,000	\$ 1,554	
	4115	Architectural Review Fees	\$ 4,000	\$ 0	
		Total Other Income	\$ 5,120	\$ 1,573	
		<b>Total Income</b>	<b>\$ 124,070</b>	<b>\$ 90,298</b>	
<b>Expense</b>					
<b>6000 Business Expense</b>					
	6020	Commercial Liability Insurance	\$ 5,900	\$ 0	
	6025	Commercial Liability Umbrella	\$ 1,050	\$ 0	
	6030	D&O Insurance	\$ 1,800	\$ 0	
	6040	Printing and Reproduction	\$ 100	\$ 0	
	6050	Web Hosting	\$ 530	\$ 0	
	6060	Annual Meeting	\$ 600	\$ 542	
	6070	Legal Fees	\$ 5,200	\$ 0	
	6080	Accounting Office expense	\$ 6,500	\$ 2,641	
	6090	Postage	\$ 440	\$ 0	
	6095	PO Box	\$ 325	\$ 0	
	6097	Other	\$ 210	\$ 201	
		<b>Total Business Exp</b>	<b>\$ 22,655</b>	<b>\$ 3,384</b>	
<b>6100 Architectural Review Committee</b>					
	6110	Arch Review Committee Expense	\$ 4,000	\$ 0	
		<b>Total ADC Expense</b>	<b>\$ 4,000</b>	<b>\$ 0</b>	
<b>6200 Landscape Committee</b>					
	6210	Landscape Maintenance Contract	\$ 18,500	\$ 1,830	
	6220	Water	\$ 1,950	\$ 555	
	6230	New Projects	\$ 20,000	\$ 0	
	6250	Other	\$ 1,500	\$ 0	
		<b>Total Landscape Comm Expense</b>	<b>\$ 41,950</b>	<b>\$ 2,385</b>	
<b>6300 Pool Committee</b>					
	6310	Pool Maint and Repairs	\$ 3,000	\$ 1,354	
	6320	Pool Permit	\$ 600	\$ 690	
	6330	Pool Contract and Chemicals	\$ 3,500	\$ 6,995	2
	6340	Pool Phone	\$ 975	\$ (32)	
	6345	Pool Water/Sewer/Garbage	\$ 4,670	\$ 1,117	
	6375	Pool Projects/Furniture	\$ 10,000	\$ 0	
	6380	Pool Electric	\$ 2,750	\$ 604	
	6395	Other	\$ 500	\$ 0	
		<b>Total Pool Committee Expense</b>	<b>\$ 25,995</b>	<b>\$ 10,728</b>	

Notes:

- 1 Some dues remain unpaid as of April 30.
- 2 2022 pool invoices (\$6995) not submitted last year, resulted in under-budgeting with actuals.



# CVE HOA Reserve Study 2023

**Why do a Reserve Study** – The goal is to maintain a “Good” (55% to 70%) funded money Reserve in order to minimize risk for emergency financing; Limit the need to defer projects; Maintain high neighborhood marketability; and Weather economic downturns more easily. The Board has developed an “Excel Reserve tool” for logging Reserve Items (Projects), assessing item condition, forecasting fix/replace dates and pricing all expected future Reserve Items.

**What is a Reserve Item** - Reserve items are future HOA cost items (Projects) with a limited useful life expectancy, costing above a \$5000 threshold, and not covered by HOA maintenance (operational budget). Examples are: pool resurfacing, pool heater & pump replacement, pool bathroom and shelter major maintenance (e.g. roofing), parking lot re-paving, swim dock deck replacement, retention pond rebuild, etc. The HOA Reserve Item (projects) expenditures over the last seven years (2015 to 2022) has averaged \$35,300 annually.

**Assumptions and Notes for the Reserve Study:**

1. Assume annual inflation and annual dues increase of 3.0%.
2. Assume lower pool/entry area landscape projects will be spread over next three years.
3. Today’s Study results are a snapshot in time for known reserve items, their conditions and projected replacement costs. The Board intends to update study as needed (minimum semiannual), certainly when the item list, item conditions and item costs change.
4. A Marina Reserve Study is in work. Replacement cost estimates have been submitted by the marina contractor, Transpac.

**Preliminary Study Results – See Chart A below** – The next three years we have lower pool and entry landscape projects, retention pond rebuilds and swim dock resurface effort that result in our Reserve funded target dropping below 50% level. Beyond 2026 we foresee heading back to a better funding levels, above 50%. Overall our Reserve funding level outlook appears good.

**CHART A - CVE HOA Reserve Funding**  
GREEN >55%, Yellow 35-55% Red <35%

