

**Mission Bay Homeowners Association**  
**Mission Bay Preserve Homeowners Association**  
**Community Center Annual Winter Meeting**  
**For Mission Bay and Mission Bay Preserve**  
**December 12<sup>th</sup>, 2020**  
**Unofficial/Meeting Minutes**

The meeting was called to order at 9:05 a.m.

A sign-up sheet was provided via Zoom webinar registration, and those in attendance included:

Dennis Duty, President, Board of Directors	Melanie Brooks, Mission Bay & Preserve HOA Manager	Jeff Newgard
Meg Fair, Mission Bay Preserve Board of Directors, Steering Committee, Representative to Mission Bay	Karen Swan, Mission Bay & Preserve Staff Accountant	Mike Shoquist, CCR Committee
Ralph Brownell, Mission Bay Board of Directors, Steering Committee	David Coffman, CCR Chairman	Roger Sampson & Cheryl Keegan
Gary Goodman, Mission Bay Board of Directors, Steering Committee Chairman	Rhea Ashmore, Mission Bay Design Review Committee	Jock Schwank
Mark Gelernter, Preserve Board of Directors, Design Review Committee	Ginny DuBrucq, Mission Bay Social Committee Chairman	Monty Schmidt
Ray Beck, Mission Bay Preserve Board of Directors	Bob Martin, past Board of Directors	Jamie Seguino, Mission Bay Preserve Steering/Finance Committee
Cynthia Hoelscher, Mission Bay Steering Committee, Finance Committee Chairman	Tim Delaney	David Koerner
David Coffman, Mission Bay Steering Committee, CCR Committee Chairman	Don Carberry	Rhea Ashmore, Mission Bay Design Review Committee
Allen Bone, Mission Bay Steering Committee, Finance Committee, Social Committee	Sue McCormick	Gary & Pam DeNevi
Dave Rittenhouse, Mission Bay Preserve Steering, Finance Committee	Doug Schmitt	Jeffrey Kuntz
Rod Fair	Gary Perkins	Thomas & Nancy Szulga

Melanie Brooks, Homeowners Association Manager, opened the meeting and thanked everyone for attending. She gave a special welcome to new Mission Bay and Mission Bay Preserve owners, and those attending from out of town for this meeting. Melanie shared that due to Covid concerns within the Mission Bay communities, the meeting is being held virtually via Zoom webinar. The goal of this winter annual meeting is to review financials for 2020 and to present the proposed budget for the upcoming 2021 year.

The meeting opened at 9:05 am. Call of roll and attendance was recorded through the Zoom webinar registration process. Proof of due notice was provided and posted on November 23rd and posted, as per the HOA by-laws.

A motion was made by Gary Goodman to approve the minutes from the December 14<sup>th</sup>, 2019 Community Center general meeting and seconded by Cynthia Hoelscher: all were in favor and the minutes were approved as written for the December 14<sup>th</sup> 2019 Community Center annual meeting.

### **Mission Bay 2021 Budget Planning Committees**

Melanie shared the process by which the annual budgets are developed. The Finance Committee prepares and submits the budget draft to the Steering Committee, The Steering Committee reviews, makes changes if necessary and submits the budget draft to the membership for comment. The proposed budget is discussed at the winter general meeting. The Boards of Directors approve the final budget after the winter general meeting.

She introduced Mission Bay and Preserve residents that participate on the community Finance, Steering Committees and the Boards of Directors, also introducing the HOA Staff Manager and Accountant. They are responsible for the planning and approval of the 2021 budget. She noted that the December annual meeting is the formal meeting for the presentation of the budgets/financials for the following 2021 Year.

She shared that committees are always interested in new participation from community residents and that they are a great way to get involved in the community and understand how budgets are developed. Interested individuals may contact the HOA office or the committee members directly if interested in participating. She gave special thanks to several in the group that have gone above and beyond the call of duty through their participation in special projects, planning and advising.

#### Steering Committee – Mission Bay

Gary Goodman – Chairman  
Meg Fair – rep. from Preserve  
Dave Rittenhouse– rep. from Preserve  
Cynthia Hoelscher – Finance Chairman  
Ralph Brownell  
Roger Norgaard  
Gary Goodman  
Allen Bone  
David Coffman

#### Steering Committee – Preserve

Meg Fair - Chairman  
Dave Rittenhouse  
Cindy Dunshee – retiring member  
Jamie Seguino  
Lynn McNamer  
Rod McRae

#### Board of Directors – Mission Bay

Dennis Duty  
Ralph Brownell  
Gary Goodman

#### Board of Directors – Preserve

Meg Fair  
Mark Gelernter  
Ray Beck

#### Finance Committee – Mission Bay

Cynthia Hoelscher – Chairman  
Jane Irwin  
David Coffman  
Allen Bone

#### Finance Committee – Preserve

Meg Fair  
Dave Rittenhouse  
Jamie Seguino  
Lynn McNamer  
Rod McRae

Mission Bay & Preserve HOA Administration

Melanie Brooks – Mission Bay & Preserve HOA General Manager

[melanie@missionbayhome.com](mailto:melanie@missionbayhome.com) 406-871-1829

Karen Swan – Mission Bay & Preserve Accountant

[karen@missionbayhome.com](mailto:karen@missionbayhome.com)

## COMMUNITY CENTER FINANCIAL REPORTS

### Community Center 2020 Financial Re-Cap:

Cynthia Hoelscher, Mission Bay Finance Committee Chairman, presented a recap of the Community Center 2020 Budget with a year-to-date (as of December 9, 2020) report. From the operating budget: Budget to Actuals: The projected revenue in Excess of Expenses was budgeted at +\$ 5,628 and actual revenue in excess as of December 9<sup>th</sup> is estimated at \$14,196. Revenues includes sold lots that have paid past dues, and the 2020 PPP Loan proceeds. The only increase in expenses was in the Janitorial line, due to the necessity of increased supplies due to COVID-19. CC Reserve fund planned expenditures were budgeted at \$27,500; actual year end is estimated at \$ 19,392. There were no reserve “only-if-necessary” funds spent in 2020.

**PPP Loan:** Mission Bay HOA applied for and received a \$ 16,700 PPP Loan through the Paycheck Protection Program – COVID-19 Direct incentive for small business payroll. Loan forgiveness is anticipated.

### Planned Expenditures from 2020

Community Center Reserve fund	budget	actual
▪ Repair Exterior Stone masonry	\$ 10,000	\$ 1,726
▪ CC Security System		\$ 3,450
▪ Pool Lounge Chairs (4) chairs, tables	\$ 2,000	\$ 4,178
▪ Replace Summer/Winter Pool Cover	\$ 8,000	\$ 0
▪ Parking Lot Crack Repair	\$ 1,000	\$ 0
▪ Pool Drain and Clean	\$ 4,000	\$ 0
▪ Pool Boiler/Heater		\$ 6,089
▪ Office Furniture, equipment (phone system)	\$ 2,500	\$ 3,949
<b>ESTIMATED TOTAL 2020</b>	<b>\$ 27,500</b>	<b>\$19,392</b>

### Reserve Fund Expenditures for 2020/ Only if Necessary

▪ Precor Elliptical Trainer	\$ 7,500
▪ Recumbent Bike	\$ 4,200
▪ Fluid Rowing Machine	\$ 2,100
▪ Hot Water Heaters (2)	\$ 1,800
▪ Refrigerator	\$ 1,000
▪ Stove/Oven	\$ 1,000
▪ Dishwasher	\$ 1,000
▪ Paint Interior Clubhouse	\$ 7,500
▪ Exercise Room Carpet	\$ 5,000
▪ Wooden Fence, Gate	\$ 3,500
▪ Pool Deck & CC front surfaces	\$ 60,000

<b>EST. TOTAL/ IF NECESSARY, PROJECTS</b>	<b>\$ 94,600</b>	<b>\$ 0</b>
<b>TOTAL - ALL PROJECTS</b>	<b>\$122,100</b>	<b>\$ 19,392 spent</b>

### 2020 Tennis Court Renovation Project:

Cynthia gave an update on the tennis court/pickleball renovation project completed in Spring 2020. By choosing to add the project cost to current mortgage financing, financing chosen did not impact HOA dues, or require any special homeowner assessment. This is a new 10-year loan at a fixed rate of 5.04%.

Scope of Work – on time, under budget! Access, excavation, gravel base complete, concrete placed, man-gates adjusted, equipment gate installed, court surfacing, lines posts, nets installed.

<b>Estimated Costs for the Court Renovation Project:</b>	<b>Actual Costs</b>	
Access, excavation, gravel base	\$ 15,450	\$ 7,780
Concrete	\$ 64,500	\$ 59,240
Painting Courts	\$ 12,500	\$ 14,805
Gates & Fencing	\$ 2,500	\$ 2,500
Posts & Nets	\$ 1,000	\$ 1,200
Contingency	\$ 14,050	\$ 0
<b>TOTAL PROJECT COST</b>	<b>\$110,000</b>	<b>\$ 85,525</b>
		<b>\$24,475 under budget</b>

Project came in at \$24,475 under budget and these funds were returned to Glacier Bank to pay down mortgage principal.

### 2021 Mission Bay Community Center Proposed Budget:

Cynthia Hoelscher reported that there will be no dues increase for either the Operating Budget or Reserve fund for the Community Center for 2021. The dues stand at \$76 per lot per month for the Community Center, with \$66 allocated for operating expenses and \$10 for the reserve maintenance fund. There are no anticipated special assessments for 2021.

Lease income is expected to be as in 2020: \$6K for the year (\$3K prepaid in two installments). \$2,250 is budget for interest.

Questions: David Koerner raised questions regarding the lease payments paid by Mission Bay Real Estate (\$500 per month) and the benefits provided for this fee. He asked what is provided for this fee. (office facilities, phone, cleaning) He questioned whether a phone system is actually needed and who pays for this system. Melanie shared that the cost of the phone system will be split depending on the number of realtors versus the two lines needed for the HOA. She is not anticipating increased costs. Dennis Duty said that their fair share will be fully paid by Mission Bay Real Estate Company. David Koerner also asked whether liens have been filed against past due owners, including the Sowards. Cynthia said liens are filed on past-due lots, and in the case of Sowards, Dennis said the full outstanding balance and interest is paid upon the sale of each individual Soward lot. Dennis said most developers do not pay any association fees for unsold lots, but an agreement was made previously, which they are honoring, to pay the full outstanding balance as each Soward lot is sold. Jeff Newgard thanked all for the financial presentation and clarified that the mortgage was a 10 year am.

Of the total projected revenues in 2021 of \$272,546, 79% is allocated to general dues, 12% to reserve dues, 5% carry forward funds and 2% is lease income. Miscellaneous income and social memberships make up 1% each.

Total expenditures for 2021 are budgeted at \$265,572. This is allocated to General & Administrative 39%, Mortgage 26%, Building, Equipment and Grounds 11%, Pool, Spa & Courts 8%, Maintenance Reserve 12% and Utilities, 4%.

As of December 10, 2021, the Community Center mortgage is \$398,478. (Original \$492,202). This includes the return of \$24,475 unused proceeds to Glacier, from the court renovation. This includes funds added from Glacier Bank in July of 2019 for the court renovation project. Glacier Bank has funded this mortgage and loan at a 10-year fixed rate of 5.04%. The mortgage has approximately 9.5 years left: the loan matures on July 5, 2029. The payoff time may be closer to 7 years, due to additional funds allocated to paying off principal amounts each month of approximately \$400-\$500.

### **Planned Expenditures from 2021 Community Center Reserve fund**

▪ Pool Fence and Gate Repair	\$ 3,500
▪ Log Post Refinishing (entry, patio)	\$ 2,500
▪ Pool Patio Tables (match current)	\$ 1,000
▪ Replace Pool Winter Cover	\$ 5,000
▪ Parking Lot Crack Repair/Seal Coat	\$ 5,000
▪ <u>Office Furniture, equipment (phone system)</u>	<u>\$ 2,500</u>

**ESTIMATED TOTAL 2021** **\$ 19,500**

#### **Reserve Fund Expenditures for 2021/ Only if Necessary**

▪ Hot Water Heaters (2)	\$ 1,800
▪ Refrigerator, Oven, Dishwasher	\$ 3,000
▪ Replace Fence Posts & Rope	\$ 1,240
▪ <u>Repair Central Vacuum System</u>	<u>\$ 700</u>

**EST. TOTAL/ IF NECESSARY, PROJECTS** **\$ 6,740**

**TOTAL - ALL PROJECTS** **\$ 26,240**

The Community Center reserve balance is projected to be \$188,875 as of December 31, 2020. The projected balance on December 31, 2021 is expected to be \$202,369. This balance includes \$ 6,740 of only-if-necessary projects.

The 2021 Budget includes an allowance for past due accounts of \$ 3,876 for all lots owned by Sowards (Mission Bay – 5 lots, Mission Bay Preserve – 0 lots) and 3 privately owned Mission Bay lots.

Actual past due balances for the Community Center as of 12/08/2020: \$42,554.

### **Soward Lots**

Mission Bay Lots (5) \$ 13,907

### **Private Lots**

Mission Bay lots (3) \$ 28,647

Soward lots pay at a rate of 25% of total dues as compared to a regular lot. All Soward past due balances are brought current and paid at the time a lot is sold.

Budgets will be posted on the website after approval of the Boards of Directors.

### **Social Committee Report**

Ginny DuBrucq, Social Committee chairman, presented the Social Committee report.

The nine-member committee is comprised of the following homeowners: Allen and Linda Bone, Mark Gelernter and Ginny DuBrucq, Janice Donovan, Mary Martin and Dale and Linda Stoverud. Doug & Laurie Schmitt have resigned from the committee after many years of service and she thanked them both for their contributions, energy and enthusiasm, and to Laurie who also served as Co-Chairman. She welcomed Mary Martin as a returning member to the committee, as Co-Chairman.

Ginny shared that there have not been any Social Committee events in 2020 due to COVID but the committee anticipates a return of some favorite events in 2021. Examples of events in more "normal" years include:

- 1. Early Winter Event**
- 2. Cinco de Mayo**
- 3. 4<sup>th</sup> of July Celebration**
- 4. Music by the Pool**
- 5. Fall Event**
- 6. Holiday Decoration Party**
- 7. The Holiday Christmas luncheon**

Ginny shared that all upcoming events and details are posted on the Mission Bay Hoa website, and that there would be a new listing of this 2021 upcoming events as the Community Center re-opens.

### **HOA General Updates:**

Melanie Brooks gave a report on operations and activities at the Community Center. There were several projects that were done to make the CC a safer environment for all, especially during this year with COVID-19 concerns. UV lights were installed in the exercise room and restrooms, to kill 99% of bacteria and viruses. Three security cameras have been installed to monitor clubhouse and grounds activity. Wipe-downs of most used surfaces (door handles, doors, chairs, equipment) was enacted to disinfect and clean the clubhouse on a regular basis. Boulder repair was done at the front and pool areas – on columns and walls; this helped to clean up the area aesthetically and keep the area safe to walk.

The HOA will post all new information on the re-opening of the Community Center for group use.

The Pool and Spa are scheduled to open Memorial Day weekend in 2021; the courts earlier in the spring, as weather allows.

She said the Mission Bay HOA website is a good place to access information on all operations of the Community Center. [www.missionbayhoa.com](http://www.missionbayhoa.com).

She shared thank-you's to the many Mission Bay and Preserve residents involved in committees and projects, and that serve as consultants to many of our major projects.

She thanked:

- Cynthia Hoelscher for leading the presentations today and to the Finance Committees for the work on the budgets.
- Mark Gelernter, Ralph Brownell, Dave Rittenhouse Joe Kennedy and Bob Martin for their expertise in all phases of the tennis court renovation, from the initial design through the

successful execution of the project. Also to all who participated in groups over the years to initiate the discussions surrounding the project.

- The tennis and pickleball players, who made the project totally worthwhile!
- Lynn McNamer, whose security company gave advice, planned and installed our new security camera system.
- Dirk DeConinck for his donation of sanitizing materials for the Community Center

She encouraged any community members interested in participating in any standing committees to stop by the HOA office for more information and to be put in contact with current committee participants, to find out more.

Additional Community Questions:

Dave Koerner asked about the amendments that had been filed this year regarding parking of RV's. That the amendments did not include the 72 hour parking allowance for RV's. Melanie said the 72-hour rule had not changed as an allowance for RV parking and this amendment will need to be revised to change any of this information posted incorrectly. his will be researched and amended to reflect the 72 hours. David shared that covenants should not be changed by a declarant, only by the vote of the community. He also shared that Covenants should not be changed by a declarant, only by the vote of the community. Additional questions were raised by Tim Delaney regarding the pay structure for summer help (preparing daily pool activities – taking off covers, trash, wipe downs, clean bathrooms and great room, cleaning exercise rooms, patio and pool areas, etc.) Melanie said this is an hourly position and workers are there on average 3-4 hours per day. He said he also wanted to raise the philosophical question as to whether the two HOA staff member positions (manager, accountant) could potentially be combined, for significant cost savings for this size community, and recommended the Boards take a look at this consideration.

No other business was brought forth on the agenda.

## **ADJOURNMENT**

The meeting was adjourned at 9:44 am.