

**Kono Tayee Home Owners Association Annual Meeting**  
**Kono Tayee Beach Area, Lucerne, CA 95458**  
**Saturday, April 21, 2018 at 10 am**

**Present at Meeting**

Debbie Pryor, John McCloskey, Jim Hiss, Dave Wallenstein, Becky Hiss, Joe Reyes, Brenda Reyes, Ross Calvert, Sarah Glenn, Terry Hale, Judy Braley, Debi Cormack, Doug Milbourn, Mary Lou Milbourn, Michael Morarity, Lynn Morarity, Becky Ridgel, and Jim Valentine.

**Call to Order/Opening of Meeting**

John McCloskey called the meeting to order at 10:05 am, and led the members in the Pledge of Allegiance. Board members present included John McCloskey, Jim Hiss, Debbie Pryor, Sarah Glenn, and David Wallenstein. John McCloskey announced that a quorum was present.

**Minutes of Previous Meetings**

Jim Hiss made a motion to approve the minutes from the March 10, 2018 Board Meeting. John McCloskey seconded the motion, and the motion was approved by all.

**Annual Policy Statements and Amendments to Bylaws**

John McCloskey walked through a series of proposed changes to the bylaws to be consistent with the proposed Annual Policy Statement which was discussed at the last meeting. Rather than go through the Annual Policy Statement again, this meeting focused on just the Bylaw amendments which will be included in the final Annual Policy Statement. A final edited copy of the new Bylaws is attached and a final version of the Annual Policy Statement with minor updates will be sent out in the next few weeks. Eight items were discussed, in some cases modified and ultimately approved. Here is a brief summary of the eight items in the same order as the attached amendments, how they were amended, and Board vote on each item. They are listed in the same order as the amendments.

1. Item 1 states that an Annual Policy Statement will be provided to the members prior to the Annual meeting. John McCloskey made a motion that this Bylaw be accepted. Jim Hiss seconded the motion. After some discussion and a minor cleanup of a redundant statement. No Public comments were received. All were in favor.
2. Item 2 is to allow for inclusion of the Internal Dispute and Alternate Dispute Resolution Policies which is copied from Davis Sterling. Jim made a motion to accept this bylaw, John seconded the motion and all approved. There was no public comment or Board discussion.
3. Item 3 included changes to the Architectural Committee responsibilities and Duties. Jim Hiss made a motion to accept this bylaw change and John McCloskey seconded it. There was some discussion about the formation of a Canal Committee. This language allows that a Canal Subcommittee can always be formed under the Architectural Committee, however committees

are generally discussed at the September meeting. After the discussion, the Board voted on this amendment and all were in favor.

4. Item 4 included changes to the Architectural application process. Jim made a motion to accept this amendment, and John seconded. There was some Board discussion regarding wording of the appeal process resulting in a minor edit. Jim amended his motion, Debbie seconded and all approved.
5. Item 5 included changes to the way Architectural Committee members are selected. Jim made a motion to accept this amendment, and Sarah seconded. There was some community and Board discussion regarding criteria to select members but no changes were made. Jim amended his motion, Debbie seconded and all approved.
6. Item 6 included changes to the non-budgeted expenditures authorization limits of the President and Vice President. Jim made a motion to accept this amendment, and John seconded. There was some Board discussion regarding number of expenditures and wording of the spending limits resulting in some edits. Jim amended his motion, Debbie seconded and all approved.
7. Item 7 discussed annual review of the Proposed Budget and Reserve Study and changes to assessment. Debbie made a motion to accept this amendment, and John seconded. There was some Board discussion regarding meeting dates but no changes were made to this amendment. All voted in favor.
8. Item 8 discussed rules enforcement. Jim made a motion to accept this amendment, and John seconded. After some Board and member discussion, it was decided to remove phone numbers from this section. It was also discussed and decided to clarify that owners are responsible for tenant's violations. All voted in favor.

After amending bylaws there was discussion about changing the Annual Policy Statement to be consistent with the changes to the bylaws. Dave made a motion to amend and approve the Annual Policy Statement to be consistent with Bylaws, and Sarah seconded. All voted in favor.

Jim discussed that the Board needs approval from the members to give consent to email the Annual Policy Statement. Email will save considerable copying and postal expenses.

#### **Budget and Treasurer's Report and Reserve Study: Debbie Pryor**

Debbie Pryor provided a financial summary report which is attached. Total in all accounts is \$123,189, with a checking account balance of \$12,517, \$110,507 in reserves, and \$165 in petty cash. We anticipate expenses for Pestmasters to spray for weeds in the canal. We are hoping to get County funds to pay for the beach spraying. Minus anticipated expenses, we hope to put \$5,000 into the Reserve Fund at the end of this fiscal year.

Debbie walked through updates to the Reserve Study which is included in the attached Annual Policy Statement). We anticipate the annual contribution to the reserves this year to be \$14,338. Jim made a motion to accept this 2018/2019 Reserve Study and John seconded. All voted in favor.

Debbie led a brief discussion on the budget. Debbie recommend that the dues remain the same as there was not a justification for raising dues at this time. We have not raised dues in three years. We will have to budget paying for the agreed costs on the Ochoa concrete removal. She took a debris box

out of the budget. Jim made a motion to accept this 2018/2019 proposed budget and Debbie seconded. All voted in favor.

Jim led a discussion on spending reserves. If reserves are spent on general operating expenses it must be repaid in one year.

### **Buoys**

John led a discussion on the 5 mph buoys. Jim mentioned that we originally had 12 buoys and suggested that we get back to that number. 2 buoys have washed ashore and need to be repaired and reinstalled with rope and new anchors. After some discussion, Jim made a motion to budget \$1,000 to buy a new buoy and reinstall the other two. Debbie seconded the motion and all were in favor.

Swim buoys will be replaced by Jim Hiss and Doug Milborn on Sunday, April 22.

### **Canal Dredging Sediment Testing**

John led a discussion on requirements for dredging the canal including environmental testing, material removal requirements, and permits, and allowable periods. Dredging seems to be more and more difficult and expensive to do and no one in Lake County has dredged in the last year and there are presently no approved Lake County contractors. After some discussion, a decision was made to investigate this matter further with the new head of Water Resources and potential contractors to help further estimate costs and best approach(es).

### **Committee Reports**

#### **Architectural Report**

Terry Hale reported that 22 properties were found in violation after inspection. Dave will prepare letters for those still in violation.

Terry Hale recommended that if the owners of the house adjacent to the beach area, do not clean up the weeds, the Association should clean it up and back bill the owners.

#### **Friends and Neighbors**

Debi Cormack reported that since the January 13, 2018 meeting, sympathy cards went out to Candace and Raymond De Los Santos for the loss of Candace's mother, and to Ernie Lee for the loss of his mother. She sent get well cards to Doreen Dickson for a knee replacement, to Ellen Lee for a hospital stay due to a liver infection, and to Lola Degoeas who had knee surgery. She sent Thinking of You cards to Joanne Ramhorst who has had recent health problems and to Vern Hunt who has been on an extended visit with his kids. She sent thank you cards to Tony Marchese and Jim Hiss for weed spraying our roads and to Joe Reyes for putting up a new flag and rope at the beach area.

### **Community Reminders**

John reported that the weeds in streets have been sprayed with Round Up. John encourages homeowners to spray for weeds in their driveway.

Jim announced that Barbeques will start again in June on the first Saturday of the month. The Morarity Family will host a chicken barbeque on August 4<sup>th</sup>.

### **Resident's Questions, Input and/or Comments**

There was discussion about the landscaper's recent work and who is directing him. John said he would reach out and coordinate the work with him.

There was some discussion about the concrete work on the Ochoa property. Jim stated the work has to be done by June 4<sup>th</sup>, but it appears there is some new markings so it might be sooner. The first part of the concrete is on County property and may stay even though it jogs onto the beach area.

### **Next Meeting**

The next Annual Meeting and Election will be held on Saturday, July 7th at the beach area. Sarah reminded everyone to submit the nominations forms by May 15.

### **Adjournment**

The meeting was adjourned at 11:30 am.