

KSMA Board Meeting Agenda

January 9, 2023

Attendees (via Zoom): Susan, Linda, Ray, Paul B., Brian, Jeff, Doneg

- Jackie was not available to participate

- **Follow-up Items** from Board Meeting:
 - **Susan** to notify KSMA members in February mailing about creating 3-foot shoulder and the possible need to remove some trees.
 - **Susan** to check Sea Swallow to see if there are trees needing attention.
 - **KSMA (Brian)** to cut a check for 50% of bid for work on quad deck.
 - **Susan** will inform homeowner that parking a boat on his property is ok during the period he is at his home. [DONE]
 - **All** - Postpone vote on proposed Board policy to not contract with Board members for services to KSMA until next meeting
 - An [Investment] Committee will be formed, with **Ray, Linda, and Brian** serving on it, and it will report back to the Board on their research.
 - **Susan** will book the Kiawanda Community Center / Fay Jensen section, if available, for the annual meeting in September. [DONE by Jackie]
 - **Doneg** agreed to research what the currently proposed timeline is for development of the Jensen Property and Pacific Avenue components of the KCP.
 - **Paul** will circulate the written quote from Ayden Fields to the Board. [DONE]

- **Decisions taken:**
 - Board agreed to approve a budget of \$3,300 for work on the deck in the lower quads.
 - The Board agreed unanimously to postpone the vote on the financial compensation policy until the next meeting.
 - An Investment Committee of Ray, Linda and Brian was approved unanimously by the Board.
 - The Board unanimously agreed to use the KCC / Fay Jensen section, if available, for the annual meeting.
 - The KSMA budget for 2023, and the changes the budget for 2022, were unanimously approved, with the changes indicated.

- **Maintenance issues** – Reported by Susan from Scott Culp
 - Coastway construction removed sand blown onto Ocean Drive
 - They think any work done to the proposed 3-foot shoulder should wait until March after wind and storms have died down
 - Q: Should we act then based on safety/visibility issues or wait until we have notified homeowners? Agreed: notify KSMA members in the February mailing; we may need to remove some trees.
 - Seaswallow in particular seems to be an issue. Scott would like board members to check out the situation and get back to them. Susan to check Sea Swallow to see if there are trees needing attention.

- Metro has come out today to inspect both gates. The south gate has been flakey lately. During a power outage, the gates open automatically so people aren't trapped inside. However, they then remain open until power is restored or someone (typically Scott) resets them. The south gate seems to have been stuck open even without an outage. A loose wire in South Gate was found and repaired. On a side note, the Tsunami sign on that gate was stolen; the right people have been notified.
- Fences have been repaired and new materials will need to be ordered to have on hand. Scott is ordering spare parts to have on-site.
- Side note: Scott recommends a website for weather info about PC: www.ocrg.org
- **Lower Quads deck safety repairs** – Paul B.
 - A reminder that we determined that the deck is on community property and we are therefore liable for any accidents. Land in the quads under homes is private property. Other land in the quads is KSMA property.
 - Paul received a bid from Ayden Fields to do the repair work on the quad deck, totaling \$3,300. Board agreed to approve a budget of \$3,300 for work. Brian recommended that two checks be issued: 50% now at start of work and 50% at completion. A request was made for the written quote to be circulated to Board members.
- **Boat parking** in driveways (temporary) - Susan
 - A homeowner is requesting permission to park a boat in his driveway but only when he is visiting his home. He is inquiring because the bylaws say it needs approval.
 - o Not a year-round situation, just during visits to home. Board approved. Susan has informed the homeowner.
- **RV Parking:** Linda asked if it is allowed to park an RV on one's property.
 - o Susan stated it is ok if just one week. Paul added that contractors are not allowed to live on-site in RV during home construction.
- **Road construction and repair update** – Ray
 - o Schedule for road repair/contractor availability? Ray has found a few more potholes needing repair. Ray will ask Scott to help coordinate with Coastway Construction.
 - o Ray bought the product (Aquaphalt) that can fill potholes but it didn't go as far as he anticipated it would.
- **Board policy on contracting with Board members** – Doneg
 - Recap from last meeting:
 - o [Doneg raised issue mentioned at prior KSMA board meeting suggesting that KSMA establish a policy whereby KSMA would not provide financial compensation to board members for work done on behalf of KSMA, with an exception to the policy if there were exceptional circumstances.
 - o There was general agreement on the sentiment of not providing financial compensation to board members. And, general agreement of establishing a broad policy statement on this and not try to get into specifics in the policy statement.
 - o Question raised of whether a Board member could be employed by a firm that KSMA contracts with.

- Request was made for Doneg to draft a policy statement and circulate to Board members for consideration at next Board meeting.]
- Doneg read the proposed policy that he previously circulated to the Board, which reads:
 - “It is the policy of the Kiwanda Shores Maintenance Association that financial compensation is not provided by the KSMA to KSMA board members for work performed on behalf of the KSMA. In the case of exceptional circumstances, those circumstances, the proposed Scope of Work, and the proposed compensation shall be documented and approved by a vote of the board. Financial compensation does not include reimbursing board members for expenditures made on behalf of the KSMA.”
- Ray, Paul, Linda, Jeff, and Doneg recommended KSMA adopt the policy statement. Brian reminded the Board that this issue was first raised in the context of the need to invest the KSMA reserve funds and his firm has the qualifications to manage the funds.
- Brian opposes the proposed policy as he wants the Board to be able to consider instances individually. Ray stated that this policy would protect Board members from criticism, and Susan mentioned that an owner previously questioned transparency on KSMA funds, noting his [the owner’s] own non-profit’s history of embezzlement. Ray also said that his approach with engineering services that he has provided to KSMA is to provide the work without compensation to the extent he is able to. Beyond that, he recommends that the Board hire a separate engineering firm to do the work for compensation. Susan stated that it is important that we not overwhelm any individual Board member; we value their expertise and time spent, such as Scott’s uncompensated work of over 30 years.
- Susan, who abstained on this vote, asked if we want to delay taking a vote on the proposed no-contracting with Board members policy until next meeting, given the two other associated issues raised. (See below). **The Board agreed unanimously to postpone the vote on this policy until the next meeting.**
- **Related Financial Issue #1:** Investment of Reserve Funds: The question was raised on how to move forward with investing the KSMA reserve funds. Doneg suggested establishing a committee of 3 Board members to research. Susan concurred that it would be helpful to have pros and cons presented on different approaches that includes liquidity as a factor.
 - Jeff asked why we don’t immediately place the funds in a higher yielding account now. There was some discussion of whether CDs provide sufficient yields. Doneg modified his suggestion, recommending that the committee of three research: 1) immediate term: where to put the funds right now which will provide higher interest rates than currently being received, no risk, and sufficient liquidity; and (2) longer-term: where to invest the funds and/or what investment vehicles or services to use.
 - Ray, Linda and Brian volunteered to be on the [Investment] Committee. **Establishing the Investment Committee was approved unanimously by the Board.**
- **Related Financial Issue #2:** Waive annual KSMA fees for Board members: Susan asked if, to generate more interest in joining the KSMA board, we should waive the annual KSMA fees of Board members. Susan also asked if we should present this issue to the membership to get their input. Linda stated that she rather not rush this issue to the membership. Jeff, Paul, and Doneg indicated they do not support waiving the fees for Board members.

- **Financials and Budget review** – Brian
 - Brian shared information on the 2022 and 2023 budget and financials. He commented that Robin is doing great work on preparing financial statements. Ray indicated that we need a budget of \$25,000 in 2023 for road paving. Brian indicated a separate entry (“Reserve deposit: Road construction”) will be established showing \$25,000 of funding from the reserve fund for this.
 - Brian commented that the outstanding (past due) annual dues are only \$2,421. This is due to the work of Paul Schmidt to track down the dues.
 - For 2023, member dues are expected to be higher due to new building in KS. Landscaping costs are going up, with additional funds to be added to walk-way maintenance. The premiums for insurance policies increased.
 - It was recommended that KSMA budget a little more in order to hold the annual meeting in the Kiawanda Community Center. Susan added that the Fey Jensen section of the KCC is preferred. The Board unanimously agreed to use the KCC / Fay Jensen section, if available, for the annual meeting. Susan will book for the September meeting.
 - Storage costs are increasing. Alternatives were considered, but none found workable.
 - Towing budget is \$500. KSMA typically gets reimbursed by the car owner when towed.
 - Web site hosting fees: Brian and Alan are going to talk about options for lowering fees, if possible.
 - **The KSMA budget for 2023, and the changes the budget for 2022, were unanimously approved, with the changes indicated.**
- **Architectural Committee** discussion – Paul
 - No items
- Letter sent re **Kiwanda Corridor Project (KCP)** – Doneg
 - Doneg mentioned that, following the last Board meeting, KSMA sent a letter to the Kiwanda Corridor Project asking that a fence and buffer zone be added along the south end of Ocean Drive along the Jensen Property development. The KCP (Brook Wyntergreen) responded stating this recommendation will be incorporated, although the timeframe for this work is 2-3 years out. Doneg agreed to research what the currently proposed timeline is for development of the Jensen Property and Pacific Avenue components of the KCP.
- **Questions / Inquiries through KSMA website:** Susan asked that all Board members feel free to respond to questions/inquiries received if we are familiar with the issue. “Bcc” all Board members so we all know whether it was responded to.
- **Zoom meeting invites:** Doneg will continue sending out Board meeting invites through Zoom. Please respond to the invites (accept; tentative; decline) to help track. Don’t forget to open the attachment and save it to your calendar. Each invite URL is specific to that date.
- **Short-term rentals meeting:** Brian stated that a meeting of the Short-Term Rentals Advisory Committee is scheduled for tomorrow (1/10/2023). Options are being discussed.