**Seven Coves Association, Inc.**
**Board Meeting**
**January 1, 2022, Tuesday, 6:30 PM**
**MEETING AGENDA**

This is a board meeting. Members may observe but please hold all questions and comments for the open forum.

1. **Call Open Session to Order**

2. **President provides summary of** prior executive session regarding legal action, contracts, disciplinary hearings, employee matters, repayment plans and foreclosures.

2. **Review/Approval of Minutes of Last Board Meeting**

3. **Reports**
   a. Treasurer's Report
   b. President's Report
   c. Committee Report
      -Architectural Control Report
   d. Manager's Report
      -Deed Violation and Marina Report
   e. Ladies Club Report

4. **New Business**
   a. Clubhouse deck leveling
   b. Slab in front of boat dock
   c. Dock 1 nuts and bolts replacement

5. **Old Business**
   a. Ratification of all actions of the Board since the last meeting.
      1. Pump room & pool gazebo roofs replaced.

6. **Adjourn Open Meeting.**

7. If needed, **Adjourn to Executive Session – to discuss;** This meeting may be adjourned at any time by the board of directors for the purposes of meeting in an executive session.

9. Reconvene Open Session-To consider and take any necessary action with respect to any matters considered in executive session.

10. Adjournment.

11. **Open Forum**. During open forum, each attendee may address the board for up to three minutes. Speakers must observe rules of decorum and not engage in other disruptive behavior. If a speaker is in the middle of a sentence when time is called, he/she may finish their thought before sitting down. Speakers may not allot their time to others. All persons must follow the Meeting Rules listed at the bottom of this agenda.

**MEETING RULES**: No audio or video recording allowed by attendees. However, the secretary may record the meeting to aid in the preparation of minutes. The recording is deleted once the minutes have been prepared. As provided in the "Open Meeting Act," members may observe the meeting but do not have the right to participate in the board's deliberations or votes. Members may address matters during the open forum portion of the meeting. If attendees become disruptive, they may be expelled from the meeting and/or fined.

SEVEN COVES HOMEOWNERS' ASSOCIATION
Monthly Board Meeting
Tuesday, November 30, 2021

Regular Board Meeting called to order at 6:34 pm

Seven Coves Board Members Present:
Tim Steinmuller, Don Chronister, Kevin Lacy, Mike McLaughlin, & Peggy Dentler

IMC Reps. Present:
Steve Durham & Amy Lundy

Minutes:
Approval of October Minutes: Mike McLaughlin made a motion to approve and Peggy Dentler second, unanimously approved.

Financials:
Financial Report was given by Kevin Lacy. Don Chronister made a motion to approve the report and Mike McLaughlin second, unanimously approved.

**President's Report given by Tim Steinmuller, President:**
November 30, 2021 is the last monthly board meeting for 2021. In February 2021, a major freeze damaged a large percentage of the pipes in the marina, pool and clubhouse area. It was a huge repair project which has all been completed. We started a major remodeling project in the clubhouse right after 4th of July which should have been completed by now, but due to shorthand of workers and materials, the completion of this project has drug out. The exterior painting is being worked on currently. I'd like to thank our Vice President, Don and office manager, Amy for staying on top of this project. We are also renting the clubhouse for events. We have also had a lot of trees trimmed up around the amenities including around the clubhouse the playground and the basketball court. We will be approving the 2022 budget in our November meeting. We plan on hosting subdivision events again in 2022, now that the covid pandemic has settled down. We hope everyone enjoyed their Thanksgiving holiday this year. I am personally grateful to live in this beautiful subdivision and I pray that you all have a truly blessed and safe Christmas holiday and very happy New Year. Thank you for attending tonight's meeting.

**New Business**

a. Kevin Lacy made a motion to approve the bid for adding crushed rock around the gazebo at the end of the breakwater for $1964.74. Don Chronister second, unanimously approved.
b. Power washing will start after the 1st of January 2022.
c. Kevin Lacy made a motion to approve the 2022 Budget and reinstated that there will be a $25.00 increase in the HOA dues for 2022 and will maintain this amount for the following 3 years. Mike McLaughlin second, unanimously approved.

d. Kevin Lacy made a motion to turn deed violations accounts over to legal counsel. Don Chronister second, unanimously approved.

**Old Business**

a. Ratification of all actions of the Board since last meeting.
   1. Met and discussed final agreement with Ladies club for their use of the clubhouse.

Regular Board Meeting adjourned at 6:50 pm.

_____ _____

Secretary Date

Seven Coves Financial Report – End of December 2021 (12 months actuals = 100% of year)

Prepared by Seven Coves Treasurer – Kevin Lacy January 24, 2022

## Income Summary

| | | 12 mo Actuals | 12 mo Budget | % Tot Rev | 12 mo FC | Act vs Budget |
|---|---|---|---|---|---|---|
| Revenues | Res Assmts | $382,413 | $388,900 | 43% | $382,413 | 0.98 |
| | Comm Assmts | $68,395 | $68,430 | 8% | $68,395 | 1.00 |
| | Subtotal | $450,808 | $457,330 | 51% | $450,808 | 0.99 |
| | | | | | | |
| Misc Inc | Fees | $38,781 | $37,500 | 4% | $38,781 | 1.03 |
| | Franchise | $37,663 | $17,500 | 2% | $37,663 | 2.15 |
| | Landing | $9,972 | $7,000 | 1% | $9,972 | 1.42 |
| | Subtotal | $86,416 | $62,000 | 7% | $86,416 | 1.39 |
| | | | | | | |
| Rental Inc | Marina | $342,700 | $320,000 | 36% | $342,700 | 1.07 |
| | Clubhouse | $11,800 | $25,000 | 3% | $11,800 | 0.47 |
| | Trailer Lot | $26,300 | $30,000 | 3% | $26,300 | 0.88 |
| | Subtotal | $380,800 | $375,000 | 42% | $380,800 | 1.02 |
| Total Rev | | $918,024 | $894,330 | 100% | $918,024 | 1.03 |

## Major Expense Summary

| | | 12 mo Actual | 12 mo Budget | % Tot Exp | 12 mo FC | Act vs Budget |
|---|---|---|---|---|---|---|
| Maj Exp | Trash Serv | $156,150 | $150,000 | 18% | $156,150 | 1.04 |
| | IMC Services | $117,100 | $117,000 | 14% | $117,100 | 1.00 |
| | Depreciation | $89,100 | $108,000 | 13% | $89,100 | 0.83 |
| | Insurance | $90,500 | $90,000 | 11% | $90,500 | 1.01 |
| | Mow & Landscape | $70,600 | $65,000 | 8% | $70,600 | 1.09 |
| | Top 5 Subtotal | $523,450 | $530,000 | 62% | $523,450 | 0.99 |
| | | | | | | |
| | Courtesy Patrol | $43,500 | $56,400 | 7% | $43,500 | 0.77 |
| | Marina Maint | $40,100 | $50,400 | 6% | $40,100 | 0.80 |
| | SJRA Fee | $31,600 | $32,000 | 4% | $31,600 | 0.99 |
| | Utilities | $26,600 | $27,000 | 3% | $26,600 | 0.99 |
| | Dock Loan Int | $16,400 | $18,000 | 2% | $16,400 | 0.91 |
| | Next 5 Subtotal | $158,200 | $183,800 | 22% | $158,200 | 0.86 |

**Remaining Expense Summary**

| | 12 mo Actual | 12 mo Budget | % Tot Exp | 12 mo FC | Fc vs Budget |
|---|---|---|---|---|---|
| **Clubhouse Maint** | $10,000 | $10,000 | 1.2% | $10,000 | 1.00 |
| **Attorney Fees** | $27,000 | $20,000 | 2.3% | $27,000 | 1.35 |
| **Security System** | $22,300 | $12,000 | 1.4% | $22,300 | 1.86 |
| **Pool Monitors** | $11,000 | $18,000 | 2.1% | $11,000 | 0.61 |
| **Pool Cleaning** | $12,000 | $10,000 | 1.2% | $12,000 | 1.20 |
| **Property Taxes** | $3,950 | $3,800 | 0.4% | $3,950 | 1.04 |
| **Accounting Serv** | $4,375 | $9,000 | 1.1% | $4,375 | 0.49 |
| **Gen Expense** | $11,200 | $9,000 | 1.1% | $11,200 | 1.24 |
| **Clubhouse Cleaning** | $4,375 | $5,000 | 0.6% | $4,375 | 0.88 |
| **Phone Internet** | $3,000 | $4,000 | 0.5% | $3,000 | 0.75 |
| **Next 10 Subtotal** | $109,200 | $100,800 | 11.8% | $109,200 | 1.08 |
| | | | | | |
| **Misc Subtotal (15)** | $37,495 | $38,700 | 4.5% | $37,495 | 0.97 |
| | | | | | |
| **Total Expense** | **$839,145** | **$853,300** | **100%** | **$839,145** | **0.98** |

**2021 Summary –Revenues were largely (99%) as forecasted for assessments. Positive revenues well in excess of forecast came from new negotiated increased franchise fees ($20K) from Sudden Link and from the Landing ($3K). Actual 2021 Marina revenues came in higher ($23K) than budgeted which covered the lower than budgeted revenues from very low (-$13K) Clubhouse rental incomes due to Covid & remodel shut down and lower trailer lot rental revenues(-$3.7K). Marina revenue was able to cover the entire gap in rental income. Full year income forecasted for 2021 is now expected to be approximately $24K higher than budgeted (3%) due primarily to Marina and Franchise fee revenues.**

**Since last meeting no significant changes in expense forecast. Actual higher 2021 costs than were budgeted only occurred in two areas of our top ten costs categories. These ten areas represent 84% of our total costs. These higher than budget areas were Trash Services and Mowing and Landscaping where we authorized additional mowing in the greenbelt areas and extra tree removals and trimming. Through decisions on modifying security patrols and staying with only one pool monitor on weekdays were able to save $20K on costs. Forecasts for utilities, IMC Services, SJRA fees, and insurance costs were exactly on budget. We did have higher security system costs due to two lightning strikes. New lightning protection systems have been installed.**

**For the full year 2021 we are forecasting an operating profit once the Clubhouse Costs are moved fully to our loan balance. It was planned to have a surplus of at least $50K due to the increased per year HOA assessments but most of that money had to pay for multiple storm and freeze damages throughout the year. Fortunately, due to the other increased revenues mentioned above and good cost management we forecast an operating surplus of $77K which will be moved to our two reserve funds for future marina replacement projects and other needed smaller projects as they occur.**

Seven Coves HOA – December 2021 Balance Sheet Summary

Prepared by Kevin Lacy – Treasurer January 24, 2022

| | | |
|---|---|---|
| Current Assets | Revenue Checking Acct | $231,000 |
| | Operating Checking Account | $95,500 |
| | Money Market | $223,800 |
| | CD | $63,900 |
| Balance of Banking Assets | | $614,200 |
| | | |
| Prepay and Deposits | Residential | $46,150 |
| | Marina / AR Adj | $70,760* |
| | Clubhouse | $150 |
| | Trailer Lot | $90 |
| | Allowance Bad Debt & Misc | ($20,000) |
| Balance of PP and Deposits | | $97,150 |
| | | |
| Fixed Assets | Marina | $1,061,000 |
| | Pool | $105,370 |
| | Clubhouse | $208,200* |
| | Dock Flotations | $69,800 |
| | Playground Equipment | $49,700 |
| | Office | $47,700 |
| | Nine (9) Other Assets | $200,770 |
| | Accumulated Depreciation | ($1,150,500) |
| Balance Fixed Assets | | $837,000 |
| | | |
| Total Assets | | $1,548,350* |
| | | |
| Total Liabilities and Equity | | |
| Liabilities | Marina / Clubhouse Loan | $436,700 |
| | Prepay Assessments | $158,400 |
| | Refundable Constr Deposits | $39,000 |
| | Misc Assessments | $10,230 |
| Total Liabilities | | $644,330 |
| | | |
| Equity | Current Year Net Income | -$112,800 |
| | Capital Reserves | $58,000 |
| | Retained Earnings | $958,820* |
| Total Equity | | $904,020 |
| | | |
| Total Liabilities and Equity | | $1,548,350 |

January 2022, newsletter from the President,
By Tim Steinmuller

Hello and Happy New Year. I hope your holidays were incredible and the new year is going well. I hope that we can start to return to some sort of normalcy this year. That being said I would like to thank all who had a hand at the Casino night on New Years Eve. I know the Ladies Club, Shelly, Lois, and others were involved in it but they also endured many obstacles. It was the first sponsored event in quite awhile, and although attendance was low I'm sure those who attended it had a good time, I know I did.

I'd like to encourage you to tour the clubhouse and check it out. It is looking great. We are hoping to have it finished by the end of January. The contractor is currently, (weather permitting) repainting the clubhouse to match the color of the office and pool building. A lot of hours have been put in by Don Chronister and Amy Lundy to get it to where it is and we thank you Don and Amy.

In December we also had the roofs replaced on the pool building and the pool gazebo. The gazebo roof at the end of the breakwater is scheduled to be replaced in March. Trees were also trimmed at the playground, marina area and clubhouse. It has given the areas a cleaner look.

Once again I hope your New Year is going well.

Until next month,
Tim Steinmuller,
President Seven Coves HOA

# Deed Violation Report

January 25, 2022

## Violations-Categorized (Percentage)

3 Vehicle Parking: trailers, boats, atvs, etc. stored in yard/driveway.
2 Unsightly: Trash/misc. items stored in driveway/yard.
2 Yard Maintenance: mowing, edging, weeding, and/or pruning.

## Violations-Activity

3 1st Notice
2 Closed: Violation Cured
2 2nd Letter not cured.

January 25, 2022

# MARINA REPORT

| | | AVAILABLE | VACANT | TM | LM |
|---|---|---|---|---|---|
| DOCK #1 | COVERED | 36 | 8 | 77% | 75% |
| | UNCOVERED | 30 | 6 | 80% | 76% |
| | *TOTAL* | 66 | 15 | 77% | |
| DOCK #2 | COVERED | 54 | 4 | 92% | 94% |
| DOCK #3 | COVERED | 60 | 16 | 73% | 75% |
| DOCK #4 | COVERED | 28 | 6 | 78% | 78% |
| | UNCOVERED | 48 | 5 | 89% | 89% |
| | *TOTAL* | 76 | 11 | 87% | 87% |
| OVERALL | COVERED | 178 | 34 | 80% | 81% |
| | UNCOVERED | 78 | 11 | 85% | 84% |
| | *TOTAL* | 256 | 45 | 82% | 82% |

# Ladies Group
## Jan, 2022

| | | |
|---|---|---|
| Dec. 16 | 7 women 2 hrs<br>helped Lois clean closet | 14 hrs |
| Dec. 31<br>A.M. | 6 women 1½ hrs<br>set up tables and decorated | 9 hrs |
| P.M. | 2 women 5 hrs<br>ran evening party | 10 hrs |
| P.M. | 3 women 1 hr.<br>cleaned up after party | 3 hrs |
| Jan. 1 | 3 women 1 hr<br>finished cleaning | 3 hrs |
| Jayne Halton | calling for helpers | 6 hrs |
| Gay Curlee | ended up totally in charge — shop, clean, organize | 5 hrs |
| | | 50 hrs |

Lois - Covid
Shelley - broken foot

(over)