

2022 Annual meeting Q & A

Q: How can the amount exceed \$120.00 as the bylaws state?

A: The bylaws state that assessments, except for the sale of water, which can be set by the board and is currently \$75.00, cannot exceed \$120.00.

Q: Is the HOA increase for each lot?

A: Yes, just as the \$10.00 HOA fee was for each lot, so is the \$40.00. If you have two lots and even if one is non-metered, you'll pay \$80.00 instead of \$20.00. You can combine the lots (lot consolidation through Thurston County) to reduce the fee. Until and if the bylaws are changed to removed this requirement, it's the hard truth.

Q: What considerations have gone into the proposed budget for expenses?

A: We've reviewed the past expenditures as well as we can with the records we have in addition to review of recent expenses, expected expenses, and some money has been budgeted to address repairs. There are personnel expenses, overhead such as insurance, accountants, and legal fees, utilities such as power and phone, costs for running the water system, etc. We have included considerations for the rising cost of inflation, a fact of life that SLMC is impacted by as is everyone.

Q: What business assumptions were made for the budget since planned income isn't necessarily actual income?

A: Income and Revenue are the same and the projected amount is based on the monthly billing to each member. That's what we pay taxes on, so that's what we must figure into our income statements. Our projected receivables never quite match income, as not every member pays their bill on time and in the full amount.

Q: Are there plans to hire office personnel and a seasonal worker?

A: Yes, we plan to hire a full time office person and a seasonal worker to assist our maintenance person. SLMC is a business, a non-profit, but a business just the same. It is unrealistic to expect volunteers to run this business long term. It is vital that we have hire personnel to carry on the running of the business and to perform the necessary duties in order to reliably get the work done and to keep operations running smoothly. What we can do as volunteers is lay the ground work, build solid foundations for how we require it to function. Then hire personnel to follow the SOP we've set in place.

Q: When will these positions be filled?

A: The seasonal worker will primarily assist and report to our Maintenance Technician during the summer months. The office worker timeframe hasn't been discussed by the board yet, but we're planning for it in this fiscal year.

Q: What salary level went into the calculation for these positions?

A: We based the salary on the descriptions of the position, what local pay scales are for these types of positions and of course have a flexible range to accommodate the individuals skill and experience.

Q: What is the current salary for the Maintenance Technician?

A: \$3,640 a month, paid twice a month at \$1,820 each pay period.

Q: Do the salaries in the budget include any pay increases?

A: Yes. It is important for us to treat our employees with respect and to recognize their efforts as they gain better knowledge and efficiencies in their jobs. With the tight labor market, if we do not make these efforts, we will not be able to retain good employees.

Q: Am I correct in understanding that all current board members with expiring seats aren't running again?

A: Yes, you are correct. At this time, we haven't received any interest from community members to be candidates or board members with expiring seats to run on the ballot.

Q: Are board members paid?

A: No, they are volunteers and are not paid.

Q: What is the current amount of past due water bills?

A: Approximately \$40,300

Q: Why should the paying members be required to pay the \$14,000 that appears to be lacking with the collection of the \$18.58 monthly reserve payback amount?

A: Unfortunately, this is what happens when people don't pay their bills. Because the money was borrowed from the reserves, SLMC is required to pay the reserves back within 2 years. When people don't pay, that is less income, but doesn't remove the requirement to pay that back.

Q: How many accounts are past due?

A: Approximately 39

Q: What positions are full-time and what positions are part-time?

A: The Maintenance Technician and Office Manager are full-time positions. The seasonal worker will be a temporary part-time position.

Q: What was the criteria when figuring the mileage reimbursement?

A: It is based upon the IRS 2022 Mileage Reimbursement Rate of \$.585 a mile and about 128 miles a month, rounded up. We've estimated the mileage for both the Office Manager and the Maintenance Technician.

Q: Is medical insurance being paid for employees?

A: No, we didn't calculate medical insurance into our positions. Although it is important to us to take care of our employees, at this time it is an expense we cannot afford.

Q: What is being paid for Employment Security and why is it so high?

A: This amount is set by the State and is based on factors similar to insurance, where it depends on the level of risk an employee endures while on the job. Currently, it's approximately \$1.00 for every hour worked for our Maintenance Technician and slightly less for the Office Manager. There are other fees that SLMC pays that will be shared once it's gathered.

Q: The "Park Supply Expense and Maintenance Equipment" appear to be a duplicate of "Equipment Maintenance".

A: They aren't duplicates.

Park Supplies: Buoys, Swim Lines, Signs, Playground Cover

Maintenance Equipment: Blades, Sharpening Services, Weed Line

Equipment Maintenance: Gasoline, Oil, Spark Plugs, Filters

Q: Why are the Expenses defined as Total Monthly Bills?

A: The information came from our spreadsheet on expenses that track monthly expenses. The title carried over as Monthly when it was actually the total of the monthly expenses. we have columns that define each month and didn't replace the word "Month" for "Year", so that being said, please divide \$59,460 by 12 to get the monthly expense which is \$4955.

Q: Why is "Public Utility" listed as part of the DOR Taxes?

A: That was a mis-type, we are in fact a "Private Utility", on private land, providing water to select members of the private land. We are required to pay taxes on money received for the sale of water, which is how the State views the water payments.