

BAYSHORE BEACH CLUB, INC.
BOARD OF DIRECTORS MEETING
Saturday, June 19, 2021

In Attendance:

Kenn Apel, Director	District 1
Gina Bebek, Director	District 2
Steve Sager, Director	District 3
Jacque Smith, Corp. Secy	District 3
Tom Hurt, Vice President	District 4
Carolyn Gardner, Director	District 5
Mark Mugnai, Director	District 6
William Nightingale, President	District 7

The Corporate Secretary determined that a quorum was present. The Board of Directors' Meeting was called to order by President Nightingale at 1:03 pm.

Approval of Minutes

It was asked if there were any changes before accepting the Minutes of the Annual Meeting of May 15, 2021 Meeting. No changes were offered. The motion passed unanimously.

It was asked if there were any changes before accepting the Minutes of the May 15, 2021 Organizational Meeting. No changes were offered. The motion passed unanimously.

It was asked if there were any changes before accepting the Minutes of the May 17, 2021 Emergency Board Meeting. No changes were offered. The motion passed unanimously.

It was asked if there were any changes before accepting the Minutes of the May 24, 2021 Special Board Meeting. There was grammatical change to the spelling of a last name. It was also noted that the motion approving the appointment of Director Apel to be the liaison to the Policy and Procedures Committee was missing. With these amendments, the motion passed unanimously.

Parliamentarian. President Nightingale appointed John Gardner as interim Parliamentarian.

REPORTS:

Financials. The financial reports for May 2021 were accepted as submitted and are attached.

As of May 31, 2021 the Operating Fund balance is \$173,480.05.

As of May 31, 2021 the Long-Term Reserve Fund balance is \$369,489.57.

Accounts receivable balance as of May 31, 2021 is \$250,948.19. This includes 1 account that is currently in collection. It also includes the next year's billing in the amount of \$243,600.00 which will be reported as income on July 1, 2021.

Late fees and interest have been charged to all past due accounts as of March 31, 2021.

Additional interest charges will be posted in June 2021.

Current Liabilities including accounts payable and payroll related items total \$7,809.07 as of May 31, 2021.

There were 8 property transfers in May and a total of 82 for the fiscal year. Interest income is well below the budget as a result of the maturity of the treasury bills. This should increase once the funds are transferred to new accounts. There was no change in the CB Financial accounts as of May 31, 2021. Funds in CB Financial need to be transferred to a new interest-bearing account.

The Board stated it will look into options for maximizing our future interest income.

IRS Tax Issues. Bayshore’s Accountant Jerry Musial explained why the Bayshore Beach Club was set up as a 501(C)(4) of Title 26 of the United States Code and not as an HOA. In 1981, Bayshore was audited and the IRS was going to take away Bayshore’s non-profit tax exemption. Bayshore appealed the decision and won and it was corrected. If Bayshore loses exempt status, we will have to pay back taxes and have to pay property taxes of over \$20,000. There was a question from a member about possibly changing our status or having the IRS audit Bayshore. Accountant Musial explained very simply it would be mistake to invite the IRS to audit us or to change our exemption status under the United States Code. Accountant Musial further explained that he had this discussion with several Presidents of the Board that Bayshore have to allow some form of public use of our facilities in order to maintain our exception. This became critical when the former Board ruled to prevent Short Term Renters and the public in general from using any of our facilities. This action could have put the charitable status into question if it was not changed. Director Hurt mentioned that we should not be referring to ourselves as an HOA but rather use the term Beach Club.

Planning Committee. Vice President Hurt, Liaison to the Planning Committee, thanked the past Planning Committees for their hard work. He went on to give an overview of fines and liens and how they happen. Vice President Hurt would like clarification of the definition of what a business interests means. There was Board discussion of this. He mentioned that the Oregon Supreme Court has ruled that STRs are not a business per se. He asked the Policy and Procedures Committee to bring some clarity to that. He presented a Planning Committee Log prepared by Robin Adcock, attached.

Vice President Hurt said that former Planning Committee members Mary Lou Morris and Robin Adcock had been approved to a 90-day appointment on the Planning Committee until more permanent members could be recruited. He explained his reasoning for the appointments.

Motion. Vice President Hurt moved, and it was seconded by Corporate Secretary Smith, pursuant to advise of legal counsel, that the Board remove the lien placed upon one of the member’s property, waive the lien fees, and the owner’s membership card be issued when dues are current.

Vote:

Apel	Yes	Hurt	Yes
Bebek	Yes	Gardner	Yes
Sager	Yes	Mugnai	Yes
Smith	Yes	Nightingale	Abstain

Motion passed 7-0-1.

Motion. Vice President Hurt moved, and it was seconded by Corporate Secretary Smith, to nominate Britni Jessup to serve on the Planning Committee. As there was no dissention, the Motion passed unanimously.

Motion. Vice President Hurt moved, and it was seconded by Corporate Secretary Smith, to purchase a computer for the Planning Committee’s use, the cost of which would not be more than \$500. As there was no dissention, the Motion passed unanimously.

Vice President Hurt went on to discuss how RVs and utility trailers are only allowed within Bayshore when loading and unloading, unless they have received a prior permit. He went on to talk about how members need to maintain their property in accordance with the rules such as keeping shrubs and trees trimmed.

Long Range Reserve & Physical Assets. Bob Tunison spoke briefly of the structure of the Committee and the need for new volunteers. Accountant Musial mentioned the need to plan for major expenses like the roof and siding, etc. in the future. It is 10- 25-year plan and money will be earmarked for certain purposes.

Facilities. Facilities Manager Tunison wants to keep the facemask requirement at the Clubhouse until there is a change by County and State because there has been a minor resurgence in Lincoln County.

Tunison reported that Bayshore had saved almost \$9,000 of \$10,000 that had been budgeted because some pool work was able to be done in a simpler fashion. Our current vacuum cleaner is very old and needs to be replaced and/or augmented. Due to this cost savings and in interest of cutting down the amount of time, 6 weeks, it takes to get the pool clean prior to the opening, he recommended to augment our current system with a new robotic system. This would free up the Facilities Manager to do other work.

Motion. Director Gardner moved, and it was seconded by Corporate Secretary Smith, that Bayshore should authorize up to the requested amount of \$5,800 on a pool vacuum, so the expense will go on current year’s budget.

Vote:

Apel	Yes	Hurt	Yes
Bebek	Yes	Gardner	Yes
Sager	Yes	Mugnai	No
Smith	Yes	Nightingale	Yes

Motion passed 7-1-0.

The gravel lot issue was discussed about how people are doing “donuts” and “brodies” and parking illegally in the vacant lot. Various options to curtail illegal activity were discussed. Signs large enough to be visible in such a large area would cost \$1,600 -\$1,700 and then it would cost us money to tow offending vehicles to a State regulated impound lot. Unfortunately, there are no impound lots close to us so it’s very expensive to tow vehicles and we may never be compensated for this expense. This does not seem feasible. The Facilities Manager will get estimates on what it would cost to have large or medium boulders or a split-rail fence to enclose the perimeter with a chain opening so service vehicles could use the lot when necessary.

Next the Facility Manager talked about the horrible shape of the basketball courts. He will get 3 bids to fix the area. There was also discussion about potentially adding pickleball lines and a movable net system and other minor upkeep.

Personnel Issue. Bob Tunison apologized about his tirade at the last Board Meeting that was broadcast over Zoom while the Directors were in Executive Session in that he felt he let down the Board and the Membership. He further apologized to Shelly Woodke and Jeff McElhannon for comments he made personally about them.

Safety Committee. The Safety Committee submitted a report and Director Sager relayed in Committee Chair Uhlman's absence that the Committee was being very active and was working on the following: evacuation plans and visible signage, safety lighting, painting of the cache cargo container, and firework issues. Director Sager thanked Bill Uhlmann and Roger Smith's hard work in getting this Committee moving in the right direction.

Director Sager went on to discuss the danger of fireworks because of the high fire threat and drought conditions and he would reach out to the Sheriff's office and request increased patrols during the 4th of July holiday weekend.

Motion. Director Sager moved, and it was seconded by Director Apel, that fireworks would be banned in Bayshore this year, including sparklers and such, due to the extreme fire hazards, and signage would be placed at critical points. As there was no dissention, the Motion passed unanimously.

Policies and Procedures Committee. Director Apel shared that the Committee was reviewing the February 2021 revisions to the Policies and Procedures manual.

Motion. Director Apel moved, and it was seconded by Director Smith, to nominate Debbie White to the Policy and Procedures Committee. As there was no dissention, the Motion passed unanimously.

Motion. Director Apel moved, and it was seconded by Director Bebek, to nominate Kathi Lenz to the Policy and Procedures Committee. As there was no dissention, the Motion passed unanimously.

Social Committee. Committee Chair Bradshaw gave a report on the status of the welcome back party "Life's a Beach" Meet N Greet. The party will be held on July 10, 2021 from 1-4 pm at the west parking lot behind the Clubhouse. There will be "beachy" door prize prizes and wonderful food catered by Lazy Days Cafe and live music by Weird Science. She needs more volunteers. If interested contact the office. Rose is looking for someone to help either Co-Chair or take over for her for the Social Committee in the future.

Communication Committee. Corporate Secretary Smith reported that we are in a state of flux and we are still having difficulty getting the passwords to the Bayshore website created by Shelly Woodke transferred to the new Communication Committee, therefore we are unable to do any updates or post new items like the pool schedule, parties, or new Minutes.

President Nightingale happily announced that former Breeze Editor Leslie O'Donnell has agreed to come back as our Editor.

Motion. President Nightingale moved, and it was seconded by Corporate Secretary Smith, that a laptop be purchased not to exceed \$500 in cost to be used exclusively for use of the Breeze. As there was no dissention, the Motion passed unanimously.

UNFINISHED BUSINESS:

Budget. Director Gardner presented a revised Budget for the fiscal year 2021-2022. The previously approved line item for the Social Committee was decreased from \$10,000 to \$6,000 because we will be able to do potlucks and will not be required to cater all events due to Covid-19 restrictions being relaxed. There was discussion of multiple line items.

Motion. Vice President Hurt moved, and it was seconded by Director Apel, that the budget be approved as modified. As there was no dissention, the Motion passed unanimously.

Good Neighbor Committee. A new committee is going to be formed, formerly known as No-Named Committee aka STR Task Force, to encourage Bayshore members to work together to resolve their differences before neighborhood relationships are irreparable harmed. She will work with Policy and Procedures to establish guidelines.

Motion. Corporate Secretary Smith moved, and it was seconded by Vice President Hurt, to nominate Director Bebek to be the liaison to the newly formed Good Neighbor Committee. As there was no dissention, the Motion passed unanimously.

Office Administrator. There discussion about Office Administrator position. President Nightingale did research about longer hour and days the office could be open and it would give us a backup person. There was discussion that we needed to increase our salary a little bit above minimum wage. Director Apel was going to post job openings on the web for two new part-time positions which would comprise a job share to cover Monday through Saturday. Our current office employee will be given the opportunity to be considered. Letters of Interest/Resumes should be forwarded to Corporate Secretary Smith by the deadline of July 9, 2021

NEW BUSINESS:

Facility Manager Duties. Corporate Secretary Smith explained that there was concern that the previous Board had put Facility Manager into the role as the manager for the Office Administrator. Per the Policy and Procedures, the office administrator's manager is the President. They should be lateral positions. The Facility Manager will no longer oversee the office staff, but will retain oversight of the pool staff.

Beach Access. Beach Access at 67C is causing issues as it is very steep. Director Apel and Facilities Manager Tunison are working with the Oregon State Parks Department to come up with a remedy to make it more accessible. President Nightingale explained that we can collect funds from community events to pay for beach access for members with physical limitations at the main beach access and wanted us to look into possible grants. Director Apel is going to look into the future possibility of getting a grant to get a boardwalk installed.

Yard Signs. Director Apel shared that some members were concerned about signs not being removed after elections, etc. This would include 15Neighborhoods and ViaOregon signs. President Nightingale asked

Corporate Secretary Smith and Director Apel to prepare a notice, per the Policy and Procedures, stating that offending parties will be given until July 30th to remove the signs, after than the Planning Committee will be sending notice letters.

HOA Management Company. Since we are running so late, the discussion will be tabled until next meeting.

MEMBERS COMMENTS:

Dwayne Hayden about the Budget. He was unable to attend.

Gary Brown of District 5, wants to know if the Director who was elected to District 5 lives in the district she represents, as he does not believe she does.

Adjournment. The meeting was adjourned at 3:36 pm.

DRAFT