

PEBBLE BEACH VILLAS
BOARD OF DIRECTORS MEETING

MEETING DATE: Wednesday, February 22, 2023

MEETING TIME: 10 a.m.

MEETING PLACE: PBV Clubhouse

MEETING MINUTES

1. CALL TO ORDER:

Bette Tsoutsouras called the meeting to order at 10:05 a.m.

2. ROLL CALL:

Present: Kevin Kelly, Peter Probasco, Steve Croft, Dave Chisholm Don Groshong, and Ken Quinn. By phone, Bette Tsoutsouras

3. APPROVAL OF JANUARY 27, 2023 MINUTES:

Motion by Ken Quinn, seconded by Bette to approve the 1.27.2023 and waive reading of the Minutes. Motion unanimously approved by the Board.

4. TREASURER'S REPORT:

Steve reviewed the January 2023 financials, starting with the Operating results. Expenses were \$31,338 with an operating budget of \$34,606, for a monthly net income of \$3,268. Building Operations were underbudget by \$845. Grounds & Landscaping expenses were \$2,263 under budget; however, most of this will be spend later in the year when we do tree trimming and landscape replacement and mulching. This is a good start to 2023

Steve also presented a "2023 Outlook for PBV's Reserves". We started the year with \$667,808 in our five funds, and \$2,660 in reserves interest that has not yet been allocated to any single fund. Thus we started the year with a total of \$670,468 in our reserves. The 8 projects the board approved on Jan.

27th are estimated to cost \$103,500--if we are able to get them all completed this year. Our regular reserves assessment for 2023 will add \$103,001 to our funds this year. As discussed in the next paragraph, we expect to add about \$17,500 of CD interest to our unallocated reserves interest this year and expect our reserves will end 2023 at about \$685,000. In addition, since our 2022 yearend balance in the painting reserve was -\$1,702, we will need to cure this by shifting \$1,702 of unallocated interest to the painting fund. Also, Steve noted that in the three years we have been tracking work as projects, we have never been able to spend all the approved money in the approval year. This is due the large amount of board and Elliott Merrill time it takes to adequately research, specify, and oversee the work associated with these projects.

Steve also reported that PBV is putting \$500,000 of our reserve funds to work by buying CD's. So instead of our reserve money sitting a bank savings account earning less than 0.1% interest, starting in late February, we will use four CD's (totaling \$500,000) to earn about 4% Apy, and as noted above this should generate about \$17,500 of interest in 2023. ***See attachment for Chart.***

Kevin thanked Steve for his time and work in laying out the financial details, and he praised Elliott Merrill for their help in working out the CD strategy.

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5. OLD BUSINESS:

Request by owner Ron Schorg to expand minutes: KMK reported that per legal advice the PBV Minutes should not be expanded to include questions/comments from the owners unless the Board has to make a specific decision. Ron Schorg will be notified of the decision by email.

6. COMMITTEE REPORTS:

- a. **A/V Committee Report.** Jim Higgins has presented the report of the committee. The Board accepted the report and voted to file the report in our vital records file for future reference and action.
- b. **Web Committee Update.** Kevin reported that Bette had determined that the existing software used for our website is no longer supported and stated that she is attempting to maintain it

the best she can. Dave gave an update from the Web Committee and indicated that several documents are already available on the EM Website. The conversion process will continue.

- c. **Pool Committee Report.** Ken Quinn presented the pool committee report. After reviewing the report and the results of three bids the committee recommended Treasurer Coast Pools. Upon a motion and seconding, the Board unanimously approved the recommendation to authorize an expenditure of up to \$30,000. *See attachment for Pool Committee Report.*

7. NEW BUSINESS:

- a. **Pickleball court proposal.** Peter Probasco presented the request to add a pickleball court for the Board to approve. Much discussion was deferred because legal counsel advised that such a change would be considered a material change requiring owner approval at a Members Meeting. KMK advised that any interested parties that wish to pursue the matter should review the PBV Documents to determine the steps they are required to follow and review procedures with EM.
- b. **Soffit Project Review.** Ken Quinn provided a brief update on the necessity to substantially repair the G Building soffits.
- c. **Owner Damage Claim.** A water damage claim had been submitted for water damage from a back-up of the A/C drain pipes at Unit A2. As advised by legal counsel the Board of Directors determined that the damage was not the result of PBV neglect or a specific action of PBV. Thus, the request was denied.

8. ADJOURNMENT: 11:05