

**Bay Quarter Shores Association
Board Meeting Minutes
August 8, 2009**

Meeting was called to order at 9:05 a.m., Jennifer Troy-Black presiding.

Board members present: Michael Goodrich-Stuart, Richard Lacy, Frank Klein, Robert Morris, Jerry Gorman, Donna DeToll and Ruth Franck; also present were Dick Lee, Jean Ince, Mike Silagyi, Dick and Sandy Bradshaw, Bill and Saddle Piggott, and Curtis Black.

1. Jerry Gorman gave a treasurer's report. The July statement was not available, but Jerry said total assets were \$172,878. He indicated past-due accounts are being paid thanks to aggressive billing and indicated some members may be taken to court for the placement of 20-year liens.

2. Minutes from the July meeting were approved unanimously.

Old Business

1. Frank Klein noted some minor vandalism in the campground ladies room. The trash can, shower curtain and other items were removed. They were subsequently replaced at a cost of around \$60.

2. Frank informed the board that an additional \$252 in pool receipts and \$570 in campground receipts are being given deposited.

3. Jerry Gorman and Jennifer Troy-Black reminded board members that receipts for any purchases made should be submitted to Jerry for reporting purposes. Without receipts on hand, the monthly accounting report is insufficient for tracking spending.

4. Spending limits for purchase will be more formalized in the future. Frank Stewart and Mike Silagyi have offered to serve the association as a procurement committee. Robert Morris and Jerry Gorman offered to be the board's liaison to this committee.

5. The board undertook a brief review of the preliminary 2010 budget. Jerry thanked Jennifer and Ruth Franck for their help in setting up the document which was scrutinized by board members. Jerry began the discussion with a couple of statements concerning income and expenses. First he wanted to note that there have been mixed emotions expressed about the campground; he said that it would behoove the board to know it is (after membership dues/assessments) the association's second-largest source of revenue. He said that to preserve this cash flow, he feels it needs regular upkeep and maintenance. He also cautioned the board that if the campground were to be discontinued as a revenue source, we would have to raise dues (assessments) to make up for the lost income. Ruth Franck said she concurs with the need to improve the campground, in particular the bathhouse. Jerry suggested that when future improvements are made, the association should use commercial-grade fixtures since they might cost a bit more initially but they

hold up better over time. Jerry said that at present there are eight yearly campers and four “building” campers; other campground income has come from guests of members who have camped in the facility. Richard Lacy wondered if perhaps a middle ground could be taken for future campground use, perhaps limiting campers to lot owners. Mike Silagyi said that historically the purpose of the campground was to encourage members to consider building (permitting them to use facilities even if they did not own residences) and to permit non-members to purchase lots after having tried out the amenities. Frank Klein said that restricting campers to lot owners or associate members could make it easier to manage the facility and that access to the bathhouse could, for example, be restricted by providing keys to campers rather than leaving it open. He said that long-term, if it is decided to keep the campground, it will require improvements. Dick Bradshaw wondered how much money the campground actually accounts for in terms of the association’s budget. He was told that according to the budget, the campground brings in slightly less than 10% of annual revenues. Robert Morris said he was glad to see the numbers since he had been wondering about the financial status of the campground for several years. Dick Lee noted that in the past a study indicated that 20 campers would offer a break-even point but said he was not sure this is still the case since campground fees have been adjusted over the years. Also related to the budget, Jerry informed the board that the number of associate memberships has fallen significantly this year.

Jerry said that this year’s budget takes the reserve study into consideration. He wanted the board and membership to be aware that the state requires the association to maintain sufficient cash reserves to cover the maintenance and eventual replacement of all assets. In the 2010 budget some of those items include renovation of the tennis court surfaces and fencing, campground restoration projects and dead-tree removal. Jerry emphasized that the reserve requirement is not something the board controls and that a new reserve study update will help the association deal with future cash needs and plan accordingly.

Examining the budget some members had questions. Michael Goodrich-Stuart asked about a projected drop in assessment/dues income. Jerry explained this resulted from a reduction in the need to collect past-due accounts (which had inflated this year’s income relative to the number of actual dues billed) and the drop in associate memberships. Michael also asked that the insurance line on the budget be increase to reflect actual 2009 costs with a cushion of 10% to account for probable increases in our insurance premiums. Jerry said that the workers’ compensation figure had not been considered in the preliminary budget and that he would adjust the figures to accommodate that cost.

Richard Lacy noted that the tennis court work listed in the budget could be lower than the indicated estimate since a contractor had informed him the surface is in better condition than expected which might limit repairs to the fence for the time being. Mike Silagyi asked whether the basketball court would also be improved. This is included in the budget. Frank Klein said that the old backboards should be replaced with modern modular equipment so that any damage could be more easily addressed and repaired. Those in place now have been welded and cannot be repaired without costly work.

Jerry moved, and the board unanimously approved, that the amended budget be accepted for presentation at the Annual Meeting at which time a vote will be taken for its approval by the membership at large. He noted that the budget as proposed includes no increase in annual assessments/dues.

New Business

1. Jennifer Troy-Black initiated a discussion of the language on the home page of the association website. As written some board members wondered if it might imply that membership dues are optional when in fact they are required by the covenants of all lot owners. Richard Lacy had written some verbiage to address this potential problem (to wit: "...will automatically become Association members with privileges and responsibilities, including annual dues.") which Michael Goodrich-Stuart will forward to Frank Klein. Jerry Gorman noted that the word "dues" might be presumed to be optional but that "assessments" could be considered more binding.
2. Jennifer Troy-Black noted that there have been some incidences of trespassing in particular relating to non-members using boat launch facilities. A notice form for members to place on vehicles of non-members has been placed in the clubhouse. To help minimize trespassing during particularly busy weekends, we have hired local law enforcement officers to monitor the launch and surrounding areas.
3. The board discussed the use of visitor passes that property owners could permit guests to use in their vehicles. Jerry Gorman suggested, and the board approved, the concept of a hangtag that could be placed on the rearview mirror. He said such a tag could be sent in a future newsletter. Michael Goodrich-Stuart suggested that instead of that, they could be sent to members when they pay their annual dues as a form of receipt. This could be handled by the accounting firm. Mike Silagyi mentioned that in the event of future incidents in which trespassers become belligerent, the person who notes the trespasser could call the sheriff and lodge a complaint. Jennifer Troy-Black said she would be happy to do so, and encouraged members to do likewise. There was some discussion about placing a gate across the boat ramp to make it inaccessible to non-members, but this was tabled.
4. Donna DeToll gave a report on the plans for social events in the near future. The Annual Meeting will be followed by a potluck picnic. John Ellis has offered to cook ribs, hamburgers and hot dogs. Members will be asked to bring a dish to share. The association is providing dessert. Later in the month (Sept. 26), Donna is planning a community-wide yard sale. Members may put items in their yards or bring them to the clubhouse for the sale, which will be advertised locally. Donna is also planning a Halloween celebration on October 31st at 7 p.m.
5. A Neighborhood Watch meetings is scheduled for Saturday, August 15th, at 7 p.m. Jennifer Troy-Black has a list of people she will contact, and she asked this to be placed on the website as well.

6. Ruth Franck presented the board with a list of salt-tolerant tree species from the Virginia Cooperative Extension service. Included were persimmon, honey locust, black walnut, white ash and cedars. She suggested the association consider planting them in small groups and not to come too close to the pool (to prevent leaves from getting into the water). She offered to serve as a chairperson for a committee to work on tree planting in the clubhouse area.

7. Ruth also offered to help tabulate responses to the amenities survey which is being distributed through the newsletter being mailed in August.

8. Frank Klein made the board aware that Microsoft, which had formerly provided the association's website space for no charge, will begin charging \$15 per year. He said billing must be paid via credit card and asked the board to consider obtaining one for future such expenses.

9. Frank said that some members had inquired about the possibility of keeping the pool open past Labor Day on September weekends. He said he had been able to arrange for staffing should the board approve the extension of the season. Jerry Gorman noted that the pool pumps need to continue running through that month to eliminate the growth of algae, which he felt made it feasible to extend the season. The board vote unanimously in favor of that proposal.

Member Time

1. Jean Ince informed the board the some young children had jumped the pool fence after hours. The board agreed to install no-trespassing signs in addition to the other notices (such as "no diving") currently posted at the pool.

There being no further discussion, the meeting was adjourned at 10:29 a.m.