

Meeting Minutes
MOODY POINT COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
August 1, 2011

The Board of Directors of the MPCA met at the home of Trish Simon, 510 Cushing Drive, at 7 p.m. on August 1 2011.

1. Attendance:

Board Members:

President and Board representative from The Waterfront: Trish Simon
Vice President and Board representative from the Hill: Jeanne Ormrod, not in attendance
Representative from the Ridge: Ken Geremia
Representative from the Meadow: Roger Salava
Representative from Lubberland Creek: Paul Pensiero
Representative-at-large: Judy Bouthot
Representative-at-large: Peter Roy

Nonvoting Board Members:

Secretary: Regina Baraban
Treasurer: Russ Simon

2. Call to Order

The meeting was called to order at 7:00 p.m.

3. Approval of Minutes

Board members have submitted some corrections to the July minutes; Ken is making these corrections and will e-mail revised July minutes to the board.

4. Board Business

- Former Board member Peter Roy was nominated by Ken to serve on the Board until the September Annual Meeting when an election will be held to fulfill the one-year unexpired term; Judy seconded and the motion was approved. There are two residents considering the open position.
- After input from the Board, Trish is revising Jeanne's draft of a letter to Walter Cheney—in response to emails dated June 29 and July 1, 2011 requesting an accounting of all existing legal bills and expenditures related to Lot 13, as well all capital funds and reserve funds, including replacement values, expected life spans of MPCA physical properties. Ken motioned to send the response to Walter no later than the annual meeting on September 10 and Peter seconded. All agreed.
- Update on the water leak – Trish reported that the leak has been fixed and irrigation is going back on.
- The town was contacted by Jim Fitzpatrick and asked about the work it said was going to be done on Cushing Rd.
- Paul asked who a resident should contact with irrigation questions and the Board agreed it should be a member of the Water Committee.

5. Budget and MPCA Dues Discussion

Trish explained Budget Proposal A and Proposal B for 2011-2012 MPCA Dues. Operating expenses and Water System expenses stay the same in both. The only difference is that Proposal B asks for increased fees of \$75 year for Capital to help build up the Capital Reserves. The question for the Board is which proposal to recommend at the annual meeting.

Russ updated the board on the state of the budget to date and the impact of the water leak repairs, including the \$23,250 special assessment for water leak repairs and the estimated cost of \$30,000 provided by the Water System's Committee. The Special Assessment revenue and the Leak Repair estimated expense will be both accrued into the current Fiscal Year and this should leave us \$6,000 to \$7,000 over budget by year end. Roger questioned the costs of any unexpected structural repairs which might come up and Russ explained that a Capital Project may be added to next year's Capital Budget to cover potential additional costs beyond the \$30,000 currently estimated.

Line item expenses and the pros and cons about raising the annual dues were discussed, including whether to rely on special assessments instead of raising the fees. It was pointed out that the recommended overall fee increase of \$75 per member was specifically targeted to continue with our long term goal of increasing our Capital Reserves to an adequate level. We have an aging capital infrastructure, nearing 25 years old, and though we have continued to try to build Capital Reserves over the past several years, the required Capital Projects each year has equaled or exceeded our annual contributions to Capital Reserves. We need to be in a position going forward where our capital contributions exceed our capital expenses in order to build Capital Reserves.

Special Assessments, whether for operating or capital expenses or both, should only be used when we have a significant emergency or unplanned event that cannot be reasonably funded out of our approved budget or current reserves. Unfortunately we have experienced two of these events over the past two years, the wind storm damage and the major water leak.

The overall recommended 2011-2012 budget has an increased Water Systems expense of about \$4,000 and an increased Capital Reserve contribution of \$12,500, partially offset by a lower Operating Expense of \$10,000.

There was also a discussion as to why UV was taken off the table by the Water Committee—installing a UV system would be too expensive, and not something we absolutely need at this time. Ken suggested that residents need to understand why UV is not in the budget this year, since it was discussed at last year's annual meeting.

It was also noted that The Water Committee is looking into outside management of our water system, whether by leasing the equipment from us or purchasing our assets. At best, this process will take at least a year before the committee makes recommendations.

Trish made a motion, as per recommendations from the treasurer and from various committees and association representatives, that we increase total fees \$75, from \$1895 to \$1970 per year, which will all go towards increasing the Capital Reserves. The motion passed with four Board members voting for the motion and two voting against the motion. Russ agreed to develop a streamlined budget presentation. Trish noted that only members in good standing will have a vote at the annual meeting.

True North will prepare an Annual Meeting packet to be mailed to members the week of Aug 15th, 21 days in advance of the Annual Meeting.

6. Adjournment

The meeting was adjourned at 9 p.m.

Next Meeting: August 15 at Pensiero's, 131 Cushing

Annual Meeting: September 10 at Town Hall in Newmarket

Submitted by MPCA Secretary,
Regina Baraban