COUNTRYSIDE ON LAKE ANNA ASSOCIATION, INC.

Board of Director’s Meeting

Minutes

May 1, 2016

10:00 AM

185 Mountain View

The following Board Members were present: Gary Schatz ( President), Tom Nyman( Treasurer) ,Donna Jenkins( Secretary), Steve Jenkins, Army Burroughs, and Paul Gadoci. Not present were Bill Malthouse (Vice President) and Eben Townes.

**OLD BUSINESS**

The main reason for this meeting was to select a date for the annual General Membership Meeting (GMM) and also to hash out the billing and newsletter information and who was going to handle this if Bill Malthouse was unable to do so. Bill has handled this in the past. Time is of the essence as these need to be mailed out ASAP.

It was noted that the President, Bill Malthouse and the Vice President, Gary Schatz have flip flopped positions. Gary is now President and Bill the Vice President. This action was voted on by all Board Members via email in late April 2016, unanimously approved, and certified by the Secretary.

Gary Schatz asked Paul Gadoci to give an update on the Erosion & Sediment Control (E&SC) issues with Lot #1, Sassafras Cove that has plagued our common area for well over a year. Paul reported that due to his prodding of the County Inspectors, (namely Paul Snyder the head of the E&SC Dept. in Louisa County) there has been some more work done on the property to try and correct the E&SC shortfalls there. But, as Paul noted, the soil is still eroding causing debris to come down the hillside and into our common area and our boat ramp. All in all, communications between Paul Gadoci and the County of Louisa are still on going. It was also mentioned that the roadway from the turn- around into Sassafras Cove had been re-stoned. We are not sure who paid for that, but Countryside on Lake Anna (COLA) Association did not.

Discussion then turned to the letter that COLA wants to send to the home/lot owner of Lot#1, Sassafras Cove. Tom Nyman offered to draft a letter and email it to the board members for input/changes. We agreed that this letter should address the monetary amount that it has cost COLA to fix our boat ramp area due to the damages that the failed E&SC measures produced. We will ask for reimbursement. In this same letter, we will ask that Mr. Ritter return Bill Malthouse’s gate key which was lent to him last summer to let his contractor in our common area to do some cleanup.

The change of address to 217 Virginia Way from P.O. Box 1612, Louisa, VA 23093 was discussed. It seems to be working quite nicely with a couple of bumps. Some companies require that we change the address directly with them. Tom has tried to get all of those fixed. The USPS P.O. Box has been cancelled and we have filed a USPS form to forward all mail arriving at the old P.O. Box to our new mailing address. We returned our P.O. Box keys and received back our deposit. The new address has been changed on our website and the newsletter will have an item announcing this.

The issue of non- residents using our common area was discussed again. This is just a constant problem.

We know that we must have home/lot owners who lend out keys to others that don’t live here. We will remind everyone that per our covenants, you must be present with the guest when they use the common area/ boat ramp.

The dry hydrant at the common area being unusable part of the time was discussed. Gary stated that we are at the mercy of the Louisa County Fire Department for the fixing of this situation. They own it and installed it.

Gary mentioned that he is having some difficulty opening some of the documents being sent to him by Tom Nyman. Tom is currently converting things to a PDF form for Gary.

**NEW BUSINESS**

Tom Nyman, Treasurer gave the Financial Report. He had handed out a hard copy for us to follow along on.

2015 Budget Summary: We received income of $7,220.00; all but four lots paid. 2015 expenses were $2,470.50. We had fewer than expected expenses because we placed many things on hold while we dealt with the financial uncertainty of the silting problems on and around the boat ramp. The required contribution to our Reserve Account was $2,426.00. We finished the year with an operating balance of $2,323.50 which we transferred to our Reserve Account as operating budget carry-over (as has been our practice). As a result, our 2015 contributions to the Reserve Account were $4,749.50, about twice what we had planned. We had no 2015 disbursements from our Reserve Account. For perspective, in 2014 we disbursed $11,419.56 from our Reserve Account for required repairs. Once approved, a summary report for 2015 will be printed and available at the GMM.

2016 Operating Budget Proposal: For 2016, Tom is projecting a total operating expense of $7,475, including our required funding of the Reserve Account. To balance this budget, income must equal expenditures. Assuming all lots pay their annual billing, income of $1,200 is received for slip rentals, and we have some income from preparing home sale disclosure packages and selling replacement keys, the amount we must collect from each lot to balance this budget is $100, the same as last year. Built into the budget is a “contingency” line item for $600.00 (six lots). This is our hedge against expensing more than we receive if up to six lots do not pay. Should all lots pay, the Board has in its discretion the power to transfer part or all of the funds in the contingency line to other line items. Once approved, a summary report for 2016 will be printed and available at the GMM.

2016 Operating Budget Status: For 2016 we are currently in a deficit of $186.00 as Tom has paid bills and we have not collected any lot payments yet. This cash flow problem is managed using funds that were in a carryover status from 2015; they will be paid back once our income stream begins in 2016.

2016 Reserve Account: Tom reported that we will finish 2015 with $19,823.40 in the Reserve Account. Already in 2016 we have expensed $3.500.00 against the Reserve Account. Our Reserve Study forecasts we will expense a total of $10,200 against the Reserve Account in 2016. This assumes our assumptions of capital asset expected lifetime, current asset condition, and costs to repair/replace these assets are accurate. We update our Reserve Study annually to re-validate these assumptions.

There being no further questions, Tom made a motion to adopt the Financial Report for 2015 and the proposed Budget for 2016, Donna seconded. A vote was taken and the motion passed unanimously. Billing for $100 per lot will be mailed ASAP.

No other reports were given by officers.

Gary asked Steve Jenkins to give a report on the boat ramp/dock area. Steve explained that we had the ramp cleared off and new cement was poured filling the prop hole at the bottom of the ramp. This work was done by Joey Vaughn. When Mr. Vaughn was there assessing the issues, it was suggest that we may want to build an additional seawall alongside the existing dock to deflect run off from Lot#1 Sassafras Cove lot. When Steve discussed this with Paul Gadoci , Paul thought that incorporating the seawall onto the dock might save money and seemed like the logical thing to do. Also, they wanted to find out about adding another 10 feet to the dock so that it would be usable during low water levels. Currently it is not. So, Steve contacted Decked Out Boathouses (same company that had done our existing seawall) to come out and give us an estimate. While there, they suggested tearing out the existing dock as it has an angle. They suggested redoing it and changing the angle and then adding the seawall to it. The estimate was around $4,900. Since that time, Steve has changed his position about removing the existing 20 foot dock and redoing the whole thing. He thinks it would be fine to just angle off the new 10 foot section. The board was also interested in pursuing that avenue. This item was shelved for further debate. Steve is to obtain a new estimate with these changes.

A discussion then ensued about our existing boat slips. We were all in agreement that we are not at a point where we have to add additional slips. Donna Jenkins brought up that maybe we should increase the rental from $100 to $250 per year. The monies could go towards improving or increasing the number of slips. After much discussion it was agreed that we would put in the newsletter that the rental for 2016 would remain the same, $100. But for 2017, to cover damages (and accelerated deterioration) caused by boaters not using elastic snubbers to tie up with (this is causing excessive wear and tear on the slips) that maybe the rental would increase to $200.

We then set the GMM for Saturday, May 28, 2016 in the common area at 10:00 AM. In case of rain, it will be the same date but at Gary Schatz’s house, 185 Mountain View. COLA will provide hamburgers and hot dogs following the meeting. Donna will get the meats, buns, and condiments. Gary will provide the drinks, and Tom Nyman the grill. Donna will ask Bill Malthouse to bring the tablecloths and other picnic items he has.

We talked about the annual lot fee and newsletters that needed to go ASAP. Previous years this had been done by Bill Malthouse. Donna will call and find out if Bill is up to this task this year or not. If not, the Board discussed the best way to go about it.

For the newsletter, the following topics and assignments were accepted:

* Paul would write a brief synopsis about the boat ramp silting and the failed E&SC measures from Lot#1, Sassafras Cove that has affected our common area for the past year or more to be included in the newsletter.
* Tom would write about raising the annual lot fee in 2017, the cost of the boat ramp repairs and possible long term improvements for the ramp area, new candidates for the Board and the Reserve Account. Tom will also touch upon the common area being a “trash free zone”. He will also mention the last 200 feet of Mountain View and who it belongs to, etc. This would all be part of the newsletter.
* Gary would write about the new neighborhood speed limit sign.
* The GMM newsletter will also have the date and time and the picnic information.
* The switching of the president and vice president positions will be announced in the newsletter.
* The new COLA mailing address will also be noted in the newsletter.

If Bill is not able, Gary, Donna and whoever else is available will start the process on Monday afternoon.

The next discussion was about raising the lot owners’ annual lot fee to $125 in 2017. This will also be included in the newsletter.

Donna Jenkins brought up the days of the week that we hold meetings. Sundays may not be the best for everyone. Many are available to meet in the mornings during the week. It was agreed that we shouldn’t have a fixed day and stagger them. It was also agreed we need to meet ever quarter in addition to the GMM. Gary and Donna will work on a tentative schedule. It can always be changed but at least we will know we have to meet in that time frame.

The removal of the trash can and the new signs for the common area were once again discussed. Steve Jenkins is to get the signs made and then the trash can will be removed.

Paul Gadoci wanted to know if we should entertain thoughts of allowing Sassafras Cove homeowners use our boat ramp. It was decided that we should allow them to come to us and then decide what we will do. Paul also wanted to know if we should think about moving the boat ramp gate to accommodate golf carts and close the area they are now using. It was determined it really was an expense that the

Board wasn’t ready to deal with. If at some point we have to do work at the gate, this could be incorporated with that work.

Donna brought up the Directory update. It does need to be updated. She is willing to take over that job from Bill if he wants her to. She also stated she would take it to Staples to print and put together. She will find out from Bill what he wants to do.

This meeting was adjourned at 11:50 AM.

**ACTION PLANS**

* Donna to call Bill Malthouse concerning the annual lot fee billing and newsletters.
* Steve Jenkins to get common area signs made.
* Steve Jenkins to get another bid on the dock and seawall.
* Paul Gadoci to write a synopsis of the boat ramp saga of this past year for the newsletter.
* Tom Nyman to write about raising annual lot fees for 2017, launch ramp repairs, candidates to serve on the board, and the Reserve Account.
* Tom Nyman to draft a letter to Lot#1, Sassafras Cove owner about what we expect from them to help cover the costs incurred when their E&SC measures failed, dumping mud and other debris into our common area and boat ramp.
* Tom Nyman to print a few copies of the 2015 Final Budget and the 2016 Budget Forecast to present at the GMM.
* Army will place a sign announcing the date, time, and place of the GMM. Steve will take over this as Army will be out of town.
* Steve will investigate the possible need for us to replace the launch ramp dock decking.

Respectfully,

Donna Jenkins, COLA Secretary, Draft