

**HSIA BOARD MEETING
THE KEY SCHOOL
June 30, 2011**

BOARD MEMBERS PRESENT: Bill Shuman, TJ Hurlburt, Kate Penn, Christian Elkington, Phil Jones, Bill Anderson, Bruce Walker

ADMINISTRATIVE STAFF: Jean Somers

GUESTS: Jeri Singleton

Bill Shuman called the meeting to order at 7:15 pm

Minutes from the May Board meeting were accepted as read.

TREASURER'S REPORT: Bruce Walker reported as follows.

General Fund: The month of May came in as expected - nothing unusual and on budget.

Year-end projection: Income will run \$1554 short of plan (excluding Caps/T-shirts/Rain barrels/trees & excluding the \$5000 payback from Stormwater ST)

Expenses to come in \$730 under budget at \$22,470 vs budget of \$23,201 (excluding Caps/Tshirts/etc & beach strip sale expenses)

1. Rental house: Income will run \$2636 short of plan (\$10,564 vs \$13,200) due to 4 months with no tenant. Expenses are projected to come in slightly under budget (\$9,500) despite the high maintenance costs incurred.
2. Membership dues: For 2011FY we collected \$9719 (648) vs plan of \$9000. For 2012FY, we have collected \$7,770 (518) through May vs plan of \$9000.
3. Caps/T-shirts/Rainbarrels/trees: Income of \$2,828 vs expenses of \$3,008 but inventories of caps and shirts for sale are well stocked.

Piers & Harbors:

Year end projection:

Income is \$12K above plan with 100% of fees collected. Contingency fund now has \$57,013.

Contingency fund will rise to \$99K July 1st.

Expenses will run \$30K under plan at \$55K: \$12K dredging project postponed; \$6k camera internet service; repairs/improve \$9K under budget; accelerated debt paydown/L26 \$8K under budget. Ground Maint. (\$3.5K-keys) and Utilities (\$1K-ice eaters) over budget.

1. 2012fy: April and May were very slow in collecting slip fees: It is now June and we still have **12 slips (\$9,187)** to collect rental fees on (3 are occupied and 9 are open). We also have 11 dingy racks not paid for (of which 6 are occupied and 5 open) and 4 boat park slots not paid (all of which are occupied).

These were all due in March. **Hopefully, these fees will be collected in June!!**

Pool Fund: Income running **significantly** short of plan. Expenses running to plan.

Income: Through May we collected \$63,139 versus plan of \$95,000.

Expenses: Through May were \$48,538 and was to plan.

1. In May, the pool fund **paid back Piers and Harbors for the \$32,810 it borrowed** in March and April and, as of the end of May does not owe anything to P&H. However, pool expenditures for June are expected to run over \$30K so the pool fund will have to borrow money again.
2. Key School has not made their payment as of the end of May.

Special Tax Fund: Nothing unusual for May except expenditures were low: Repairs/Improvements has a \$43K still left in budget to spend in June.

Year end projection: Income right on plan at \$231K

Expenses will be under budget by at least 20K: legal \$11K under budget; Beautification \$5k Ground Maint \$3k; This assumes Beach committee will spend \$34K in R/I in June.

Cash Flow may become a problem August to November until the first County check arrives-- it depends on whether we spend all the Special tax money before July 1 and when P&H repairs spends a portion of its contingency fund on the electrical repairs, and when repairs/replacement of the old pier/bulkhead at the main marina are made. It looks like the dredging of P&H facilities on Duvall Creek will not happen until 2013fy. This will give us another year to build funds to pay for it, thereby reducing how much we will have to borrow.

<u>Pool Revenue update:</u>	<u>Budget</u>	<u>May 6</u>	<u>May 9</u>	<u>May 31</u>	<u>June 21</u>
Family memberships	190	112	115	134	163
Individual memberships	75	68	73	87	104
Youth	15	12	16	17	20
Non-member Coupon bks	120	15	15	27	31
Member Coupon bks	50	0	0	2	3
Nanny	0			2	7

As of June 21, total collected is \$77,993 vs plan of \$95,000 vs expenses of \$114,150. The shortfall is in family memberships and coupon books. If individual membership had been \$170, we would probably met the family membership goal and if we had not given out 1500 guest passes we would probably have met the member coupon bks. We still would have a shortfall in non-member coupon books.

Bruce Walker motioned the Board approve to borrow from Piers & Harbor account up to \$40,000 to cover pool expenses until April 1, 2012. Kate Penn seconded the motion. Vote taken – unanimously approved.

Bruce Walker motioned the Board approve to borrow up to \$50,000 from Piers & Harbor account to last the Special Tax Fund until November 30, 2011. Bill Anderson seconded the motion. Vote taken – unanimously approved.

PRESIDENT’S REPORT: Bill Shuman reported that HSIA arranged for Blueguard to work on July 4th from 6pm to midnight specifically to cover the beach. New pool furniture ordered through Anchor Aquatics will be delivered tomorrow. Kate Penn is the new Editor of *the Sea Breeze*. Bill mentioned an issue with email proxies. **Bill Shuman motioned the Board accept proxies for board meetings only sent by email provided the proxy meets all requirements of a normal proxy except signature. Bruce Walker seconded the motion. Vote taken – 7 opposed; 1 abstained (Bill Anderson); motion disapproved.**

BEACH SHORELINE: Kate Penn reported that the Beach Committee and Board members met with ESA for a question and answer session regarding design concepts. Preliminary cost estimates range between \$75,000 and \$95,000 for all three concept plans. Kate summarized as follows:

1. Concept Plan #1 keeps shoreline basically the same; does not include refurbishing of concrete wall; \$80,000 estimate (not final price).
2. Concept Plan #2 estimate \$75,000; only removing concrete wall
3. Concept Plan #3 estimate \$95,000; west point joining to east point; includes pier and gazebo.

Kate motioned the Board do away with Concept Plan #2 and narrow the choices down to just two concept plans. Chris Elkington seconded the motion. Discussion – both plans still need a lot of answers to questions. Vote taken – unanimously approved.

BEACH: Kate Penn reported on the following:

1. We have permits for the drainage improvement project, and are ready to start work. Weather allowing, construction will begin on July 11, and last for one week. The scope of work includes installing French drains from the parking lot to large pavilion, and from the volleyball court to the drainage swale in the middle of the park. We will refurbish the

volleyball court, defining the border with a low edging and topping with more sand. In addition, we will be removing the submerged rocks off the beach in front of the large pavilion.

2. The new tire swing and accessible swings were installed. The accessible swing does swing into the walkway, so the location is temporary until the new structure is installed.
3. The nettle net was lowered this month, and the broken support brackets were replaced with stainless steel ones. We have also tried a new method for securing the net to the pilings, which should keep it from blowing up during high winds.
4. We have completed the contracts for electrical improvements and well installation. The contractors will be notified to proceed as soon as possible. We expect minimal interruption to the use of the park, because all the work will be West of the large pavilion.

Kate Penn made the following motions:

1. **Kate Penn motioned the Board approve an additional \$50 over originally approved \$1000 for purchase of new grills. Christian Elkington seconded the motion. Vote taken – unanimously approved.**
2. **Kate Penn motioned the Board approve an additional \$100 over originally approved amount for the well. Christian Elkington seconded the motion. Vote taken – unanimously approved.**
3. **Kate Penn motioned the Board change the electrical contractor for the beach electrical contract from Weisman to Bausum & Duckett. Christian Elkington seconded the motion. Vote taken – unanimously approved.**

DUVALL CREEK DREDGING: Bruce Walker reported on the ten segments for dredging. The County is in the contract/ bidding processing. We are told by the County and by Bayland Consultants that dredging will begin this Fall. The dredging will start at the top of Kitty Duvall Creek. The plan is to take the spoils out at our boat ramp, approximately 2000 truckloads. **Bruce Walker motioned the Board authorize Bruce Walker and Bill Shuman to negotiate with the dredger and County for dredging rates and boat ramp and road repairs, including clean-up and route definition, in exchange for the County and dredger using our Sunset boat ramp to off-load the dredge into trucks while keeping all safety considerations in mind. Bill Anderson seconded the motion. Discussion. Vote taken – 6 in favor; 1 abstained (Phil Jones). Motion approved.**

ANPF: Ray Sullivan was not present. In his absence, **Bill Shuman motioned the Board endorse a letter from ANPF to the Annapolis Planning Commission concerning the Reserve at Quiet Waters. Bill Anderson seconded the motion. Discussion. Vote taken – 5 in favor; 2 abstained (Phil Jones and Christian Elkington). Motion approved.**

OLD BUSINESS / NEW BUSINESS: Bill Anderson wants the Board to setup a Piers & Harbor meeting because none are being held. Bill Shuman is working on getting this issue resolved. Christian Elkington is willing to be the Beautification Chair and the Property Chair, but does not want to handle the rental property. Bruce Walker said that the application has been made on the sale of the Beach Strip for the modified subdivision process. If the County approves, we can move quickly. If the County disapproves, it will become a long process. Helene Raven reminded all to come to the pool July 4th party. TJ mentioned some issues that might be worth looking into: damage to roads; parking problems on some streets; cars speeding in the community.

There being no further business, the meeting adjourned at 9:38 pm.

Respectfully submitted,

Jean Somers
Administrator