

**HSIA BOARD MEETING
THE KEY SCHOOL
May 26, 2011**

BOARD MEMBERS PRESENT: Bill Shuman, Ray Sullivan, Helen Raven, Phil Jones, Bill Anderson, Bruce Walker, Christian Elkington, Kate Penn

ADMINISTRATIVE STAFF: Jean Somers

GUESTS: Jaye Falls, Linda Elkington, Jeri Singleton

Bill Shuman called the meeting to order at 7:08 pm

Minutes from the April Board meeting were accepted with the following corrections:

1. **Sea Breeze Policy** – change the last sentence to Kate and Helene agreed to recommend some policies for *the Sea Breeze*.
2. **Pool** – change first sentence to Bill Shuman has replaced Bruce Walker as Pool Committee Chair upon Bruce's request and Bruce will continue on Pool Committee.

TREASURER'S REPORT: Bruce Walker reported as follows.

General Fund:

1. Rental house: In April, APS added another \$567 in maintenance expenditures to the \$3159 we had incurred through February: Appliance Guys \$125 to "put start switch back into place"; \$142.43 to APS for caulk/install molding on shower, install outside water handle, install new door bell, \$139 to Griffith Energy for Honeywell A/C Ready Kit; and \$60.66 to Griffith Energy for Labor and parts; APS maintenance expenses (excluding their mgmt fees) had risen to \$3159 through February (included the painting of the house interior and smaller projects like relocating cabinets, furnace warranty/service program, etc to prepare for finding a new tenant. Renter income for Feb, March, April, and May is offset by these maintenance expenses. We will be over the maintenance budget for the year. **We need to have the budget increased by \$1500 (\$2500 to \$4000) at the May General Meeting.**
2. We have collected thru April \$6990 in Dues (toward our budget of \$9000) for next year

Piers & Harbors: Contingency fund now has \$57,013.

1. April was a slow month for collecting P&H fees --we only collected \$3429 of \$22,072 that was due. We still have 16 slips to collect.
2. April utility bill dropped to \$474 so is not quite back to normal of \$275. Because of the ice eaters, we will go **over on utility budget** again this year (but not by as much as last year). **We need to have the budget increased by \$500 (from \$5400 to \$5900) at the May General Meeting**
3. March and April Ground Maintenance came in very high -- March due to buying 3 years worth of blank keys (\$2000 above normal) and April \$1380 to pull and repair the ice eaters. **We need to have the budget increased by \$3500 (from \$9400 to \$12,900) at the May General Meeting**

Pool Fund:

1. We paid \$5400 pool expenses in March and 27,410 in April. This included \$17,525 to Anchor Aquatics toward their contract of \$53,900, and a check to HPA for \$34,181.26 to cover the \$2500 buyout of the lease, \$12,500 for all of HPA property, and the HSIA pool escrow fund of \$19,181.26. Our P&H funds are covering the pool negative cash flow until June. In June, we will pay P&H back the loan.
3. We will make another payment of 12,125 to AA June 1 and the final \$12,125 on July 1
4. **We need to present the 2011fy and the 2012fy pool budget at the May General Meeting for approval.**

Special Tax Fund:

1. Security expenses ran higher than plan for July, August, September, October, and November so we will reduce April and May costs. Because we are charging the ADT security system (\$3164) to the pool budget, Security expenditures can be ramped up June 1st including having Randy on the job.

Cash Flow may become a problem August to November-- 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.

<u>Pool Revenue update:</u>	<u>Budget</u>	<u>May 6</u>	<u>May 9</u>	
Family memberships revenue was collected.	190	112	115	As of May 6, 51% of budget
Adult memberships	140	68	73	
Youth	15	12	16	
Non-member Coupon bks	120	15	15	
Member Coupon bks				

PRESIDENT’S REPORT: Bill Shuman reported that mosquito spraying will begin June 1. Our assigned night is Wednesday. Jean is behind in issuing stickers and keys because of the pool opening. Bill sent out an email to the community stating that the boat ramps will remain open this weekend. Tomorrow night is the Pool Come And See It Day from 6-8 pm. Bill, Donna Shuman, Bruce, and Helene will be at the pool to take membership forms. Randy Southers, our beach security guard, starts the Saturday of Memorial weekend.

HILLSMERE COURT RESIDENTS JOINING THE POOL: Bill Shuman motioned the Board approve that Hillsmere Court residents be allowed to join the pool. Kate Penn seconded the motion. Bill Shuman recognized Jaye Falls from Hillsmere Court who spoke on behalf of Hillsmere Court residents that would like to continue to use the Hillsmere pool since HPA allowed Hillsmere Court to do this for eight years. Hillsmere Court residents have enjoyed using the pool and would like to continue to do so. Bruce Walker made the following comments:

1. Next year, we plan to require that all pool members become members of HSIA. Only residents of Hillsmere shores Subdivision may be members of HSIA.
2. We collect taxes from the resident of Hillsmere Shores Special Tax District to pay for common property expenses -- the property of the pool is common property and the use of the property by HSIA falls under SCBD. Hillsmere Court is not part of Hillsmere Shores Special Tax District.
3. You may remember that we had questions in the 2005 community survey regarding Hillsmere Court whereby the community votes yes to allow them to join our subdivision and yes they should pay a fee to the community as a back payment for building our amenities. We made a very fair offer to the people of Hillsmere Court to join Hillsmere Shores Special Tax District back in 2006 -- they rejected the offer. The fact that people on Hillsmere Court continued to use the pool when it was against the lease and against our Bylaws, is really disingenuous. They continued to be members of the pool when they knew they should not be.
4. Will our Covenants now cover the homes on Hillsmere Court?
5. The Deed for all the common properties (except those bought after the developer was done) state that the common properties are for Hillsmere Estates residents and lot owners -- "within the boundaries of the area known as Hillsmere Estates as shown on the aforesaid Plats, ..." The deed goes on to say that the common properties were conveyed to HSIA "for the purpose of holding and maintaining the same for the use of bona fide lot owners in Hillsmere Estates ..." This is very clear that the common properties were not for the use of Non-bona fide residents/lot owners. There are many other places in the deed transfer where it states that the common properties are for the use of Hillsmere Estates residents only.
6. Will we then allow other nonresidents of Hillsmere Shores to use all of our other amenities? beach, ramps, slips, canoe racks, if you open this door, you are asking for a lot of future trouble. However, if we were to entertain the idea, to me, the people would have to pay SCBD taxes for the last 8 years and every year they live in their house into the future.

Christian Elkington mentioned that we may have a Deed of Trust issue. Before we make a decision, we need to know legal ramifications. Helene Raven recommends the Board allow Hillsmere Court residents use of the pool this summer. This allows the residents time to make

alternative plans for next summer. **Motion revised. Bill Shuman revises the motion that the Board approves to allow people who are members of the pool last season but are not Hillsmere residents to join for the 2011 season only. Kate Penn seconded the motion. Vote taken – 6 in favor, 3 opposed (Bruce Walker, Phil Jones, TJ Hurlburt).**

BEACH: Kate Penn motioned the Board approved up to \$2000 for Annapolis Diving Contractors to lower and repair the sea nettle net and add 7 new brackets. Bruce Walker seconded the motion. Vote taken – unanimously approved.

- 1. Drainage bid** – Kate Penn presented and discussed bids for the upcoming drainage project. **Kate Penn motioned the Board approve \$12,200 for CBSL for drainage system at beach park at area between large pavilion and playground and \$2000 of FY2012 funds to refurbish the volleyball court and up to \$2500 for installation of sod over disturbed area. Christian Elkington seconded the motion.** Discussion. Bruce Walker has a concern over the timing and feels he would like to delay to see if an alternate design would make drainage better. Kate responded that the contractor is confident that the main traffic area will drain well. **Vote taken – 7 in favor; 1 abstained (Ray Sullivan)**
- 2. Swing Set** – not presenting at this time.
- 3. Well** – Kate Penn presented bids for the well at the beach. Well has been moved to the far west side of the beach park for esthetic reasons and for a cost saving on the length of pipe. **Kate Penn motioned the board approve \$8525 for Allied to install well and pump at beach park with spigot at large pavilion. Christian Elkington seconded the motion. Vote taken – 7 in favor; 1 abstained (Ray Sullivan).**
- 4. Electrical** – Kate Penn presented bids for electrical work at the beach park and pavilion. **Kate Penn motioned the Board approve up to \$7700 to Weisman Electric and BGE to provide electric to well and pump, large pavilion and light fixtures. Phil Jones seconded the motion. Discussion. Vote taken – 7 approved; 1 abstained (Ray Sullivan).**

SECURITY: Christian Elkington reported on the AA County Police SWEEP program. AA County police can only enforce rules from posted signs. Our signs need to be updated. The Beach Committee will get new signage at the beach and remove all existing signs. Kate Penn will delete sections of the signs that are not acceptable. The Beach Committee, Security and Marina Committee will present signage to the Board for approval. **Chris Elkington motioned the Beach Committee and Marina Committee be approved to modify the signs temporarily for participation in SWEEP. Ray Sullivan seconded the motion. Vote taken – unanimously approved.**

BLUEGUARD SECURITY: Discussion on security patrols, schedule of patrols, and reports from our security patrols. Reports need to be provided to the board to ascertain effectiveness. Blueguard has allowed the cell number of the car to be published and given to board members. Phil Jones would like a vote as to whether to continue Blueguard. Helene suggests we get reports and see how Blueguard performs for the next few months. **Phil Jones motioned the board conduct a four-month evaluation of Hillsmere security and Blueguard patrols. Chris Elkington seconded the motion. Vote taken – 6 in favor; 3 opposed (Bill Shuman, Bruce Walker, TJ Hurlburt).**

OLD BUSINESS / NEW BUSINESS: None.

There being no further business, the meeting adjourned at 9:35 pm.

Respectfully submitted,

Jean Somers
Administrator