

**HIGH BAR HARBOR YACHT CLUB CONDOMINIUM ASSOCIATION, INC.**  
**MINUTES OF BOARD OF TRUSTEES MEETING**  
**SUNDAY, NOVEMBER 6, 2005**

**Board Members Present:**

Hugh Gray  
Rich Ericsson  
Roy Rapp  
Sam Alloway  
Mike Drago

**Other Attendees:**

Ed Meline – Finance Committee  
Bob Campbell – Finance Committee

**Meeting convened at 10:15 AM**

**Discussion Items:**

- Financial – The Finance Committee presented the proposed capital and operating budgets for 2006 for Board consideration / approval to submit to the owners for review and comment.
  - Capital budget – The budget was discussed and **approved by consensus** for submission to the owners for comment. There is no increase in the fees required. It is felt that the capitol budget at the present contribution rate will support any required improvements or replacements.
    - Separation of operating and capital funds – the Board and the Finance Committee discussed the desirability of separation of the monies in the Capital accounts from the monies in the Operating accounts. This separation is already underway. The Club Accountant has agreed that this is reasonable. It was also agreed that the accounts would be sufficiently liquid to allow moving money to higher interest instruments should the opportunity arise.
    - Investment Policy – The Finance Committee presented an Investment Policy governing the investment of Club resources in the Capital accounts to maximize return and minimize risk to the owners. **The Policy was approved** by Board consensus.
    - Investment Plan – The Finance Committee will develop an investment plan based upon the approved policy for submittal to the Board at the next Board meeting. This plan will provide direction for investing funds pursuant to a predetermined schedule in the various investment instruments.
  - Proposed Operating Budget – The proposed Operating budget for 2006 was presented by the Finance Committee to the Board for discussion and approval to submit to the owners for review. Several specific items of interest regarding the

budget were discussed. Hugh/Finance Committee will make the agreed changes to the budget and resend to the Board for final approval this week.

- Pump outs – The Finance Committee proposed that a fee be charged for pump outs to help fund this very labor intensive activity. A fee of \$10 per pump out, to be billed to the owner was decided upon. A \$15 fee was approved for transient renters, to be part of their bill. **This proposal was approved by consensus of the Board.**
- Transient fees – the Finance Committee proposed that the rates for transient rentals be raised from the current \$2.50 per foot, and that the contribution of this rent to the Club be raised to 30% from the current 20%, again based upon the labor intensive nature of accommodating transient rentals. We have a unique facility with a lot of attractions, and the current fee has not been increased in several years. The Board approved an increase to \$3.00 per foot and the change to 30%.  
For example:

50 foot boat at \$2.50/20%  
\$100 to owner, \$25 to Club

50 foot boat at \$3.00/30%  
\$105 to owner, \$45 to Club

**This proposal was approved by consensus of the Board.**

- Cost of trash pickup – This was identified as a growing issue. The cost this year might reach as much as \$14k. Hugh and Ed Meline will work with Pete ASAP to address the issue and develop a pick up schedule that may help cut the costs.
- 2006 Compensation for the Club Staff was discussed and approved.
- Marina and Grounds
  - Storm Damage – During the recent severe storm, the clubhouse awning was severely damaged and ripped from the wall. Pete is coordinating with the awning supplier and with the insurance to see if there is any recovery possible. We have a \$10K wind damage deductible, so there is probably little chance for insurance coverage.
  - Bridge Support – The supports for the bridge on the North side of the club suffered storm damage as well. This is a recurring problem that needs to be addressed this winter. Mike Drago has some suggestions and will work with the Club staff to determine the best way ahead.
- Personnel – The proposed Budget maintains current Staff levels and assumes:
  - 1) the maintenance personnel will work full time for 10 months and,
  - 2) two summer helpers will be hired to work 9 weeks each this summer.
- Committees
  - Building and Grounds Committee – Rich Ericsson, the committee chair stated that he is organizing a kick off meeting of the committee to address some issues and potential improvements. This will be done shortly. Results will be available subsequent to the meeting.

- Communications Committee –
  - **The online bulletin board developed by the Committee members was approved for roll out.**
  - Alex is working with Pete to ensure a back up capability for posting items on the Web site.
- Finance Committee –
  - Prepared and submitted a Proposed Capital/Operating budget for Board approval, details above.
  - Will Investigate future options for the Board to consider regarding cost of health insurance for employees.
- General discussion.
  - Letter regarding Bylaw changes for date of the Winter owners' meeting and Board Elections. The Board discussed the moving of the Club elections to August to allow more owner participation in the process. The Board approved the sending of the proposal and asking for an owner vote on the changes. The letter and the summary of the proposal will be finalized and provided to the owners with the budget mailing in the near future.
  - Clubhouse rental – due to some issues/conflicts resulting from usage of the clubhouse last summer, a discussion of policy for rental/use of the clubhouse was held. The results of the discussion were that a policy currently exists regarding the use of the clubhouse, and that we should communicate this policy to the owners, and then enforce it.
  - Assignment of slips to transients. – Pete will be requested to document a process for assignment of slips to transients that will insure fair distribution of renters to slips.
  - 10% of all slip rentals, private or through the Club, is required by the bylaws. There is a need to communicate this to the owners, and to enforce it. This will be addressed at the next Board meeting.
  - Solar Electrical system for roof – Mike Drago addressed the possibility of a solar system for the clubhouse roof that could help offset our electric costs. There might be substantial government contribution as well. Mike will investigate.
- **The proposed budgets and the Bylaw proposal will be sent to the owners within the next two weeks. A ballot form will be included to accommodate the vote on the Bylaw changes.**

**The meeting was adjourned at 1:10 PM.**

**Next Board meeting scheduled for 10:00 AM December 4, 2005.**