

HIGH BAR HARBOR YACHT CLUB CONDOMINIUM ASSOCIATION, INC.
MINUTES OF BOARD OF TRUSTEES MEETING
Monday, October 23, 2006

The meeting was held via teleconference and started at 7PM.

Trustees Present: Rich Ericsson, Hugh Gray, Ed Meline and Mark Miller

Absent: Jay Keough (unavailable due to business trip in Chicago)

1. Ed Meline will prepare minutes and send to all others who will make changes, as appropriate. Final Minutes will be published on the HBHYC Website and be sent via Email to all Owners who have provided same.
2. The conference call utilized a service available from Rich's law firm. The cost of the conference call is billed to HBHYC at cost.
3. Rich will ask Monica to send a PDF of the Master Deed, By-Laws, and Articles of Incorporation to all Trustees to ensure that we all have the currently registered governing documents. The By-Law change approved at the 8/19/06 Owners' Meeting to have Trustee elections in the month of August starting in August of 2007 must be filed to be effective.
4. The question was raised regarding whether the two-year terms of the Trustees elected in April 2005 have been extended to August of 2007 as a result of the above referenced change in the next elections. It was agreed that this issue requires further research to determine if such an extension is covered in the current governing documents. This will be discussed at the first scheduled, in-person Board meeting targeted to be November 11, 2006.
5. It was agreed that a letter, similar to the one sent by Rich and Hugh to the Owners who received votes as a result of the Referendum Election, would be sent to all Owners to advise them of the results and the subsequent appointment by the remaining Trustees Gray and Ericsson of the three (3) Owners who received the highest number of weighted votes. It was noted that upwards of 112 slips (64%) voted. Rich will ensure that the letter is posted on HBHYC.com and Emailed to all available Owners' Emails. It will also be mailed to all Owners. A message will be included to advise Owners that Email and posting on HBHYC.com will be utilized for many future communications to Owners. The request will again be made that Owners provide their Email addresses to Monica and a reminder of the use of HBHYC.com and the password will be included.
6. The 2007 Budgeting process was addressed. Rich and Hugh have already met with the Staff to start getting input on projects that are on the schedule for the next several months. Hugh will complete the financial P&L spreadsheet for projected year end 2006 and a first pass at 2007. Rich will have a list of the planned projects developed upon his discussion with Pete 10/26/06.

7. The timing as to when the new windows in the Clubhouse will be installed by the selected contractor will be determined.
8. Additional items to be considered for the 2007 capital expenditures will include the leaking windows in the rear of the Clubhouse and a new shed for the storage of furniture.
9. Contractors have been invited to bid on the repair of the pool which is leaking.
10. In November, Staff will provide an expanded list of projects to be considered for the 2007 operating budget.
11. In order to eliminate a potential accounting and reporting problem, the delay of depositing 2007 payments received in 2006 was discussed. This will require further discussion to determine if the Accountant feels this is necessary. It was the consensus that the invoices for 1st quarter 2007 be mailed on a timely basis to maximize the in-flow of revenues.
12. Increased transparency was a concept agreed to by each Trustee. How to best accomplish this will be addressed at the first scheduled, in-person Board Meeting in November.
13. How to proceed with the auditing of our finances will also be addressed at the November Meeting.
14. Each Trustee will send Hugh a list of proposed items to be on the Agenda of upcoming Board Meetings. Hugh will prepare a Draft Agenda based on the suggestions and Email each Trustee for input as to what we should address at the November Meeting.
15. Ed will call Jay on 10/24/06 to brief him on the teleconference.
16. Each Trustee will provide Monica with phone numbers and current Emails. Monica will forward to Alex Millerand who will update the HBHYC.com site for contacts.
17. It was agreed to have another Teleconference on Monday, October 30, 2006 at 7PM.
18. The Meeting was adjourned at 8:30 PM.