



High Bar Harbor Yacht Club
Board Meeting Minutes
Sunday, November 18, 2007

Trustees: Fran Dalton – Present
Jim Frank – Present
Phil Hiller – Present
Matt Kulinski – Present
Ed Meline – Present

Employees: Mark Hazley – Present
Stacy Bernstein - Present

The meeting was called to order at the clubhouse at 12:08 pm

Planned Agenda:

11:00 a.m.- Executive Session

12:00 p.m. - Review of Outstanding Action Items/ New Business

I. Meeting opened to Owners with Review of Outstanding Action Items:

A. Clubhouse rentals - rentals in-season excluded (ensure in Draft of Rules and Regulations) from May 15th to October 15th. Off season rentals, which would be for Owners only, requires researching the following information: what is the number of people limited to be on the deck and/or clubhouse, liability coverage, fire safety, fee schedule for use.

B. Emergency Numbers – Numbers are posted on the Office doors. MOTION was MADE, SECONDED and PASSED to get a 24- hour answering service @ \$29.95 per month (extra charge for operator assisted call, outgoing call or page and patching of call).

C. The following Committees were approved:

Finance: Ed Meline (Chair), Hugh Gray, Jim Avery & Ken Reuter

Ed commented that data is being gathered for the finance Committee to review and present alternatives to the Board for electric billing.

Docks/Bulkheads: Matt Kulinski (Chair), Jim Frank, Jay Keough & Dave Hall



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Buildings/Grounds: Phil Hiller (Co-chair), Mark Miller (Co-chair), Fran Dalton, Bob Bonica, Coleman Roach & Dave Hall

Personnel: Ed Meline (Co-chair), Dave Hall (Co-chair), Kathy Ahearn, Pat English & Mark Miller

Social: Frank Dalton (Chair), Meghan Cannon-Keough, Jill Frank, Pat Dalton, Marcy Harmon

Technology: Mark Miller (Co-chair), Dave Hall (Co-Chair), Alex Millerand, Tryg Dahl. It was agreed that the name would be changed from the Communications Committee to better reflect the focus of the Committee. It was also agreed that there was no need for a quarterly newsletter, essentially because the Minutes of all Meetings are so detailed and the new Bulletin Boards provide ample means to keep Owners abreast of all activities.

D. Insurance refund – Ed Meline presented the following Treasurer’s Report:

Insurance refunds/MOTIONS

In an effort to provide a basis for future analysis of our insurance costs, especially if we change carriers, I am providing this write-up for our insurance files.

Background-approximately, two years ago Bob Campbell (slip #D3), as a Member of the Finance Committee, contacted the Hanover Ins. Company, to discuss a concern that the HBHYC was not correctly classified as a Yacht Club vs. an operating marina (which would have higher workers’ Compensation premiums.) Bob was successful in getting the classification changed and a refund of about \$4000 was received with a corresponding lowering of the Workers’ Comp. premiums going forward. The Finance Committee had suggested to the Board that Hanover be asked to review past years’ premiums in light of the reclassification, but this was never done.

This year, as in past years, we were audited by the Hanover Ins. Co., which is a standard practice for Worker’s Comp. Upon my discovering that the audit called for a \$4500 increase in our General Liability Policy, I contacted the Hanover Auditor, Russell Cohen, since I



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could not understand why we would be audited for anything but the payroll regarding Workers' Comp. I was told that our Liability Policy was written on the basis of estimated revenue (i.e. an operating marina classification with the premiums related to "income"). I explained that we had no "income" and should not be paying a premium on that basis.

After many discussions with the Auditor, he finally agreed that the Policy was written incorrectly. He did note that our Insurance Agent should have known this. I requested that the Auditor review all prior years' premiums, not only for the Liability Policy, but also for the Workers' Comp., arguing that, ultimately, it was Hanover's responsibility to classify the HBHYC correctly; we are a Yacht Club and should have paid premiums on that basis. He agreed to review prior years.

As a result, significant adjustments were made to the prior years' premiums. We have received (or will receive) either credits or checks as follows:

Workers Compensation, Policy #WHN 6350199

5/8/06-5/8/07-	\$5,117.00
5/8/05-5/8/06-	\$4,661.00
5/8/04-5/8/05-	\$6,679.00
5/8/03-5/8/04-	\$4,098.00
5/8/02-5/8/03-	\$3,032.00
5/8/01-5/8/02-	\$3,121.00
Tot. W. Comp. Refunds	\$26,708.00

Gen. Liability, Policy #IHZ 6340432

3/30/06-3/30/07-	\$5,649.00
3/30/05-3/30/06-	\$3,502.00
3/30/04-3/30/05-	\$2,574.00
3/30/03-3/30/04-	\$ 891.00
3/30/01-3/30/02-	\$ 379.00
Tot. Gen. Liab. Refunds	\$12,995.00

Total Refunds \$39,703.00



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An additional refund is expected for Gen. Liability for 3/30/02-3/30/03, which was missed by the Auditor.

In addition to the refunds, the **premium on Workers' Comp.** in 2007-2008 will be \$3,660 compared to the \$9,977.00 originally charged in the prior year.

The **premium for Gen. Liability** will be reduced (approx.) \$5,000 from the prior year.

MOTIONS

I MAKE a MOTION that the \$39,703.00, shown above, be transferred to the Capital Fund to be used only for future capital improvements.

In related issues:

I MAKE a similar MOTION pertaining to the 2007 final operating results for the year, specifically, to use the excess revenues, estimated at \$20,000, to augment the Capital Reserves.

In addition, I MAKE a MOTION that, in 2008 and future years, we increase the Capital Condo Fees and reduce the Operating Condo Fees by the same amount, if budgeted Operating revenues exceed budgeted expenses by more than \$15,000 (a contingency for unidentified potential expenses).

Ed Meline,
Treasurer
November 17, 2007

The above MOTIONS were SECONDED and PASSED.

E. Private Rentals – Owners to provide office with all info: name of tenant, copy of lease, certificate of insurance, emergency contact info. Ed felt that all transient rentals should go through the Office due to the required Staff support and documentation. HBHYC needs to know all the information pertaining to all boats in the Marina at all times. MOTION that all boats must provide all required paperwork was MADE, SECONDED and PASSED.



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F. Security Cameras – Three (3) proposals reviewed ranging from \$7,800 to \$18,000. Total Security Systems (local company) proposal approximately \$10,000. MOTION was MADE, SECONDED and PASSED to hire Total Security Systems.

G. Work boat registration – DMV requires social security number and signature. Fran Dalton to provide.

H. Decision on signs – rec'd two (2) proposals. MOTION was MADE, SECONDED and PASSED to hire AFA Signs.

I. Parking Lot Lights - Rec'd two (2) estimates to replace poles/fixtures. Need more estimates. Buildings/Grounds Committee to review and provide recommendations by December 2007 meeting.

J. Discussion of personal issues policy – Ed/Jim MADE a MOTION that we announce and implement a requirement that Owners, who have a personal matter, advise the Board of the issue (s) in writing and provide applicable documentation to assist the Board in its deliberations. The Board will be able to schedule appropriate time if documentation is received at least a week before the meeting. Presentment of documents and discussion with the Board that are not on the schedule will be limited to a period of 10 minutes to allow receiving information without impacting the schedule of the Meeting. Owners to send their issues to Stacy in writing via e-mail/mail/fax. Stacy will forward to the Board for review. This will give the Board /time to discuss the issue and conserve time at the Meetings. Depending upon the issue, the Board may meet with the Owner in Executive Session. MOTION was SECONDED and PASSED.

K. Rental Agreements – local attorney Marc Spielberg is reviewing the Slip Dockage Lease Agreement prior to sending out to Owners/Tenants.

L. Rules and Regulations changes – Fran to prepare draft letter indicating proposed changes to be reviewed by the Board prior to issuance to owners for review and suggestions. Add proposed By-Law Changes. Vote to take place in February 2008. Marc Spielberg will file changes already approved by the Owners.



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M. Preliminary 2008 Budget Discussion – Ed distributed draft of 2008 Budget and reviewed the key elements. Final Budget will be approved by Board and issued to Owners prior to the end of the year.

N. Payroll – During the Executive Session, a MOTION was MADE, SECONDED, DISCUSSED and PASSED by a vote of three (3) to one (1) to increase Stacy's hours from 30 to 35 hours per week. The majority of the board felt more hours were needed for the position to be performed well. Ed voted against the MOTION indicating he felt strongly that the Office Manager's job was being very adequately completed with the current 30 hours and the support of a bookkeeping/QuickBooks consultant, who will continue to be required.

Raul's hours were to change to 8:00 am to 4:30pm (vs. 4 PM), but it was subsequently agreed to make this change on 7/1/08. Dockhands are expected to average 12 weeks in the summer and work a standard 8 hour day in addition to a 1/2 hour unpaid lunch and two (2) fifteen (15) minute paid breaks.

O. Receivables– Receivables are at an all time low, with follow-up still required on a couple of owner's accounts. Accounts in arrears will be discussed during scheduled Executive Sessions.

P. Late Fee Policy- confirmed at \$25 per month late charge + 1.5% per month interest. Condo Fees are due on the 1st of each quarter (January, April, July, October), If not received by the 5th day of the 2nd month, a late fee will be applicable. Stacy will send reminders via e-mail at that time and at the beginning of each month thereafter, as required. (Hard copies to owners with no e-mail address). Late fees will be applied on the next quarterly invoice. MOTION was MADE, SECONDED and PASSED to continue this Policy.

Q. Police Report regarding Pump-Out System – Ed's concern is that there are conflicting testimonies between a number of Owners and the testimonies given to the Authorities and felt that it was the responsibility of the Board to advise the Police, accordingly. A MOTION was MADE, SECONDED and PASSED to close the issue with only Ed voting to advise the Police.



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O. 2007 Audit and Tax – Ed proposed that Mercadian, an accounting firm, be hired to prepare the 2007 tax returns and be invited to the January Board Meeting to discuss a review of our processes/bookkeeping. MOTIONS were MADE, SECONDED and PASSED.

II Committee Reports

A. Docks and Bulkhead Committee

1. 5-year plan – being developed starting with A-dock and ramps including power post replacements. Mark Hazley measured the area and is getting quotes on composite (same materials as walkway). TechnoMarine report suggests composite. Committee would like to complete renovations for each dock at one time. This project to be completed by maintenance staff.

2. Dredging permits – two (2) received in the amounts of \$20K and \$60K. No decision at this time.

3. Breakwater – Discussion about installing a bulkhead. Need to research via DEP and liability. Dave Hall advised of the on-going problem area and utilities being chafed. Mark Hazley suggested speaking with T & K Marine on their thoughts.

4. Pedestal cost/Electrician – as per Mark Haley, to replace each power pedestal would cost \$800-\$1000 plus as much as \$300 per post for an electrician to hook it up.

B. Buildings and Grounds Committee working on getting feed back on cedar vs. hardy-board. Joel Montgomery recommends cedar shake.

C. Social Committee: Fishing Tournaments – Fran requested dates of when specific fish are in season to have the tournaments. Suggested a filet knife as a prize.

New Business

1. Mark Hazley advised that the water has been shut-off as of November 15, 2007. There are blue handles at each dock to shut off the water. Separate shut off for North and South docks.



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2. Mark Hazley requested to purchase a snow blower at an estimated cost of about \$1,000. MOTION was MADE, SECONDED and PASSED.
3. Mark Hazley recommends replacing the Hot Water heater (installed 1988). Rec'd quote @ \$11,600 (\$9300 for tank). Phil Hiller to review estimates with Mark. This should be completed prior to summer 2008.
4. As per Mark Hazley, 16 electric meters did not work. Six (6) have been repaired and ten to be repaired.
5. Issues about metering electric. As requested, Finance Committee is working on alternative proposals, possibly only metering boats with AC and flat fee for others.
6. Maureen Wachter raised concern about response sent to her from last Meeting regarding the boat lift. She contended that the HBHYC destroyed personal property that was under a court order. The Board suggested that she have her lawyer contact our lawyer, if she was not satisfied with the Board's decision that the lift was legally removed with ample advance notice and she could not be reimbursed.

A MOTION was MADE, SECONDED and PASSED to adjourn the Meeting at 3:15 pm.

Happy Holidays!
Our next Board Meeting will take place in January 2008