

**LMOA BOARD OF DIRECTORS
Open Session Minutes**

DATE: Thursday, May 27, 2010

PLACE: Terrace Room, LMOA

DIRECTORS: **Present:**
Leighton Cumming, President John Platt, Vice President
Mike Harrison, Treasurer Don Fickes, Secretary
Scott Meiss Ray Gott
Benita Ellen (arrived at 9:05 PM)

STAFF: John Korhonen, General Manager
Kym Sampsell
Peggy Alexander
Meg Gore

1. CALLED TO ORDER

The meeting of the Lake Monticello Owner's Association was called to order in Open Session by Pres. Cumming at 5:59 PM on May 27, 2010.

MOTION by Director Meiss seconded by Secy. Fickes “that the Board of Directors go into Executive Session to discuss legal, contractual, and personnel issues.”

Motion carried 6-0-0

2. RECONVENE IN OPEN SESSION

The meeting reconvened at 7:09 PM.

3. PLEDGE OF ALLEGIANCE

4. EXECUTIVE SESSION REPORT

Secy. Fickes reported that the Board of Directors met in Executive Session at 6:00 PM to discuss legal, contractual, and personnel matters. The Executive Session adjourned at 7:01 PM. No action was taken during the Executive Session.

5. MINUTES AND CONSENT AGENDA

MOTION by Director Gott seconded by VP Platt “that the Board of Directors approve minutes of the Executive Session, April 22, 2010, the Open Session, April 22, 2010 and Confirm Consent Agreement for Pool Snack Bar May 11, 2010.”

Motion carried 4-0-2 Secy. Fickes and Director Meiss abstaining

6. LMOA REPORTS

6.1 **President’s Report (Pres. Cumming)**

Pres. Cumming explained that if the dues increase for Reserves is passed by the membership then the BOD is required to use the increase only for Reserves as requested by the Reserve Advisors. She stated that the BOD is legally obligated to properly maintain the community. She said that LMOA will be asking for donations from individuals for the July 4 fireworks to be held on July 3.

6.2 **Treasurer’s Report (Treas. Harrison)**

Treas. Harrison reported that for the four months ending April 30, 2010 Income exceeded the Budget by \$8,246 and Expenses were \$36,295 below Budget. Total Income is tracking above Budget by \$44,543. He said the Investment ERA Total stands at \$7,639,946.

6.3 **General Manager’s Report (GM Korhonen)**

GM Korhonen stated that recent tests for heavy metals showed that the arsenic levels in the Main and Tufton lakes are within low to normal levels and pose no more danger than native soil. He thanked the volunteers who cleaned and painted the Marina. He reported that the Marina air conditioning is now functioning. He announced that the Pool Snack Bar will start operations the coming weekend under the Ashlawn Grille. He said that the old green trash containers would be picked up by this weekend and that all could help the new recycling effort by separating the trash from the recycled items. He announced that the recent inundation study will soon be submitted to the State.

6.4 **James River Water Authority (Richard Schwarz, LMOA Representative on Citizens Water Committee)**

Richard Schwarz presented the four water supply options now under consideration by the Committee. Option 5: Do nothing, cost is zero. Option 8: The “Free Enterprise Plan” that would provide raw water piped to the Zion Crossroads area. Option 9: The “James River to Zion Crossroads via Lake Monticello Plan” that utilizes a new Pleasant Grove treatment plant. Option 11: The “Aqua Virginia Plan” that utilizes the existing expanded treatment plant.

6.5 **Auditor’s Report (Randy Jones, Robinson, Farmer, Cox Associates)**

Randy Jones reported that the final Audit Report has been completed. He expressed that there were no problems obtaining all the required information from the LMOA staff.

6.6 **Investment Committee (Chuck Johnson, Chair Investment Committee)**

Chuck Johnson reported that as of May 25, 2010 the ERA total was \$7,258,977, the RRA was \$152,230 and the STORFA was \$675,419. He presented a pie chart depicting the investment percentages for all income categories from Securities, Equities and Cash and Mutual Funds.

7. FLUVANNA COUNTY REPORTS (10 Minutes per Report)

7.1 Fluvanna County Board of Supervisors Report (Supervisor Ott)

Supervisor Ott stated that he has no prediction of the outcome for the water supply issues. He reported that the BOS is in favor of the proposed roundabout at the intersection of Routes 53 and 600. He said the intersection will not be closed during construction. He stated that a tax increase is coming and that there will be a reduction in the school budget. He said there were 25 candidates for the job of County Administrator but none were selected. He pointed out that Fluvanna County has about one half any many dollars as LMOA and has no reserves.

8. MEMBER COMMENTS #1 AGENDA ITEMS (5 minutes per member – Total 30 minute maximum)

Wayne Schmidt	370/3	TAB 9.3, TAB 10.2 Transparency
Denny Avers	63/1	TAB 10.1 Fencing Policy
Norm Hipskind	103/1	TAB 15.2 Wake Enhancers

9. UNFINISHED BUSINESS

9.1 Board Goals 2009-2010 (Pres. Cumming)

Resolutions from the Ad Hoc Committee on Legislative Review (Treas. Harrison)

Treas. Harrison stated that tonight is a first reading for amendments to PM 4.02A Financial Management. He said that PM 4.02M, 4.02P and the IPF amount will be on the June BOD meeting agenda.

Committees and the Strategic Plan (Director Ellen)

Absent during Board Goals.

Improvements to the Golf Course (Director Gott)

Director Gott reported that the Golf Course is now in the best condition as it has ever been.

Strategic approach to fund major expenditures (Director Meiss)

No report.

Deer Management (Secy. Fickes)

Secy. Fickes reported that at last count the two proposed Ad Hoc Committees for Deer Contraception and for Herd Control now each have enough volunteers to proceed to gather some additional information required by the BOD. He said the target is to get under way during June and he requested staff to determine some open meeting dates and places.

Survey on need for capital improvements (VP Platt)

VP Platt proposed forming a new capital Improvements program/committee to develop a plan similar to the old five year plan to address new assets with minimum values of \$10,000 and a useful life of at least five years. He said the program must also include financing suggestions.

**The Board recessed from 8:57 PM to 9:06 PM.
Director Ellen arrived at 9:05 PM.**

9.2 Strategic Plan (Pres. Cumming)

MOTION by Director Gott seconded by VP Platt “that the Board of Directors add to the Strategic Plan item 2.2 F to install playground equipment at Beaches 2, 3, and 4.”

Motion failed 0-6-1 with Pres. Cumming abstaining

MOTION by Director Meiss seconded by Director Ellen “that the Board of Directors add to the Strategic Plan item 2.2 L to add bathrooms at Lafayette tennis courts.”

Motion passed 5-2-0 Secy. Fickes and Director Ellen dissenting

MOTION by Director Ellen seconded by Director Gott “that the Board of Directors add to the Strategic Plan item 2.2 T to improve lighting outside the Main Clubhouse.”

Motion carried 7-0-0

MOTION by Director Gott seconded by VP Platt “that the Board of Directors add to the Strategic Plan item 2.3 B to continue improvements to the golf course per the Golf Committee Plan.”

MOTION to amend by Director Meiss seconded by Director Gott “to strike the words ‘per the Golf Committee Plan’.”

Amendment carried 7-0-0

Motion carried 6-1-0 Director Ellen dissenting

MOTION by Director Gott seconded by VP Platt “that the Board of Directors add to the Strategic Plan item 2.4 C to provide convenient and secure in-season and off-season storage facilities for boats (power, sail and paddled) and RVs.”

Motion failed 1-6-0 VP Platt assenting

MOTION by Director Meiss seconded by Treas. Harrison “that the Board of Directors change the Strategic Plan item 2.4 D to provide additional auto parking, improve driveway and drainage at the Marina.”

Motion carried 4-3-0 Secy. Fickes, Directors Gott and Ellen dissenting

MOTION by Director Ellen seconded by Director Meiss “that the Board of Directors revise the Strategic Plan item 3.2 E to create a new entrance gate (Lafayette).”

Motion carried 7-0-0

MOTION by Treas. Harrison seconded by Director Meiss “that the Board of Directors add to the Strategic Plan item 3.6 D to relax LMOA rules on deer fencing.”

MOTION to amend by Secy. Fickes seconded by Director Ellen “to replace the word ‘relax’ with ‘improve’.”

Motion carried 5-2-0 Pres. Cumming and Director Meiss dissenting

Motion carried 4-3-0 Pres. Cumming, Directors Meiss and Gott dissenting

MOTION by Director Meiss seconded by Director Ellen “that the Board of Directors add to the Strategic Plan item 3.7 B to explore providing lifeguards at the Main Beach.”

MOTION to amend by Director Ellen seconded by Director Gott “to replace the word ‘add’ with ‘change’.”

Motion carried 6-1-0 VP Platt dissenting

Motion carried 5-2-0 VP Platt, Treas. Harrison dissenting

MOTION by Director Gott seconded by Treas. Harrison “that the Board of Directors revise the Strategic Plan item 4.8 B to press Fluvanna County to enforce watershed management rules on all properties that drain into the Lake Monticello community and monitor county diligence.”

Motion failed 2-5-0 Pres. Cumming, VP Platt assenting

MOTION by Director Ellen seconded by Director Gott “that the Board of Directors revise the Strategic Plan item 5.2 D to implement means of including cable content on satellite TV and/or Internet services.”

Motion carried 7-0-0

9.3 Lake Reserve Account (Treas. Harrison and Director Ellen)

Deferred until June 24, 2010 Board meeting.

10. BYLAW AND POLICY CHANGES – SECOND READING

10.1 Amend PM 13.03 LMOA Environmental Controls: Construction and Property Maintenance Requirements for Fence Policy and Animal Barrier Guide (Treas. Harrison)

Deferred until June 24, 2010 Board meeting.

10.2 Amend PM 16.17 Committee Charters: Solicitation and Contract Review Committee Charter and PM 16.00 Committees to clarify committee membership of staff contracts administrator (Dick van Nierop, Chair Solicitation and Contracts Review Committee)

Deferred until June 24, 2010 Board meeting.

11. **NEW BUSINESS**

11.1 **Independent Auditors Report (Bud Mauldin, Chair Audit Committee)**

MOTION by Director Gott seconded by Director Meiss “that the Board of Directors accept the Independent Auditors’ Report, prepared by the firm of Robinson, Farmer, Cox Associates on LMOA’s Financial Statements for the Year Ended December 31, 2009 as presented in the Board packet of May 27, 2010.”

Motion withdrawn

MOTION by Treas. Harrison seconded by Director Gott “to extend the meeting to 11:00 PM.”

Motion carried 6-1-0 Director Meiss dissenting

The Board recessed from 10:25 PM to 10:30 PM.

11.2 **Community Pier (Ted Makranczy, Chair Working Group)**

MOTION by Treas. Harrison seconded by Director Meiss “that the Board of Directors appoint an Ad Hoc Committee for the Community Pier to provide assistance to the Board and Staff to plan, acquire materials and construct the Community Pier, dissolve the Committee when the pier is complete or December 31, 2011 whichever comes first and adopt the Ad Hoc Committee Charge as amended in the May 27, 2010 Board meeting.”

Motion carried 7-0-0

MOTION by Director Meiss seconded by Director Ellen “to extend the meeting to 11:30 PM.”

Motion carried 7-0-0

11.3 **Committee Appointments**

MOTION by VP Platt seconded by Director Gott “that the Board of Directors appoint Nat Alperin to the Safety and Security Committee for a term beginning immediately and ending December 31, 2011.”

Motion carried 7-0-0

11.4 **MOTION by Treas. Harrison seconded by Director Gott “that the Board of Directors modify the 2010 Budget under New initiatives to add an air fan in the food preparation area of the Pool Snack Bar not to exceed \$2500 funded from the PTF.**

Motion carried 7-0-0

12. **MEMBER COMMENTS #2 ANY LMOA TOPIC (5 minutes per member)**

Britt Johnson	159/3	PM 16.17 change and Improved Property Fee
Gary Dillon	345/3	Candidate Forum comments
Julius Neelley	289/4	Environmental issues
Steve Carney	385/2	Solid waste contract

13. STATUS REPORTS

None

14. REMARKS FROM THE BOARD

Director Meiss stated that recent Boards are already doing more with less and additional Reserve funds are needed. He asked all to remember those who gave for their country. He announced that LMOA is now on Face Book.

Secy. Fickes reminded all that if the LMOA community is not properly maintained, home values will be negatively impacted and he said that if the dues increase for Reserves does not pass, then future Boards will be compelled to ask for even greater increases.

VP Platt reminded all of the available Thursday evening Bingo events held at the firehouse. He encouraged all to vote for the dues increase as LMOA anticipates at least an \$11 million fee for roads from years 2015 to 2022. He wished all a safe and enjoyable Memorial Day.

Treas. Harrison announced that the pool is opened for the year and lap swimming will be available from 7 to 9 AM for a \$2.00 fee. He stated that LMOA lost \$84,000 last year from the Poll Snack Bar operations. He reminded all boaters of the 50 and 75 foot rules regarding boating activities near the shorelines on the main lake.

Director Gott stated that the proposed dues increase for reserves is only 29 1/2 Cents per day. He encouraged all to vote for the candidates of their choice and for the dues increase.

Director Ellen said that Wake Enhancers will be on the agenda for the next meeting and she invited owner inputs to the BOD addressing the subject. She encouraged all property owners to vote.

Staff member Peggy Alexander encouraged all to try the new LMOA feature on Face Book and she thanked all those who assisted her in getting it up and running.

15. BYLAW AND POLICY CHANGES – FIRST READING

15.1 Amend PM 4.02A Financial Management: Financial Management Policy as recommended by the Ad Hoc Committee for Legislative Review (Treas. Harrison)

15.2 Amend PM 06.05 Facilities Rules and Regulations: Boats, Marina and Boat Slips to prohibit wake enhancers (Rob Beck, Lake Preservation Committee)

16. ADJOURNMENT

Pres. Cumming adjourned the meeting at 11:09 PM.

by:

Don Fickes, Secretary