

**LMOA BOARD OF DIRECTORS
Open Session Minutes**

DATE: Thursday, June 23, 2011

PLACE: Terrace Room, LMOA

DIRECTORS: **Present:**
 Scott Meiss, President Benita Ellen, Vice President
 Mike Harrison, Treasurer Don Fickes, Asst. Secretary
 Ray Gott Britt Johnson
 Gary Dillon, Secretary

STAFF: John Korhonen
 Peggy Alexander
 Meg Gore
 Linda Adams

1. CALLED TO ORDER

The meeting of the Lake Monticello Owners' Association was called to order in Open Session by Pres. Meiss at 6:01 PM on June 23, 2011.

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

Motion carried 5-0-0

2. RECONVENE IN OPEN SESSION

The meeting reconvened at 7:15 PM.

3. PLEDGE OF ALLEGIANCE

4. EXECUTIVE SESSION REPORT

Asst. Sec. Fickes reported that the Board of Directors met in Executive Session at 6:02 PM to discuss legal, contractual, and personnel matters. The Executive Session adjourned at 7:05 PM. Action was taken during the June 23, 2011 Executive Session and confirmed in Open Session to approve a bonus for the General Manager and to amend his employment contract.

Confirmed 7-0-0.

5. **MINUTES AND CONSENT AGENDA**

MOTION by Asst. Sec. Fickes and seconded by Director Gott “that the Board of Directors approve the minutes of the Executive Session May 26, 2011 and the Open Session May 26, 2011.”

Motion carried 6-0-1 Director Dillon abstaining

6. **OTHER REPORTS**

- 6.1 **Fluvanna County Board of Supervisors Report** – Supervisor Chesser thanked the retiring BOD members for their dedicated years of service. He encouraged attendance at the Fluvanna County Chamber of Commerce Inaugural Wine Festival Sept. 24. He reminded all of the coming new interchange at Zion Crossroads. He explained the current County Redistricting status and encouraged attendance at the Supervisor’s BOD meetings.

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

Wayne Schmidt 370/3 10.1 & 10.2 Dam, Marina Basin contracts

8. **UNFINISHED BUSINESS**

- 8.1 **Change in Investment Brokers (Chuck Johnson, Chair Investment Committee)**

MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors based on the history of the Investment Committee, the experience and expertise of the persons available in the community to serve on the Investment Committee, and the conservative investments permitted by Policy Manual Section 4.02Q, the Board of Directors finds that it is unnecessary to employ a full service broker/dealer and/or investment consultant, and that the Association will benefit from not having to pay higher commissions or costs and therefore approves the transfer of the Association’s five Investment Accounts from Morgan Stanley Smith Barney to Charles Schwab under the terms and conditions described in the background to this motion.”

Motion carried 7-0-0

9. **BYLAW AND POLICY CHANGES - Second Reading**

- 9.1 **Amend 4.02Q Financial Management: LMOA Investment Policy to allow for covered calls (Chuck Johnson, Chair Investment Committee)**

MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors approve the amendments to PM 4.02Q Financial Management: LMOA Investment Policy to allow for covered calls such as gains on securities held in portfolio as presented in the June 23, 2011 Board packet.”

Motion carried 7-0-0

9.2 Amend 4.02Q Financial Management: LMOA Investment Policy to invest the Property Transfer Fee and Amenity Fund (Treas. Harrison)

MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors approve amendment to PM 4.02Q to add the PTF and Amenity Fund to those accounts managed through investments as presented in the June 23, 2011 Board packet.”

Motion carried 7-0-0

10. NEW BUSINESS

10.1 Tufton Dam Breach Analysis and Inundation Study WEG Amendment 1 (Linda Adams, Solicitations & Contracts Administrator)

MOTION by Director Gott and seconded by Director Johnson “that the Board of Directors authorize the President and General Manager to sign Amendment No. 1, dated June 23, 2011, to extend the completion date for the Tufton Re-certification contract with Williamsburg Environmental Group, Inc. from June 1, 2011 to September 1, 2011.”

Motion carried 7-0-0

10.2 Ad Hoc Committee Golf Pavilion (Treas. Harrison)

MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors agree to receive funds from an independent group soliciting funds for the construction of a golf pavilion. The group must adhere to the requirements specified in the Resolution Proposal as presented in the June 23, 2011 Board packet.”

MOTION by VP Ellen and seconded by Asst. Sec. Fickes “to table the motion until plans are received from an ad hoc committee.”

Motion carried 6-1-0 Treas. Harrison dissenting

MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors appoint an Ad Hoc Committee for a Golf Pavilion to work with the Board and Staff to design and construct a golf pavilion and approve the Ad Hoc Committee Charge as presented in the June 23, 2011 Board packet.”

Motion carried 7-0-0

MOTION by VP Ellen and seconded by Treas. Harrison “that the Board of Directors appoint Cliff Altschull to chair the Ad Hoc Committee for a Golf Pavilion.”

Motion carried 7-0-0

10.3 Organic Waste Disposal (Ida Swenson, Chair Storm Water Management)

MOTION by Treas. Harrison and seconded by Director Johnson “that the Board of Directors establish an ad hoc committee to study a community program for leaf removal and composting of organic wastes.”

Motion withdrawn

MOTION by Treas. Harrison and seconded by Director Dillon “that the Board of Directors charge the Storm Water Management Committee to study a community program for leaf removal and composting of organic wastes.”

Motion withdrawn

MOTION by Treas. Harrison and seconded by Director Dillon “that the Board of Directors charge the Storm Water Management and the Building Roads and Grounds Committees to study a community program for leaf removal and composting of organic wastes.”

Motion carried 4-2-1 Asst. Sec. Fickes and Director Gott dissenting, Director Johnson abstaining

Board recessed from 8:09 PM to 8:19 PM.

10.4 Miniature Golf for Fourth of July (Cam White, Resident)

MOTION by VP Ellen and seconded by Director Dillon “that the Board of Directors allow a miniature golf course to be added to the Fourth of July 2011 activities under the conditions as set forth in the LMOA standard contract.”

Motion carried 6-1-0 Asst. Sec. Fickes dissenting

10.5 Appeal of Compliance decision tailgating through Fairway/Slice Gate lot 530, Section 3 A. Cupino (GM Korhonen)

MOTION by Director Gott and seconded by Treas. Harrison “that the Board of Directors deny Andrew Cupino’s appeal of the April 27, 2011 Compliance Committee decision regarding tailgating on November 18, 2010 through the Fairway/Slice Gate.”

Motion carried 7-0-0

10.6 2012 Budget Calendar (Cliff Altschull, Chair Finance Committee)

MOTION by Director Gott and seconded by Director Dillon “that the Board of Directors approve the 2012 Budget Preparation Schedule as presented in the June 23, 2011 Board packet.”

Motion carried 7-0-0

10.7 Lake Monticello Beautification Corps Memorial Garden (Kathy Seroskie, Chair)

MOTION by Director Gott and seconded by Director Dillon “that the Board of Directors allow the Lake Monticello Beautification Corps to create a memorial garden for Tom White at Tufton Pond and to have the plans approved by ECC before installation begins.”

Motion carried 7-0-0

10.8 2012 Triathlon (Pres. Meiss)

MOTION by Director Gott and seconded by VP Ellen “that the Board of Directors approve hosting a second annual Monticelloman Triathlon on Sunday May 6, 2012 and direct the General Manager to finalize details and logistics, ensuring no financial obligations to LMOA.”

Motion carried 7-0-0

10.9 Committee Appointments

None

11. LMOA REPORTS

11.1 President’s Report (Pres. Meiss)

Pres. Meiss stated that it has been a privilege to serve as Director, Treasurer and President of the LMOA BOD during the past six years. He stated that when he was first elected he very quickly learned how much he did not know. He said that he has served with fifteen different people and learned from all of them. He outlined the major projects accomplished during the last six years and pointed to the many remaining challenges. He wished everyone a happy and safe holiday weekend and encouraged all those who had not submitted their Annual Proxy to vote on this coming Saturday at the Annual Meeting. He thanked the LMOA Staff for their support over the years.

11.2 Treasurer’s and ERA Report (Treas. Harrison)

As of June 2, 2011

Investments

	March	April	May
ERA Principal	\$7,520,680	\$7,623,494	\$7,177,407
ERA Div and Interest	\$ 175,823	\$ 196,370	\$ 226,147
ERA Total	\$7,696,503	\$7,819,864	\$7,403,554
Dam Withdrawal ERA-P			-\$363,258)

Road Reserve	\$514,828	\$572,065	\$556,591
STORFA	\$708,809	\$1,275,755*	\$1,275,771
Lake Reserve	\$ 58,432	\$ 59,123	\$ 58,103

LMOA Admin

Close to budget for income with \$62,344 and below budget for expenses at \$408,139.

LMOA Maintenance

On budget for income with \$3,377 and below budget for expenses at \$245,896.

LMOA Security and ECC

On budget for income with \$49,455 and on budget for expenses at \$361,410.

LMOA Golf

Above budget for income with \$262,933 and close to budget for expenses at \$324,604.
 The year to date loss is \$61,671, which is lower than the year to date loss in last month of \$106,652.

LMOA Marina

Above budget for income with \$126,953 and below budget for expenses at \$47,405 for a year to date gain of \$79,548.

LMOA Pool

On budget for income with \$29,905 and below budget for expenses with \$28,755 for a year to date loss of \$1,150. Seventy-four annual memberships and 53 20-trip books have been sold. There have been 200 daily or guest passes purchased.

LMOA Tennis

Above budget for income with \$2,876 and close to budget for expenses of \$2,515 for a year to date loss of \$361.

11.3 General Manager's and Dam Project Status Report (GM Korhonen)

GM Korhonen status of dam repairs. No invoices have been paid since last month's report. The status remains:

Acres Dam

Construction complete.

Contractors paid in full:

Digs	\$50,256
Watershed Services for consulting	\$ 4,500
Total	\$54,756

Tufton Dam

Repairs in progress.

Contractor paid:

Watershed Services	\$119,000	90%
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Main Dam

Repairs in Progress.

Contractor paid:

Watershed Services	\$196,820	63%
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Main Dam Low Level Drain

Repairs in Progress.

Contractor paid:

Watershed Services	\$174,480	70%
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Main and Tufton Dams Filter Drains

Repairs in progress.

Contractor paid:

Watershed Services	\$24,520	18%
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Progress Payments

Total dam expenses	\$856,500	
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Total paid to date:	\$569,576	67%
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Total dam expenses remaining	\$286,924	
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GM Korhonen discussed other LMOA projects:

Main dam weldment installation

Main dam gate valve

Installation of two wells to measure elevation of seepage through dam

11.4 Finance Committee Report (Cliff Altschull, Chair)

No report

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

Burt Marks	308B/4	BOD action outside the community
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13. STATUS REPORTS

None

14. REMARKS FROM THE BOARD

Director Johnson congratulated the three retiring directors.

Director Gott said he had a great three years and he wished all the luck in the world to the new BOD members.

Treas. Harrison said a 48 lb. turtle had been sighted in the lake and advised everyone to not try to handle turtles.

VP Ellen stated that LMOA needed office skills and that those interested should apply to Peggy Alexander. She warned that divers will again be working at the main dam and advised boaters to observe the 200 foot perimeter surrounding the dive barge. She said that July 11 – 14 are the dates for the Youth Quick Start Tennis program. She wished everyone a great 4th of July holiday.

Asst. Sec. Fickes congratulated the three retiring BOD members.

Director Dillon tendered his resignation from the BOD effective immediately. He stated that he is grateful for having had the opportunity to serve on the BOD for the past year and he offered his best wishes for its continued success.

15. **BYLAW AND POLICY CHANGES** - First Reading

None

16. **ADJOURNMENT**

Pres. Meiss adjourned the meeting at 9:33 PM.

by: _____
Don Fickes, Assistant Secretary