

**Board of Directors  
Minutes**

**Present Members:** Kathi Blakey, Chris Bracken, Claire Cutaiar, Bill Devine, Dennis Foley, Richard Grimm, Bob Heim, Bob Holmes, Ron Kramer, Kevin McMahon, Robert Moonen, Fred Reichenbach, Karl Sneed, Stan Snell, and Joe Strivieri

**Absent Members:** Dave Humphrey, Dick Jaynes, Kim Lutian, Don Manak, Joe Nahman, and Susan Roman

**Present Staff:** Sally Warren, Meredith Elmore, Lawrence Alexander

**Others Present:** Brian Crum

**Date:** October 22, 2020

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**I. Roll Call**

The meeting was called to order at 10am. A quorum was established.

**II. Prior Minutes**

The minutes of the prior meeting were reviewed and approved as written.

**IV. Financial Report**

Mrs. Warren stated that total income through September was \$161,899.20 ahead of budget as a result decal revenue and \$157,599.25 of enhancement income. She reported that decal sales are now \$12,841.00 below where they were last YTD. She also stated that Beach Club income is down \$7,412.50 as compared to last year. She added that cable franchise payments are also down, as Hargray mistakenly paid twice last year. She went on to report that the total receivable for the year is \$10,615.16, or less than 1 percent of the assessment billing. She stated that security expenses through September continue 3% below budget for the year, but insurance costs are high due to the high umbrella premium experienced in March. She reported that landscape costs through September continue 4% below budget for the first nine months, but tree work costs may be experienced with fall storms. Mrs. Warren reported that general administration costs through September were 3% below budget, but noted that there will be overages in this line item as the year progresses due to the liability insurance policy and umbrella increases. She stated that general maintenance costs through September were within 3% of budget, and noted that multiple drainage improvements were completed before storm season and seem to be functioning well. She went on to report that Beach Club expenses through September were \$15,597.66 below budget, but noted that the facility is now open for rental and

owner events. She stated that social distancing is still required and occupancy is limited to 50%. She stated that enhancement fee income through September was \$157,599.25, which is \$11,266.50 above 2019 YTD. In closing, she stated that the budget will be affected by the COVID-19; however, income is only down \$32,323.93 overall as compared to 2019 YTD.

## **V. Old Business**

### **A. "Plantation"**

Mrs. Warren reported that Bob Deed recommended hiring someone to retype the necessary POA documents, and his office would then proof them. The word "plantation" is being removed from both the covenants and the by-laws, and the work should be completed in early December.

### **B. PPP Loan**

The forgiveness document for the PPP Loan through TD Bank has been completed. Mrs. Warren thanked Ms. Elmore for her competence and hard work in getting everything needed to the bank.

### **C. Beach Club Events**

Ms. Elmore reported that events are beginning again at the Beach Club and that staff are working hard on keeping occupancy to 1/2, requiring masks when not eating or drinking, and trying to social distance at all events. She noted that this has certainly been challenging, but that efforts are being made to adhere to recommended guidelines for the safety of staff and attendees.

### **D. Insurance Issues**

Mrs. Warren reported that there are three pending cases including Shipyard, and noted that hopes of a settlement had not been successful for the mediation in the Beachwalk deck collapse. She stated that discovery is on-going in the other two cases, and chances for improved insurance rates for liability and the umbrella are not favorable with so much pending litigation. The insurance increase from the 2019 renewal impacted this year's budget by \$60,000, and that increase has been included in the budget draft for 2021.

## **VI. New Business**

### **A. Enhancement Projects**

Enhancements approved at the recent Finance Committee/Executive Committee meeting included an electronic information board at the Pope Avenue Gate. This installation will be 2/3 of the size of the information board at the Parkway Gate,

and the work will be done by the same contractors. It was noted that management is hopeful that this will be completed by year-end. She stated that two bicycle path widening projects were also approved: the first section of Residential South will be from Salem to Gloucester, and the first section of Kingston will be from the intersection to just after the second golf course entrance. She stated that these projects will require a Minor Development Plan review at the Town. She added that curbing and a section of replacement asphalt at the Kingston intersection was also approved. And finally, she reported that gravel for the Beach Club parking area will be done when the attorney feels any changes to that area can be made.

**B. Beach Walkway**

Mr. Strivieri gave a thorough review of the design and the bidding process for the Beach Club walkway. Wood and Partners has received Town approval, and the total costs should come in under \$200,000.00. Three contractors have submitted bids; and following completion of an AIA contract, the association will move forward with this work scheduled for January through March. The contractor for this project will be Barrier Island Marine who have done substantial work at Shelter Cove and Palmetto Bay Marina. She stated that other bidders will be notified once a contract is signed. Mr. Foley moved and Mr. Bracken seconded a motion to proceed as noted. Motion passed.

**C. 2021 Budget Proposal**

Mrs. Warren distributed a revised budget, which had been recommended by the Finance and Executive Committees. It was noted that the revised draft includes a 2% increase to the owners and a \$20.00 increase per density unit for the 2021 assessment. She reported that the main increases in this budget were for a 2% wage increase and a \$60,000.00 increase for various insurance. She stated that Association contractors have agreed to hold their increases for a one year extension on their contracts, and it was noted that a financial review would be completed instead of an audit for 2020. After discussion, it was unanimously agreed to move forward and the budget was approved as presented.

**VII. Adjournment**

There being no further business, the meeting was adjourned at 10:39am.

## SHIPYARD PLANTATION BUDGET 2021

INCOME	2020	2021		
Assessment	\$1,986,860	\$2,034,097	\$47,237	2.38%
Decal Sales	\$332,000	\$337,000	\$5,000	1.51%
Boot Fee	\$1,000	\$1,000	\$0	0.00%
Beach Club	\$93,000	\$89,000	(\$4,000)	-4.30%
Interest Earnings	\$8,000	\$7,500	(\$500)	-6.25%
ARB	\$14,000	\$16,000	\$2,000	14.29%
Voluntary	\$1,000	\$1,000	\$0	0.00%
Lagoon Reimbursement	\$11,980	\$11,980	\$0	0.00%
Cable Franchise Income	\$39,500	\$36,000	(\$3,500)	-8.86%
Snow Cone	\$2,000	\$2,000	\$0	0.00%
Advertising	\$1,700	\$1,700	\$0	0.00%
Access Fee	\$94,000	\$98,000	\$4,000	4.26%
Late Fees	\$2,800	\$2,800	\$0	0.00%
Cell Tower Income	\$48,728	\$50,371	\$1,643	3.37%
<b>TOTAL</b>	<b>\$2,636,568</b>	<b>\$2,688,448</b>	<b>\$51,880</b>	<b>1.97%</b>

### EXPENSES

#### SECURITY

Salaries and Wages	\$931,871	\$950,610	\$18,739	2.01%
FICA	\$71,288	\$72,714	\$1,426	2.00%
Unemployment	\$7,488	\$7,638	\$150	2.00%
Workers' Compensation	\$36,100	\$28,000	(\$8,100)	-22.44%
Health Insurance	\$160,000	\$162,000	\$2,000	1.25%
401K	\$8,840	\$8,840	\$0	0.00%
Special Operations	\$0	\$0	\$0	0.00%
Uniform Maintenance	\$0	\$0	\$0	0.00%
Licenses	\$3,000	\$3,000	\$0	0.00%
Professional Fees	\$400	\$400	\$0	0.00%
Office Supplies	\$8,500	\$8,500	\$0	0.00%
Printing/Postage	\$34,800	\$30,000	(\$4,800)	-13.79%
Taxes	\$3,000	\$3,000	\$0	0.00%
Consumables	\$5,200	\$5,200	\$0	0.00%
Equipment Purchase	\$12,000	\$11,000	(\$1,000)	-8.33%
Equipment Maintenance	\$3,500	\$3,700	\$200	5.71%
Equipment Leases	\$6,500	\$6,800	\$300	4.62%
Vehicle Operating	\$69,000	\$68,000	(\$1,000)	-1.45%
Other Insurance	\$30,000	\$33,000	\$3,000	10.00%
Uniforms	\$8,000	\$8,000	\$0	0.00%
Training	\$14,300	\$11,000	(\$3,300)	-23.08%
Capital Outlay	\$3,000	\$3,000	\$0	0.00%
Other	\$0	\$0	\$0	0.00%
Sub-Total	<b>\$1,416,787</b>	<b>\$1,424,402</b>	<b>\$7,615</b>	<b>0.54%</b>

#### LANDSCAPE

Contract	\$201,540	\$201,540	\$0	0.00%
Hauling	\$2,500	\$2,500	\$0	0.00%
Mosquito Control	\$5,700	\$5,700	\$0	0.00%
Tree Work	\$18,500	\$17,000	(\$1,500)	-8.11%
Other Grounds	\$11,500	\$11,500	\$0	0.00%
Sub-Total	<b>\$239,740</b>	<b>\$238,240</b>	<b>(\$1,500)</b>	<b>-0.63%</b>

**GENERAL ADMINISTRATION**

Debt Service	\$5,000	\$4,000	(\$1,000)	-20.00%
Telephone	\$39,000	\$39,500	\$500	1.28%
Insurance	\$70,000	\$112,000	\$42,000	60.00%
Electricity	\$36,500	\$35,500	(\$1,000)	-2.74%
Water/Sewer	\$10,000	\$10,500	\$500	5.00%
Legal	\$12,000	\$11,000	(\$1,000)	-8.33%
Administration Salaries	\$227,656	\$232,200	\$4,544	2.00%
Payroll Taxes	\$17,416	\$17,765	\$349	2.00%
Accounting	\$27,702	\$27,702	\$0	0.00%
401K	\$8,500	\$8,650	\$150	1.76%
Admin/copier, printing	\$52,000	\$52,000	\$0	0.00%
Public Relations	\$14,000	\$12,000	(\$2,000)	-14.29%
ARB Expenses	\$8,000	\$7,500	(\$500)	-6.25%
Auditing Expenses	\$8,000	\$8,000	\$0	0.00%
Taxes	\$6,700	\$6,000	(\$700)	-10.45%
Computer	\$15,600	\$15,600	\$0	0.00%
Bad Debt	\$6,500	\$7,000	\$500	7.69%
Sub-Total	\$564,574	\$606,917	\$42,343	7.50%

**GENERAL MAINTENANCE**

Lagoon	\$20,375	\$20,375	\$0	0.00%
Lighting	\$6,500	\$6,500	\$0	0.00%
Building	\$12,000	\$12,000	\$0	0.00%
Signs	\$6,800	\$6,800	\$0	0.00%
Paving Repairs	\$6,500	\$6,500	\$0	0.00%
Bike Path Repair	\$4,800	\$4,800	\$0	0.00%
Lagoon Improvements	\$6,500	\$6,500	\$0	0.00%
Supplies & Equipment	\$8,500	\$8,500	\$0	0.00%
Fence Maintenance	\$2,800	\$2,800	\$0	0.00%
Sub-Total	\$74,775	\$74,775	\$0	0.00%

**BEACH CLUB EXPENSES**

Wages & Benefits	\$44,720	\$45,615	\$895	2.00%
Utilities	\$13,100	\$13,100	\$0	0.00%
Insurance	\$22,000	\$21,000	(\$1,000)	-4.55%
General Maintenance	\$18,500	\$18,000	(\$500)	-2.70%
Leases/Contracts	\$8,500	\$8,800	\$300	3.53%
Supplies & Equipment	\$7,500	\$7,500	\$0	0.00%
Sub-Total	\$114,320	\$114,015	(\$305)	-0.27%

**OTHER EXPENSES**

Loan Repayment	\$5,000	\$3,500	(\$1,500)	-30.00%
Catastrophic Reserve	\$0	\$0	\$0	0.00%
Maintenance Reserve	\$178,000	\$185,120	\$7,120	4.00%
New Capital Projects	\$22,000	\$20,000	(\$2,000)	-9.09%
Legal Reserve	\$1,000	\$1,000	\$0	0.00%
Budget Contingency	\$20,372	\$20,479	\$107	0.53%
Sub-Total	\$226,372	\$230,099	\$3,727	1.65%

**TOTAL**

	\$2,636,568	\$2,688,448	\$51,880	1.97%
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