

Minutes of  
**Grapetree Area Property Owners Association, Inc.**  
**2014 Annual Meeting**  
**January 18, 2014**

Location: Divi Carina Casino Conference Room

Quorum: A quorum of 25 members was met

Handouts: The following documents were made available to the attending members: Meeting Agenda, Revised list of Board recommended candidates for election, 2013 Annual Meeting Minutes, 2013 Profit & Loss Statement, 2013 Statement of Cash Flows, 2013 GAPOA Homeowners-Balance Owed Summary (as of 12/31/13), Analysis of GAPOA Income Shortfall (2013 Actual vs. Budget and 2012 Actual), 2014 Annual Meeting – Road Report for GAPOA 2013, 2014 & 2015 Paving & Grading Budget, Actual GAPOA Road Expenditure Yearly Breakdown, 2014 Annual Meeting Agenda, 2014 Proposed Amendments to By-Laws, January 18, 2014 President's Report and 2014 Revised Slate of Officers & Directors.

Meeting called to order by Steven Larchuk, President, at 4:05 PM

1. Approval of 2013 Annual Meeting Minutes – minutes unanimously approved.
2. President's Report – Steven Larchuk (report submitted as a handout & distributed in advance) The following topics were explained:
  - a) Because of the extensive road work done in 2013, the association would not be able to do more than minimum maintenance in 2014.
  - b) Unpaid membership assessments total over \$40,000. Escalating the collection effort involves foreclosure which involves legal fees. The remedy is to require the delinquent property owner to reimburse GAPOA all collection costs.
  - c) Proposed By-Law change to create two classifications, unimproved & improved, with differing assessments.
  - d) Proposed Assessment Increase.
  - e) Broadening Board Member Eligibility to allow both spouses and statutory civil union partners to serve on the board when nominated by a lot owner.
  - f) Clarifying the board eligibility to one person per lot.
  - g) One slot remains open on the board and nominations from the floor are welcome.

Steve thanked the Officers, Board Members and Volunteers for their contributions.

### 3) Committee Reports

#### a) Treasurer's Report:

Steve Larchuk delivered the Treasurer's Report as John Roberts was unable to attend the meeting. A handout was submitted and distributed in advance. John explained in his "Analysis of GAPOA Income Shortfall" the following:

- \*Total income in 2013 was \$50,000 vs. a budget of \$63,050 (\$13,500 shortfall, 21%)

- \*The cash on hand as of 12/31/13 was \$42,803.

- \*The budget called for cash on hand as of 12/31/13 of \$50,000, but was reduced to \$25,000 due to road repair overages.

- \* As of 12/31/13 liens have been placed on 33 properties (11%) with \$53,592 owed in unpaid assessments and late fees.

- \* Cash on hand 1/18/14 is \$49,000.

Steve added that insurance costs are expected go up by 25% due to raising the liability insurance from 1M to 2M.

#### b) Road Committee:

Bob Carlin, Chairperson, discussed the road report handout. Highlights included:

- \* The creation of the "GAPOA Road System Manual" which identifies/assesses/prioritizes all GAPOA roads.

- \* The "Association Map Book" which contains maps for all the properties located within GAPOA boarders.

- \* The creation of a "Membership Property List" to identify properties included in the association.

- \* The instillation of 42 road signs and 14 stop signs. (The sign for Hummingbird will be moved or another installed.)

- \* A summary of road maintenance done in 2013 including: grading. brush cutting and asphalt repairs/improvements. Asphalt recapping and pot hole repair in 2013 totaled \$74,000.

- \* Recommendations for 2014

- \* Proposal for work in 2015

c) Architectural Committee: Gayle Moore, Chairperson, reported that one review form was submitted for a house and pool on Lot #43 South Slob. It was approved by the committee.

#### d) Communications Committee:

Jim Pedrick, Chairperson, reported that the web site is more active and now includes a quarterly President's Report. Members can volunteer on site and contact officers. In the near future Jim plans

to post the by-law changes, the 2014 minutes and the 2014 budget. He stated the goal for the next year is to get information out quickly.

Jim thanked Clayton Kohl for his major contribution to the committee.

e) Beach Committee:

There was one beach clean-up in 2013.

f) Legal Committee:

Steve Larchuk, Chairperson and President, reported that street signs and stop signs were erected. These signs not only aid in emergency situations, but also lower our liability. He also informed the membership that we had changed our insurance carrier as our former carrier was no longer on island. We currently carry 1M liability and 1M errors and omissions. We are hoping to raise those amounts to 2M each in the coming year.

g) Questions from the floor:

\* Bob Carlin answered questions concerning how areas are chosen for repair. He also explained that no roads on the Grapetree Bay Hotel property were paved and hopes that the owner will contribute to the maintenance and repair.

\* Bob also addressed a question concerning the "2013 Profit & Loss" report. He stated that the amounts for "Road Grading" and "Road Repairs Minor" were included in "Road Repairs – Major". A correction will be made. The revised numbers would be: "Road Grading" \$3,477; "Road Repairs – Major" \$59,616; "Road Repairs – Minor" \$20,000.

#### 4) New Business

a) By-Laws Amendments: At this point the Annual Meeting was operating as a "Special Meeting" and the attendees functioned as a Committee of the Whole to allow an informal review of all of the proposed By-Law amendments that had been posted to the website with notification to the Membership that these would be considered at the January 2014 Annual Meeting. As President, Steve Larchuk, also served as chairman of the Committee of the Whole.

Most of the proposals were not opposed. The proposed amendment to create two classes of assessment based upon "improve" or "unimproved" and the proposal to increase the assessments were discussed at length with several straw votes taken to measure the degree of disagreement. Where it appeared a formal vote might be close Mr. Larchuk allowed the discussion to go on so everyone attending who had an opinion could be heard. As a result of that discussion some previous positions were changed and it appeared the will of the Membership would be clear.

The Special Meeting thus resumed and all of the proposed by law amendments were proposed by Mr. Larchuk and seconded by Gayle Moore. Votes were taken with the following results:

\*Add to Article VI

**Section 14 – Eligibility of Member Spouses and Others.** A member in Good Standing may nominate for election as a Director their lawful spouse or such other person with whom they have a statutory civil union. The spouse or civil union partner is not required to be listed on the property deed.

**Section 15 – Limitation of Directors Representing a Single Lot.** Only one person shall be eligible to serve as a Director from a single lot.

\*Add to Article IX

**Section 2 – Assessments.** Commencing January 1, 2015 the annual assessment for all lots shall be \$300.

**Section 7 – Collection Fees and Expenses.** Commencing March 1, 2014 in all situations where the Association incurs legal fees, court costs, auction costs and other expenses associated with the collection of unpaid assessments the Association shall be entitled to recover all such fees, costs and other expenses from the member(s) who have failed to pay their assessments.

c) The following By-Laws Proposed Amendment was considered by the membership acting as a Committee of the Whole. After considerable discussion this proposed amendment was **not approved**.

Article IX, **Section 7 – Categories of Lots.** The Association hereby establishes two categories of properties which may, upon vote of the Membership, be responsible for different assessment rates. Such categories shall be: (1) unimproved lots (2) improved lots.

The Special Meeting was adjourned and the Body returned to its function as an Annual Meeting.

5) Election of Officers & Board of Directors – The following officers and board members were unanimously elected:

PRESIDENT – Steven Larchuk

VICE PRESIDENT – James Pedrick

TREASURER – Bob Carlin

SECRETARY – Gayle Moore

AT LARGE BOARD MEMBERS:

Isabel Brady

G.B. Bucknell

Jan Buell

Sara McCambridge (nomminated from floor to fill open seat)

Louisa Porter

John Roberts

Yvonne Toussaint

6) Steve thanked the retiring Officers & Board Members for their service: Larry Meyer (Secretary), Colette Diegel and Barry Edwards.

The next annual meeting will be held January 17,2015.

Bill LaGrange moved and Gayle Moore seconded adjourning the meeting. Motion approved unanimously. The meeting was adjourned.

Respectfully submitted.

Gayle Moore, Acting Secretary