

Mariners Landing Community Association, Inc.
Community Association for Resort Expenses (CARE)

Annual Meeting – October 21, 2006

Blackwater Room, The Pointe at Mariners Landing – 10:00 am

Developed and undeveloped lots represented in person:

- 1st Fairway: #36 (Clary); #23, 24, 47 (Matt White, M&J Developers, Inc.)
- 6th Fairway: #116 (Keaton); 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 (Matt White, M&J Developers, Inc.)
- 8th Fairway: #1 (Jordan); #2 (Martin); #16 (Starkey); #18 (McGraw); #24 (Hall); #7, 8 (Matt White, M&J Developers, Inc.)
- 10th Fairway: None
- Mariners Village: #32 (Shaffer); #56 (Kirkbride); 70 (Matt White, M&J Developers, Inc.)
- Section 1: #36, 37 (John White, JW Holdings, Inc.)
- Section 2: #43 (Ferguson); #49 (Miller); #42 (Matt White, M&J Developers, Inc.)
- The Cove, Sec.1: #2 (Craighead); #7 (Wachter); #8 (Lindell); #13 (Wilhelmi); #17, 18, 19, 20, 21 (Matt White, M&J Developers, Inc.)
- The Cove, Sec.2: #2 (Matt White, M&J Developers, Inc.)
- The Cove, Sec.3: #1, 2, 3, 4 (Matt White, M&J Developers, Inc.)
- The Pointe: #111 (Kirkbride); #141, 212, 213 (Varney); #165 (McDonald); #217 (Puca); #2102, 2201, 2301, 238, 2304, 2402 (John White, JW Holdings, Inc.); #116, 117, 151, 201, 205, 206, 208, 218, 2101, 2103, 221, 2202, 235, 236, 2303, 248, 2401 (Matt White, M&J Developers, Inc.)
- Undeveloped lots: 4500± (John White, JW Holdings, Inc.)

Lots represented by proxy:

- 1st Fairway: #40 (Glover)
- 6th Fairway: #17 (DeHaven); #18 (Carrington Properties/Taylor); #114 (Vaden); #118 (Fanelli); #120 (Kiley); #128 (Hair); #130 (Brath)
- 8th Fairway: #3 (Rosensteel); #20 (Warf); #22 (McDonald); #27 (Neukirch)
- 10th Fairway: #14 (Teeple); #17 (New Age Remodelers, Inc.)
- Mariners Village: #2 (Coffman); #5 (Swann); #6 (Deibler); #18 (Slujtner); #21 (Cake); #23 (Larson); #24 (Gasparo); #25 (Fye); #29 (Carter/Miller/McKlan); #30 (Burns); #33 (Bonney); #44 (Bratton); #45 (Curfiss); #47 (Poff); #48 (Dhumne); #50 (Pecjak); #52 (Humphries); #53 (Bernau); #59 (McClure); #66 (Arbogast)
- Section 1: #10 (Laubis); #29 (Turner); #31 (Smith); #32 (Gruber)
- Section 2: #50 (Nonnemacher); #52 (Capozzi)
- The Cove, Sec.1: #5 (DeLong/Toms); #15 (Fye); #16 (McDaniel)
- The Pointe: #115 (Burris); #121 (Triple G Properties, LLC); #154 (Craghead); #155 (Smith & Pullen, LLC); #161 (Splawn); #164 (Throckmorton/Gower); #204 (Manion); #234 (Reynolds); #237 (Waldman/McGraw)

Seven of the above proxies were invalid (not signed or assigned to an owner who wasn't present at the meeting).

The meeting was called to order by John White, President.

Attendance was taken and proxies were accounted for. A quorum was present for the purpose of doing business.

The minutes from last year's annual meeting were reviewed. The board reviewed and approved these minutes at their 9/29/06 meeting. Mike Wachter motioned that the minutes be accepted as stated. Paul McDonald seconded the motion. All voted in favor.

Treasurer's report: In February, the board approved taking \$30,000 from the checking account and placing it in a 7-month CD. When the CD matured, the \$30,000, plus accrued interest and an additional \$10,000 from the checking account was moved into a money market account which will earn 5.25% through February, 2007. We currently have \$2,503.90 in the checking account and \$40,794.08 in the money market account.

A Profit & Loss Budget vs. Actual report was presented for 2005 and 2006-to-date with anticipated balance projected for the remainder of 2006.

As indicated last year, past MLCA/CARE budgets have not assumed responsibility for what will ultimately be its full share of security, reserves, etc. A budget has been proposed by the board for 2007 that includes a more realistic picture of what the association's ongoing responsibility for expenses is likely to be. While the proposed

budget does show a deficit, income projections are conservative, and expense projections should provide a safe margin. The board felt it was better to present a realistic budget (with a slight deficit, since we have a healthy balance in our bank accounts) rather than “pad” the income estimate to make the budget balance.

It was requested that the information be made available in advance of next year’s meeting so that owners have time to review. It will be published to the MLCA website at www.tpsmanagement.com, and owners will be notified of its availability.

Management fees have been added to the 2007 budget. TPS Management Services (John White) has been providing these services without charge to date. However, MLCA/CARE needs to begin taking on responsibility for real costs, so that it won’t be a shock when the association has to stand on its own.

The security budget has doubled this year (again, so that MLCA/CARE won’t be shocked later). The cost of security is shared between The Pointe POA, Mariners Landing Water & Sewer Company, JW Holdings, Inc. (boat slips), and M&J Developers, Inc. (Total security cost is approximately \$80,000/year.) M&J plans to convert a company vehicle for security use (flashing light, SECURITY on the side) so that it is more visible and consistently recognizable.

CARE income will continue to be generated from social membership for a while, but that will eventually be phased out as owner use maximizes the amenities. Some owners in Sections 1&2, Monoacan Shore, and Lake Retreat POA’s are being encouraged to sign a covenant to individually join the Mariners Landing Community Association as owners. If they do not exercise the option now, they will lose the ability at some point. Slip renters who are non-owners will also be phased out over time as owners fill the slips.

Dumpsters will be reduced from 5 to 3 for the winter months, unless usage demands more. We are comparing costs and looking into the possibility of replacing the dumpsters with a trash compactor.

The section signs (The Cove, 1st Fairway, etc.) and landscaping were installed by the developer. However, it is the responsibility of the individual POA’s to maintain. There was some discussion about moving the responsibility to MLCA/CARE, but due to the variation in signs (The Pointe is different from the rest, Sec. 1&2 doesn’t have one, etc.) it was determined that it would be best to leave as it currently stands.

The question was raised about what this budget would do to dues. At the board meeting it was agreed that dues should increase each year by CPI (the cost of living index) with a CPI cap of 5%. The board may deem it necessary to raise dues beyond 5% for other reasons in any given year, but if no other increase is necessary, dues should increase at least slightly each year to avoid shock later when it may be necessary to significantly increase all at once (if there hadn’t been gradual increases all along). The owner dues for 2007 will increase from \$125 to \$132, and social dues will increase from \$70 to \$75.

Mike Wachter motioned that the 2007 budget be accepted as presented. Sal Puca seconded the motion. All voted in favor.

The planner’s report was presented for review.

Dredging in The Cove is extremely cost-prohibitive. There is a possibility some of the slips currently in The Cove may be moved further out so they can be used.

The entrance signs are being evaluated for options that could create more contrast between the Mariners Landing lettering and the background.

Several roads are being taken into the VDOT system. VDOT has determined that a portion of road in The Cove is too steep, and they will not accept roads with drainfields under them (8th Fairway Lane), so those roads will have to remain private. Pressure on VDOT from individual owners may have an impact.

Fiber optic cable throughout the community is still a possibility, but the County process for approval is exceedingly cumbersome, so applications have been made, and it is in the process but will not be decided any time soon. Mariners Village does not have any viable options for high-speed internet at this point.

EastLake Commons (the commercial site across from the main entrance) should have permits in the next few months. Tenants are being sought.

Any boat creating a wake within 50' of a boat dock is considered to be speeding, and should be reported to the Pointe reservation desk and to the Bedford County Sheriff. If the violator is a slip renter at Mariners Landing, and the hull registration # is turned in, action will be taken.

The board consists of 4 members appointed by the declarant and 3 members elected from the presidents of the associations. The 4 appointed members will stay the same for 2007 – John White, Matt White, Jeff Burdett, and Rebecca Carroll. It was noted that the amendment to the bylaws calls for the elected board members to serve on rotating 3-year terms. Based on past elections, only 1 board position (currently Hugh Shaffer) would be voted on this year.

The floor was opened for nominations. Mike Wachter nominated Jim Ferguson, and Sal Puca seconded. Bart Starkey nominated Matt Doyle, and Christine Hall seconded. Mike Wachter motioned that nominations be closed, and Bart Starkey seconded. All voted in favor.

Hugh Shaffer left the room and vote was taken by raising of hands. Jim Ferguson – 8. Hugh Shaffer – 8. Matt Doyle – 10. Matt Doyle will be asked to serve. If he declines, Hugh Shaffer will assume the position.

New business: One more fountain is being considered for the pond where the 2 small fountains already exist. M&J pays for fountain maintenance (bulbs, etc.) and the electric expense is shared equally by the golf course and MLCA/CARE.

There being no further business to discuss, Mike Wachter motioned that the meeting be adjourned.

Following the meeting, the board had several discussions concerning the election of a board member. It was unanimously agreed:

1. The proxies couldn't have been used *as they were submitted*, because they were sent to and returned by owners with the assumption that we needed to vote for 3 members.
2. At the meeting, those owners who had proxies assigned to them (Jan McGraw, Bart Starkey, and Paul McDonald) voted *only once* for each of their proxies, despite what may have been indicated on the proxies.
3. Hugh (because he was in the hall) and Rebecca (because she was too busy counting everyone else's votes and trying to make sure it was correct) did not cast votes for the proxies that were assigned to them but should have done so.
4. Had Rebecca voted (no matter how Hugh might have voted), Hugh would have been elected to another term. As has been discussed at board and member meetings, it is important to make sure different housing types are represented on the board. Single-family homes are already represented by Jeff and Bob, and the condos (Mariners Village and The Pointe), being the largest % of our total membership, need representation as well.
5. Hugh Shaffer will remain on the Board of Directors as the third Elected Director.

It was also determined that the bylaws need to be amended to one year rather than three year staggered terms, since Presidents of the individual associations may change year to year.