

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

Annual Meeting – November 12, 2011
Blackwater Room, The Pointe at Mariners Landing – 10:30 am

Developed and undeveloped lots represented in person:

1st Fairway: #25 (Plasters); #26 (Baldwin); #38 (Rada); #47 (Kane)
6th Fairway: #1, 2 (Craddock Oaks); #15 (Frichtel); #18 (Farley); #112 (Honaker); #116 (Keaton); #120 (Byerly); #128 (Hair)
8th Fairway: #1 (Jordan); #2 (Martin); #4 (Showalter); #5 (Burdett); #16 (Starkey); #17 (Moll); #18 (McGraw); #22 (McDonald); #25 (Wiley); #26 (Doyle); #27 (Mignona)
10th Fairway: #1, 2 (Elkins); #3 (Roberts); #7 (KayPey Holdings); #13 (Patton); #16 (Williams)
16th Fairway: #6 (JW Holdings, Inc.); #11 (Johnson)
Mariners Run: #4 (Horacek)
Mariners Village: #20 (Maddox); #30 (Burns); #32 (Shaffer); #37 (Moldenke); #42 (Harahan); #45 (Curfiss); #52 (Humphries); #56 (Kirkbride); #61 (Garber); #69 (Overby)
Section 1: #8 (Reynolds); #32 (Gruber); #34 (Jones); #36, 37 (JW Holdings, Inc.)
Section 2: #41 (Carroll); #43 (Ferguson); #46 (Glover/Bailey); #51 (Gietl)
The Cove, Sec.1: #1 (Mathis); #4 (Starkey); #7 (Wachter); #8 (Lindell)
The Cove, Sec.2: #2 (Hall); #3 (Hadfield)
The Cove, Sec.3: #4 (Hall)
West Cove: #6 (Walters); #9 (Vail);
The Pointe: #111 (Kirkbride), #122 (Cake); #123 (Harris); #131 (Bown); #165 (McDonald); #202 (Terry); #223 (Williams); #232 (Nichols); #237 (McGraw); #312 (DeHaven-Dawson); #324 (Alvis); #325 (Morris); #333 (Wilson); #348 (Morris); #2102, 2201, 2301, 2402, 238/2304, 314, 322, 327, 332, 3102, 3202, 3301, 3302, 3403, 328/3204, 331/3300, 338/3304, 341/3400 (JW Holdings, Inc.)
Undeveloped lots: 4,197± (JW Holdings, Inc.)

Lots represented by valid proxy:

1st Fairway: #37 (Roberti)
6th Fairway: #3, 4, 5, 6, 7, 8, 9, 10 (M&J Developers, Inc.); #14 (Fedrigo); #16 (GCK); #17 (DeHaven); #114 (Vaden); #118 (Fanelli)
8th Fairway: #7, 8 (M&J Developers, Inc.); #21 (Yarbrough); #23 (Fuerst); #24 (Hall)
10th Fairway: #5 (Vaden); #20 (Anderson)
16th Fairway: #3, 4 (Longenecker); #10 (Miles)
Mariners Run: #1-3, 6, 8-21, 24-136 (M&J Developers, Inc.)
Mariners Village: #5 (Swann); #6 (Deibler); #10 (Fischer); #23 (Larson); #33 (Brodd); #34 (Larsen); #38 (Sitterly); #39 (Brown); #40 (Poole); #43 (M&J Developers, Inc.); #55 (Rosen); #63 (Cannaday); #66 (Arbogast); #70 (Bedford Group); #71 (Bartley)
Section 1: None
Section 2: #47 (Adams); #42 (M&J Developers, Inc.)
The Cove, Sec.1: #11 (Walker); #12 (Craft); #13 (Wilhelmi); #18, 19, 20, 21 (M&J Developers, Inc.)
The Cove, Sec.2: None
The Cove, Sec.3: #1 (M&J Developers, Inc.)
West Cove: #5 (Sarn); #3, 4, 7, 14, 15, 16, 18, 19, 20, 21, 23 (M&J Developers, Inc.)
The Pointe: #121 (Triple G Properties); #145, 215, 346, 347 (Perkins); #152 (Weitzel); #161 (Splawn); #203 (Barton); #204 (Manion); #205, 317 (Wayne Lane Investments); #207 (Motley); #214 (McMullan); #216 (Parmelee); #224 (Osborne); #233, 246, 247 (Kirkpatrick & Blaker Assoc. Ltd.); #234 (Reynolds); #243 (Springer); #245 (Banks); #2202 (Chief Investments); #2401, 3401 (Koepenick); #211/2100 (Gowen); #318 (Harrup); #323 (Osborne); #208, 2101, 2103, 2104, 2200, 2303, 2404, 301, 302, 303, 304, 315, 3101, 3201, 3203, 3303, 311/3100 (M&J Developers, Inc.)

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 of the 2010 annual meeting were reviewed and unanimously approved.

Treasurer's report:

- \$17,009.88 in the bank as of 11/11/11
 - Bank of the James checking account: \$101.77
 - Bank of the James savings account: \$16,908.11
- 2010 final report of income & expenses has been published to website (www.tpsmanagement.com/MLCA.htm)
- 2011 to-date and anticipated balance of year Budget vs. Actual report was handed out and is also available on the website.

Planner's report – see attached.

TPS (John White) paid for expanded B2X coverage and negotiated a discount for Mariners Landing owners of 12% off regular rate. Contact Mike Bush at 540-598-7877 or mike.bush@b2xonline.com with questions or to sign up.

Due to several changes, rather than present a proposed budget and call for one overall vote, several of the more important line items will be discussed and voted on separately and then dues will be established based on the results of those votes.

Volume of refuse has increased 50% since the compactor was installed. It is a more efficient service than the individual containers, but it is ultimately costing much more than anticipated. The CARE budget for trash service would have to triple to cover cost. The trash compactor is scheduled to be taken out of service on 12/31/11.

Curbside service was investigated and 2 service providers offered quotes.

Gary Spencer

Less than 60 dwellings - \$18/month; More than 60 dwellings - \$16/month

Bays Trash Service

20-50 dwellings - \$18/month; More than 50 dwellings - \$16/month

Could be further reduced by the POA paying the bill and billing back to owners.

The Pointe is considered "commercial" by the County, so Pointe owners are not eligible to use County remote sites (they can go to the main facility on Rt. 43). It has been recommended that they choose a location on their property and add their own dumpster.

A committee was formed to investigate options. Several alternatives were briefly explored including increasing that line item in the budget (from \$6,000 to \$18-20,000) and leave the compactor in place. Linda Honaker, committee chair, along with Larry Patton and Kevin Humphries will investigate options and make a recommendation.

Matt Doyle motioned that the trash line item be taken out of the budget for 2012 for now. The motion was seconded. The majority voted in favor, 3 were opposed, and the motion was passed.

The attached pie chart was discussed – it shows the groups that currently participate in the cost of providing "maintenance" staff, which is the source of CALM 24/7 coverage. CARE has been paying \$20,000/year for "maintenance services" which are provided during 2 shifts, and 24/7 answering service. The Pointe POA has decided to discontinue use of CALM staff to provide services at The Pointe. CALM will try to solicit other sources of income, but other services (amenities & boat slip rates, etc.) will have to increase to make up the difference.

Several years ago CALM 24/7 took the primarily maintenance tasks that were being done by outside security services and brought it in house. CARE has to decide whether they want to continue to pay for these services. Several owners spoke about the types of things that are covered by CALM 24/7 – regular rounds and checklists are used to monitor routine information, in addition to managers on duty (MOD's) who take calls and respond to situations. It was suggested that CALM 24/7 could be displaced by neighborhood watch, but that would leave no one to call and no one to take care of the problem once a neighbor notices something. (Bob Lindell noted that Bedford County has one patrol car to cover the entire county during the night hours.)

Trash is picked up along 2+ miles of roadsides, which is a separate budget line item from the refuse/recycling center.

Mike Wachter motioned that we move \$6,000 from refuse/recycling to CALM 24/7 (MOD). Roberta Gruber seconded the motion. Discussion followed. Several owners noted they do not want to share cost of services they don't use (amenities, boat slips, etc.) and would rather have cost allocated where it belongs. 27 voted in favor of the motion, 38 voted against, and the motion was defeated.

Linda Honaker motioned that the CALM 24/7 line item be removed from the budget. Larry Dehaven-Dawson seconded the motion. Discussion followed: Without 24/7 answering service and MOD system, there will be no one to call. Someone has to be in charge of Mariners Landing, and that can be done cheaper and more efficiently if everyone shares. One owner noted she has called twice and had someone there in less than 10 minutes.

John noted that the community has matured quickly, but we are really only at 10% of potential and there is still limited participation in amenities. If he is to continue as the operator he has to have the funds to do it. Lot owners don't pay CARE dues but still get the benefit of the community, which may need to be revisited. Part of the benefit of this community is availability of boat slips & amenities. Whether you use them or not, they still add value to your property.

Discussion returned to Linda's motion to remove CALM 24/7 from the budget. 7 voted in favor, the majority voted against, and the motion was defeated.

Mowing – over the years it has been hired to outside vendors several times but always comes back “in-house” for cost-efficiency and job satisfaction. Mike Wachter motioned to accept the mowing category as stated, Chip Vail seconded. The majority voted in favor; 4 were opposed, and the motion passed.

Consulting/management would stay the same for 2012 – Chip Vail motioned to accept as stated, Mike Wachter seconded. The motion unanimously passed.

Utilities budget would stay the same for 2012 – Ed Moldenke motioned to accept as stated, Keith Bown seconded. The motion unanimously passed.

Although it is a bit premature in the overall plan for community development, based on John's current financial situation, CARE should consider purchasing the amenities at this time. Bank regulators have changed the game. If amenities are taken over by a bank, the owners won't be able to control what happens. If CARE owns the amenities, rather than each owner choosing an amenities package, all owners would pay the assessed dues, and all owners would have access to the amenities.

It is unusual for a bank to lend to a community, so there would be hurdles, but one bank has expressed some interest. John has formed a committee – Tom Hall, Brad Elkins, and Bill Farley – to look into

the details. "Move forward" at this time would mean to have the committee investigate, then a special meeting would be called to vote on their findings if it is productive to move forward with the amenities purchase. Sale would include front lawn & pool at The Pointe and the Cabana. It *might* include tennis & small pool (already used as security for a bank loan). John is currently seeking financing to finish the indoor pool, so the guise under which that is included would have to be determined once the outcome of the financing is known. It wouldn't include walking trails because they meander across many parcels, but an easement could be granted for CARE use and maintenance.

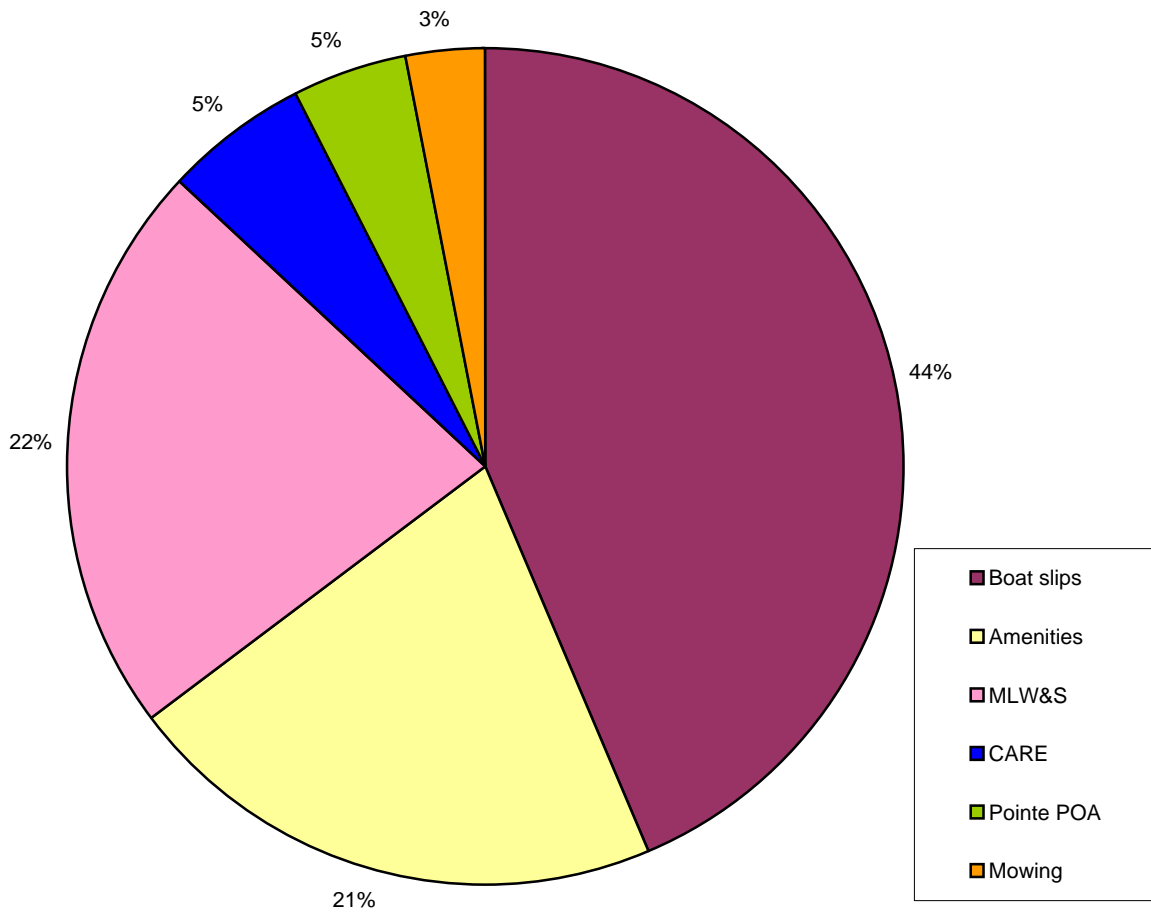
To retain value in everyone's property it would be in everyone's best interest for CARE to investigate the expansion of its role within the entire community. Motion that the committee move forward was made, seconded and unanimously passed.

John suggested a \$5,000 line item for professional expenses (legal and accounting advice, etc.) to be used at the discretion of the committee during their investigation. There was discussion. Roberta Gruber motioned that the \$5,000 be approved, Hu Shaffer seconded. The majority voted in favor, 4 voted against, and the motion passed.

Based on the line items as approved at this meeting and the current number of dues-paying members, Rebecca Carroll (Treasurer) noted that dues would need to be \$208 for 2012 to cover all expenses without further deficit spending. Rick McDonald motioned that the dues for 2012 be approved at \$208. Keith Bown seconded the motion. It passed unanimously.

The meeting was adjourned at 1:11 pm.

This represents the way equipment and personnel have been shared to most efficiently provide the services indicated. If one group decides not to participate (as The Pointe POA did this fall) we can't get rid of part of a person or piece of equipment, so the additional cost is spread over the remainder. Therefore, amenities and boat slip rates will need to increase for 2012-2013. We will work to find other sources of income to minimize these increases.



- Tenants of any long-term rental unit in Mariners Landing may apply for approval to use amenities. (Long-term rental owners should not promise amenities as tenants will need to be reviewed before approval.)
- Tenants of short-term rental units that are managed by Mariners Landing Hospitality, LLC may use amenities if the owner pays for family/annual in addition to a new surcharge.

2011 CARE ANNUAL MEETING PLANNER NOTES

- New Swim Platform and “No Boats” and “Swim Area” buoys were installed at The Pointe beach.
- The temporary Party Tent on the LongView site has been replaced with a permanent picnic / events pavilion. It can handle groups up to about 300 persons and has its own bathrooms.
- The roof has been installed on the new enclosed pool. No further construction on it will occur until additional funds have been secured.
- New golf / multi-sport simulator was installed in the Cabana this past summer.
- Renovations to the existing Cabana and fitness center offices are underway. The plan is to convert one of the offices into a card / board game room. The other office and the interior of the snack bar area will be converted into an electronic game room facility, with multiple TV’s and electronic X-Box 360 games / racing simulators / X-Box Connect dance area.
- An agreement with B2X has been reached to provide expanded high-speed internet service to about 95% of Mariners Landing. Equipment has been installed and B2X will offer a 12% discount off regular rates to Mariners Landing owners.
- All of these additional amenities / internet upgrades have been paid for by TPS/CALM as a business investment to produce income for TPS/CALM and to hopefully increase hospitality by providing more year-round activities for owners and guests.
- Hundreds of acres of meadows for walking/hiking/nature viewing by permission have been created on what was to be the Craddock Oaks golf course.
- An LED sign was installed across from the Mariners Landing entrance to better inform people of events and activities at Mariners.