

DAUPHIN ISLAND PROPERTY OWNERS ASSOCIATION
Minutes of the February 20, 2010 POA Board Meeting

March 11, 2010

PRESENT:

Bruce Jones, President
 Jay Minus, Vice-President
 Bruce Thompson, Treasurer
 Glen Coffee, Secretary
 Jackie Gaines
 Charles Gaba
 Robin Lynn

ABSENT:

Frank Leatherbury

Call to Order: After establishing that a quorum of the Board of Directors was present, the meeting was called to order by Bruce Jones at 11:00 am.

Approval of Minutes: The minutes of the January 21, 2009 Monthly Meeting were approved.

Treasurer's Report: Bruce Thompson reported on the DIPOA's assets as of February 20, comparing them to the figures for January 21:

	<u>1/21/10</u>	<u>2/20/10</u>
A. Bay Bank		
1) Operating Balance	\$ 13,801.02	\$ 10,342.24
2) Money Market	\$ 45,250.19	\$ 45,345.80
3) Scholarship Fund	\$ 33,921.84	\$ 33,997.73
B. Merrill Lynch		
1) Trust	\$ 1,389.00	\$ 1,390.00
C. Wachovia Securities		
1) Operating	\$ 271,867.00	\$ 273,042.23
2) Trust	\$ 354,148.00	\$ 357,142.65
3) West End Beach Restoration	\$ 1,575.00	\$ 1,575.12
D. DIPOA – Hartman Trust Account	\$ 0.00	\$ 0.00
Total	<u>\$ 721,952.05</u>	<u>\$722,835.77</u>
Net Change		+ \$ 883.72
Membership Dues	\$ 4,100.00	\$ 800.00
Royalty Income	\$ 2,893.63	\$ 0.00
Rent	(-) \$ 1,100.00	(-) \$ 600.00

The following major points were made:

- After six straight months of losses, the net asset value of the POA showed a gain of \$883.72.
- The January 2010 Profit & Loss Statement for January showed the following losses across all three accounting Classes: Golf - **-\$7,870.26**, Grill - **-\$918.70**, and POA - **-\$5,728.67**. The total loss for our organization for the month of January was **-\$14,517.63**.
- Golf course maintenance costs and legal fees represented the major expenditures during the month. The January arrival of snowbirds that play golf helped the financial ledger.
- Efforts are underway to establish accounts in two banks to invest the DIPOA – Hartman Trust that is based upon the Settlement Funds received from the Corps lawsuit.
- An additional \$800 was received from 8 members paying their voluntary membership dues. The total number of property owners that have submitted dues for the year increased to 890 from 881 reported at the last meeting. This is compared to the approximately 1,100 members that are reported to have paid their dues all of last year.

The Treasurer’s Report was accepted by the Board.

Committee Reports:

1. Budget Committee: The above discussion addressed budget issues.

2. Golf Course: Jeff Collier provided the following report.

- Play in January 2010 was down from that in January 2009. Jeff attributed this to the extreme cold and wet weather pattern that substantially limited the number of days golfers could play.

January 2009:	Members - 561	Non-members - 320
January 2010:	Members - 447	Non-members - 212
- Course conditions remain good, although some areas were soggy from the recent heavy rains. Greens are in exceptional condition. The new greens roller deserves some of the credit as it has improved the smoothness and pace of the putting surfaces.
- Jeff reminded that the new golf rates will go into effect on March 1. Combined cart and green fees will be \$20 for 9 holes and \$30 for 18 holes.
- Preparations are continuing to install the lake drain pipe extension and replace valve. Work should be completed within 30 days.
- Jeff attended a 2-day PGA recertification/continuing education seminar in Montgomery on February 15-16.

3. Architectural Committee: Robin Linn and Charles Gaba reported that several permit applications had been received for renovations and two construction permits had been reviewed.

4. Volunteer Committee: Jackie Gaines reiterated his previous requests for volunteers to help clean and prepare the Club House. The Chamber of Commerce will use the Club House on April 10 to host a Gumbo Cook-Off. The pool area will also be drained and cleaned before the pool season begins. Estimates will be obtained to conduct electrical and roof leak repairs. A question was raised concerning which entity collects pool usage fees: the POA or Flamingo Faes. Bruce Jones responded that we need to check to see how fees are handled. Jackie also reported

that work will soon be undertaken to begin improvements on the POA's pocket parks on the East End. Someone from the audience suggested that the trash pile at Jeffries Park be removed.

5. Communications. Bruce Jones reported that a new Chairman was needed for the Communications Committee. He also stated that improvements are continuing to be made to the POA website and that Ralph Havard had volunteered to help.

6. POA/Town Shoreline Restoration. Bruce Jones reported that no meetings of the joint POA/Town committee have been held. However, he said he is in occasional contact with the Town's representatives and Scott Douglass.

7. Recreation. No report.

Old Business:

1. Fish Camps Boat Ramp. Bruce Jones stated that discussions were continuing with the Fish Camps Property Owners Association in an attempt to have them comply with the zoning requirement that the boat ramp is to be made available for public use at a fee. They have proposed an annual fee of \$250 be paid. Both Jay Minus and Glen Coffee stated an annual fee of \$100 per year would be more reasonable. Bruce will get back in touch with the Fish Camps folks.

2. DIWSB. Bruce Jones reported that additional discussions with the DIWSB are needed to resolve an outstanding deed issue related to the DIWSB's retirement of the debt owed to the POA.

3. Insurance Issues. Charles Gaba recommended that coverage for the Board of Directors be increased from \$1 million to \$2 million. Accordingly, Bruce Jones has asked that the Directors insurance be increased in the recommended amount. Bruce Jones also stated that we need to investigate the flood insurance coverage on the Club House and Golf building to determine if our liability insurance for the Club House is adequate. Bruce has asked the POA insurance carrier to do a complete review of all coverages and to make recommendations for changes were appropriate.

4. Alabama Power Company (APC) Easement Issue. Bruce Jones reported that he had worked with Alabama Power Company to eliminate the need for the POA to grant an easement.

5. Upcoming Election and Annual Meeting. Bruce Jones reminded those present of the May 8 Annual Meeting and requested those interested in running for the three positions on the Board that are up for vote submit their bio-statements.

6. Status of Insurance Claim for Legal Expenses for West Surf Beach Law Suit. Bruce Jones stated that we are still awaiting the decision of the insurance company concerning the \$60,000 claim to cover the POA litigation expenses.

7. Use of Berm Fund. At one time this fund contained \$150,000. However, the POA Board that existed in 2007 decided to use the fund to pay expenses related to the West Surf Beach Law Suit. If the \$60,000 insurance claim is ruled in favor of the POA, those funds can be used to replenish the fund. The general feeling of the Board is that these monies should ultimately be applied toward beach restoration of the Island's shoreline.

New Business:

1. Election of Third Trustee for DIPOA Trust. Bruce Jones reported that it had recently been discovered that a third trustee needed to be added to the Trust. Apparently, the departure of a prior Board member years back had left only two trustees. The President and Treasurer are already trustees by definition of the Trust. However, the third member is to be selected by the Board and cannot be an existing officer on the Board. Jackie Gaines was nominated and elected by unanimous voice vote to become the third trustee member.

2. Proposed Constitutional Amend Regarding Easements. Bruce Jones explained that the recent discussions with the Alabama Power Company concerning the need for an easement revealed an unreasonable requirement by the POA Constitution that specifies the granting of a minor utility easement must be taken to the membership for a special vote as would any other type of easement, lease, etc. He stated that a proposed amendment to change this burdensome language will be included on the ballot mailed in advance of the May 8 Annual Meeting to elect/reelect 3 Board members. The proposed amendment will provide for future utility easements to be approved by a super majority of the board (minimum 7 of 9) but will eliminate the required for a vote of the membership.

3. Dauphin Island Restoration Task Force. David Myer reported that the Task Force was developing CIAP and GoMESA proposals and had conducted a question and answer session prior to the POA meeting. He also stated that additional information on the Task Force's efforts could be obtained by visiting its website.

4. Dauphin Island Cat Coalition. Mary Porter reported on the efforts of the Coalition to control reproduction of feral cats and requested donations to help in the neutering efforts.

5. Minutes of Executive Sessions. Jay Minus led a discussion on the content of the minutes documenting discussions held in Executive Sessions. He stated his opinion that minutes of such sessions should not contain an elaborate recounting of the information covered. During the discussion of this topic, the Board Members agreed that any decisions reached in Executive Session would be reported at the next regular Monthly Meeting. If votes were taken during Executive Session, the minutes of such meetings would state the details of the vote.. While it is the intent of the Board to make decisions (i.e., vote on matters) at regular Board meetings whenever practical, from time to time it has been and will likely continue to be necessary to cast votes by e-mail, conference call, or Executive Session on occasion to address a pressing matter. By unanimous vote of the Board, it was agreed that future minutes of Executive Sessions should be abbreviated.

Next Meeting: The next monthly Board Meeting will be held on Thursday evening, March 18, at 6:00 pm.

Adjournment: The meeting was adjourned at approximately 1:00 pm.

/S/

Glen Coffee
Secretary