

Minutes of the Annual Meeting of  
Little Harbor Homeowners Association  
September 23, 2019

The President, Don Gough, called the annual meeting of the LHHA to order at 7:00 PM on September 23, 2019 in the Yellow House. In attendance at the meeting were the following homeowners: Biggie & Jim George, Don & Susan Gough, Derek & Jeanne Stern, Bev Winn, Michael & Glicka Kaplan, Pauline Elkin, Tom & Nancy Scanlon, Linda McCabe, Egbert Baumgart, Roger Ball, Darcy Horgan and Peter & Phyllis Reed. A proxy ballot was received from Karen McVeigh and Mark & Donna Ruddy.

The first item on the agenda was to establish that the Quorum requirement in our By-Laws had been met. Don Gough reported that since fourteen homeowner units were in attendance or a proxy was submitted, a quorum had been established.

The second agenda item was ratifying the minutes of last year's Annual Meeting. The meeting minutes were approved without comment or correction.

The third agenda item was Don's report of the nominating committee. Don presented the three candidates to serve on the LHHA Board – Egbert Baumgart, Linda McCabe and Mark Ruddy. Don Gough stated that no other residents responded to the request to serve prior to the meeting. The residents in attendance and the proxy ballots voted to elect the three candidates to serve a two-year term beginning after the annual meeting. (Officers for the coming year will be elected by the Board at its first meeting following the annual meeting.)

The fourth agenda item was the Annual Budget for the year 2020. The budget form presented by Don first showed a comparison of the 2019 Budget with the 2019 Projected Year End result. The significant variance from budget for the year 2019 was the decrease in snow removal expense. The snow removal expense for 2019 was \$6,099, which was less than the budgeted amount of \$14,000. As a result of the decrease, it is projected we will have a surplus of \$10,391 and finish the 2019 year with about \$20,000 in our checking account. Looking then at the 2020 Budget, the LHHA Board again has proposed budgeted snow removal expense of \$14,000 for 2019. This amount is based on the 10-year average expense reported in the table at the bottom of the budget presentation, a probability of actual snow fall being in excess of the average, and an expectation of annually increasing snow removal expense for each incident. Don also proposed using QuickBooks Online for managing LHHA accounting and providing the data to our accountant for filing our annual IRS tax return. The estimated annual expense, to be paid monthly, is \$260. Tom Scanlon said that he uses QB Online effectively for his company and having an accountant look directly at the books online was beneficial and more cost effective. There was agreement that to change from relying on a resident's computer for accounting software was a good idea. Other budgeted expenses for 2020 are presumed to be in alignment with 2019 expenses. It was proposed that the annual LHHA fee per household decrease to \$720 for 2020. The Master Association Fee remains the same in 2020 as it is for 2019, but the Capital Reserve Fee will increase by \$100 from \$400 to \$500 per year beginning in 2020. As a result, the proposed Annual LHHA Fees would be \$4,040 for 2020, the same as 2019.

The 2020 LHHA budget and fee was approved. As in the past, the LHHA fee will be due January 15, 2020. Residents will be sent an invoice in early January 2020 for this amount. It is anticipated that the invoice would be sent by email using the new QuickBooks Online system.

The fifth agenda item was the Revenue Ruling 70-604 Resolution for 2019 regarding excess/deficit LHHA net membership income. The resolution authorizes the Board to use any “profit” for a year to pay for expenses in the next year and to allow for an assessment of homeowners in the next year when expenses exceed fee revenue. The resolution was approved as presented.

When asked about additional items of business, Sara & Paul Lynn expressed a desire to work with those in attendance at the meeting to resolve the issue of pedestrian access across their property and to discontinue the needless expense of lawyers and litigation. After explanation by Paul and Sara of their private property concerns and feeling of disrespect by some WBTS residents (and non-residents) using the beach access easement and cordial discussion from several residents, Roger Ball made the following motion: “Move that a sense of the residents at this meeting was a request that LHHA representatives to the Master Association Board -- Darcy Horgan and Don Gough – be directed to convey to the MA Board the desire of LHHA homeowners to engage in further negotiations in an attempt to reach through compromise a satisfactory resolution and end the ongoing legal cost.” Roger stated that this was proposed based on the statements made by Paul & Sara Lynn that they would be open to such engagement. The motion was seconded by Derek Stern. After further discussion by those at the meeting, the motion was approved unanimously. Subsequently, Don and Darcy agreed to meet with Paul and Sara to discuss a framework for resolution following this meeting at a time and place convenient for the four.

There being no further items or questions the meeting was adjourned at 7:45 PM.

Respectfully submitted,

Don Gough, for Egbert Baumgart, Secretary