CVPOC BOARD OF DIRECTORS MEETING
January 23, 2010

Call to Order: The CVPOC Board of Directors meeting was called to order on January 23, 2010 at 10:00 a.m. by President Jacquie Beveridge. A quorum was present consisting of the following directors: Larry Beveridge, Denise Crowe, Dean Cullop, Charles Dunlap, Nelda Graf, and Ellen Templar. 18 members were in attendance.

Fill Vacant Board of Directors Seat(s): Jacquie Beveridge reported the Elections Committee met January 13, 2010 to count ballots for the election of the West Sector Director. One candidate, Kathleen Halverson, ran for the position. The results were 11 ballots returned, all valid; Kathleen Halverson was elected with 10 yes votes and 1 no vote. Ms. Halverson was seated as West Sector Director. Mrs. Beveridge announced there are three vacant seats remaining on the board (SailorMan, Mid East and Far West Sector Director positions), and if anyone would like to submit a letter of intent to fill a vacant position, the board would appreciate hearing from you.

Announcements: Jacquie Beveridge announced the flag in front of the clubhouse is being flown at half staff in recognition of the unexpected passing of Dick Duske. Jacquie Beveridge also reported that Jinx Ostrom is back at home from a convalescent center where she had been recovering from a recent fall.

Reading of the Minutes:

- Larry Beveridge made a **MOTION** to accept the November 21, 2010 Board of Directors meeting minutes as written. The motion was seconded by Ellen Templar and passed unanimously.

Treasurer's Report:

As of November 30, 2009, balance sheet totals were as follows:	
Total current assets:	$ 174,431.42
Total fixed assets:	$ 451,816.65
Total assets:	$ 626,248.07
Profit & Loss for November 2009:	
Total income:	$ 36,327.01
Total expense:	$ 50,303.88
Net loss:	$ (13,976.87)
Profit & Loss for July through November 2009:	
Total income:	$ 186,407.69
Total expense:	$ 234,915.78
Net loss:	$ (48,508.09)
Budget for July 1, 2009 through June 30, 2010:	
Total income:	$ 434,510.00
Total expense:	$ 444,420.00
Net loss:	$ (9,910.00)
As of December 31, 2009, balance sheet totals were as follows:	
Total current assets:	$ 174,852.97
Total fixed assets:	$ 448,738.36
Total assets:	$ 623,591.33
Profit & Loss for December 2009:	
Total income:	$ 39,098.40
Total expense:	$ 39,283.20
Net loss:	$ (184.80)

Profit & Loss for July through December 2009:

Total income:	$ 225,506.09
Total expense:	$ 274,198.98
Net loss:	$ (48,692.89)

Budget for July 1, 2009 through June 30, 2010:

Total income:	$ 434,510.00
Total expense:	$ 444,420.00
Net loss:	$ (9,910.00)

Larry Beveridge reported he was asked by the Budget Committee to explore the accountings being addressed at this time. Reading from a report presented by CVPOC's accountant, Mr. Beveridge reported a net loss of over $48,000 for the first six months (July 1, 2009 through December 31, 2009) of the current fiscal year, and presented projected income needed for the remaining six months to meet current operating expenses, discussing possible solutions for making up the shortfall, such as a one-time assessment (to be paid over a period of a few months), a loan against the foreclosed property, or temporarily borrow funds from reserve accounts.

Committee Reports:

ARC: Cal Crowe read a written report submitted by Keith Davidson, ARC Chair: approved final inspection for a shed at 93 Outer Dr; expressed sympathy to committee member Linn Duske on behalf of the committee for the unexpected passing of her husband Dick; reported ARC is in the process of revising its policies and procedures, rules and regulations and the ARC applications, with final drafts expected to be submitted to the Policies and Procedures Committee before the end of the month.

Budget: Dean Cullop, Chair, reported a committee meeting was held on January 20.

Collections: Chair Larry Beveridge reported accounts receivable as of January 20 was $51,185. Of the total, $44,859 is owed on the two properties which have been foreclosed on, with the remaining $6,326 owed by 34 individuals, amounts ranging from $1.36 to $860.18. Mr. Beveridge reported two accounts that are in arrears in excess of $500 have been turned over to Vial Fotheringham for collection.

Elections: Jacquie Beveridge read a written report submitted by Chair, Ila Mae Robinson: due to resignations of the Far West, Mid East, SailorMan and West Sector Director positions, declarations were mailed on December 4, 2009 with a return date of December 14, 2009. One declaration was returned: Kathleen Halverson for the West Sector Director position. Ballots were mailed on December 17, 2009 with a return date of January 12, 2010. On January 13, 2010 ballots were counted. 11 ballots were returned, all valid. Kathleen Halverson was elected with 10 yes votes and 1 no vote.

Five Year Plan: Ellen Templar, Chair, reported the 5 Year Plan is in the process of conversion to the recently acquired reserve study software.

Personnel: Jacquie Beveridge, Chair, reported she is meeting with staff on a regular basis to keep up to date with staff related operations.

Website: Cal Crowe, Chair, apologized for not getting the January board meeting agenda on the Website in a timely manner.

Maintenance Report: The February personnel work schedule and projects list were presented to the board, along with a written report of completed projects submitted by Maintenance Supervisor Frank Brooks. Water leaks and water and sewer rates were discussed. Mr. Beveridge gave a report on water usage at Coast Village, comparing the figures by month from the period of July 1, 2008 through December 31, 2008 (first six months of last fiscal year) against the monthly figures from the period of July 1, 2009 through December 31, 2009 (first six months of the current fiscal year): the water usage in July 2009 increased 37% compared to July 2008; in August 2009 it increased 53% compared to August 2008; a 95% increase in September 2009 vs. September 2008; October 2009 usage was up 66%; an increase of 129% in November 2009; and in December 2009 water usage increased 100.08% from the previous year.

Guest Speaker: CVPOC Accountant: Karla Holloway, CPA with Davis, McCulloch & Holloway, appeared at the request of the board to discuss current financial concerns. Ms. Holloway presented a financial report for the first six months of the current fiscal year (July through December) which was converted to a cash basis, and reported a cash basis loss of $48,911. Ms. Holloway stated uncollected accounts and legal actions for the foreclosures necessary for the collection of these accounts, while resulting in a long term investment, have had an impact on working operating capital, but also stated there was a $19,000 loss going into this fiscal year (2009-2010) from the previous fiscal year (2008-2009). Ms. Holloway also discussed possible solutions to the current deficit. In addition, Ms. Holloway stated making adjustments for the collection expenses and increases in the dues that have been unpaid results in about a $15,000 true operating loss, not accounting, and separate from the foreclosure issues, so the increase in dues, if we continue to operate at this $15,000 loss, will help pay for the loss, but won't recoup all of the outlay of capital to collect these long term assets (the properties obtained through foreclosure). When the properties are sold, the funds will be placed into operating as collection of an outstanding debt, and the capital recouped.

- Dean Cullop made a **MOTION** to authorize Karla Holloway to work with the office manager to create a monthly cash basis financial report. Ellen Templar seconded the motion, which was approved unanimously.

Old Business:

1) ***Update on Foreclosures:*** Jacquie Beveridge announced that CVPOC has acquired, under foreclosure, two Coast Village lots (Lots 43 & 261) through a sheriff's auction held in Eugene, OR on January 6, 2010. No other parties were present to bid on the properties and as the judgment creditor, CVPOC obtained the two properties at the auction with no out-of-pocket expense. The sheriff's deeds for both properties have been recorded, transferring the properties to CVPOC ownership. The former owners have a six-month right of redemption period, during which time they have the option to pay the current owner the amount of the judgment and redeem the property. Per CVPOC CC&R's (§4.7 C. 2.), an affirmative vote by the majority of members voting is required for the corporation to sell the properties.

- Larry Beveridge made a **MOTION** that before the end of January 2010, ballots be mailed to all Coast Village members requesting their authorization or denial to sell Lots 43 & 261. Denise Crowe seconded the motion, which passed unanimously.

New Business:

1) ***Notice of Violation & Intent to Fine:*** A letter was sent to the owner of Lot 108 with a copy of the Tenant Screening Resolution and the Non-Owner Resident Information form, requesting the owner to submit the completed Non-Owner Resident Information form within two weeks to be in compliance with CVPOC rules regarding the rental of CV property. No response has been received from the owner. It has since been learned that the then current tenant has moved out.

- Ellen Templar made a **MOTION** to send a letter to the owner of Lot 108 stating that should they not be in compliance with CVPOC rules regarding rentals in the future, they are subject to a fine. Denise Crowe seconded the motion, which passed with five yeas and two nays (Larry Beveridge and Dean Cullop).

2) ***Unauthorized Expenses to the Corporation:*** It was announced that a CV member, without authorization from the board, sent correspondence to CVPOC's attorney requesting action by the attorney. The board president was contacted by the attorney and, after discussing the matter, the attorney, in this instance, reversed the charges incurred to the corporation. The board reminded members that they may not contact the CV attorney or anybody else and incur expenses to the corporation without prior authorization from the board. Members who do so will be billed for the unauthorized expense.

3) ***5 Year Plan:*** A draft 5 Year Plan, amended to reflect the previously approved (August and September 2009) transfer of $40,000 from the Major Maintenance & Replacement account back into

the Operating account, was presented to the board.

- A **MOTION** was made by Ellen Templar to approve the amended 5 Year Plan as presented. Denise Crowe seconded the motion, which passed unanimously.

4) *Zoning Committee:* The Chair and Vice Chair of the Zoning Committee have resigned. Upon query by the board for replacement(s), no members stepped forward.

- Dean Cullop made a **MOTION** to dissolve the Zoning Committee. The motion was seconded by Denise Crowe and passed unanimously.

5) *Lot 12 Rental (added):* A call was received by the corporation just prior to the board meeting from the property manager handling the rental of CVPOC's Lot 12, regarding a prospective tenant wishing to rent the lot at $325 per month (current rental rate: $375 per month).

- Ellen Templar made a **MOTION** to rent Lot 12 for $325.00 per month plus a $100 security deposit. Charles Dunlap seconded the motion, which passed unanimously.
- Larry Beveridge made a **MOTION** to rescind all previous motions regarding the rental terms of Lot 12. The motion was seconded by Denise Crowe and passed unanimously.

6) *Personnel Matters:* Matters concerning an employee who has waived health care coverage will be discussed in Executive Session.

Adjourn to Executive Session:

1) The board adjourned to Executive Session at 12:40 p.m. to discuss personnel matters.

Reconvene to Regular Session:

1) *Item No. 6 - New Business Continued: Personnel Matters (from Executive Session):* The board reconvened to the regular session of the Board of Directors meeting at 1:17 p.m.

- Ellen Templar made a **MOTION** for the board President to obtain a written legal opinion on the personnel matter discussed in Executive Session. Dean Cullop seconded the motion, which passed unanimously.

Good of the Order:

Cal Crowe mentioned that payment for the Website is due February 25, 2010 (approximately $236/yr.). Jacquie Beveridge stated the item will be put on the agenda for February 20, 2010.

Adjournment:

- Larry Beveridge made a **MOTION** to adjourn the Board of Directors meeting at 1:22 p.m. Ellen Templar seconded the motion, which passed unanimously.

Denise Crowe
Denise Crowe, Secretary — Date 2/24/2010

Jacquie Beveridge
Jacquie Beveridge, President — Date 2-24-10