

I'On Board of Trustees Meeting
June 26, 2014

Members Present: Deborah Bedell, Bob Davis, Stephen Wood, Anne Register, Tony Woody Chad Besenfelder. And Martha Morgan via phone

Members Absent: Tom O'Brien

SCS: Mike Parades

Guests: Ed Clem, Dave and Cynthia Rosengren

Homeowner Forum:

Ed Clem noted that the board responded to Melinda Armstrong's request at the Town Hall Forum, for more background on issues being discussed by the board. He thanked the board for posting more background on the website this month. Dave and Cynthia both expressed their complete surprise and thanks for the recognition given them at the Town Hall forum.

Board Meeting called to order at 6:30 pm:

Motion to approve the minutes of the May 22, 2014 Board meeting. Motion seconded. All in favor. Motion passed.

Trust Report: Included in the Board package

Landscape Report: Tony commented that hose bibs have been installed on each side of both I'On lakes to provide a water source for maintenance needs such as power washing of common elements.

Tony commented on a request to remove a Black Locust Tree from a Titleholder's property on Nolen Way. The tree is on the Maybank Green side of the home. After a great deal of discussion and on-site inspection, it was agreed the tree is essentially hidden by surrounding trees. The Titleholder has been authorized to remove the tree at his expense.

Deborah commented that it has been some time since the Lawn-O-Green (LOG) contract has been bid and asked if it is now time to put the contract out for bid. Dave Rosengren stated it has been about three years since the contract was last bid. The current contract is for a one year term. It automatically rolls over each year unless other action is taken.

Deborah expressed concern about the maintenance items performed by LOG. Mike commented that as far as landscape work, LOG is doing a good job, and that infrastructure maintenance is not included as part of Lawn-O-Green's contract, but is handled on a bid basis as such work is needed.

Martha agreed it was time to update and bid the landscaping contract as it is our largest annual expense and while Dave Rosengren is still available to help with the process.

Deborah asked the Landscape Committee to look at the idea of soliciting bids and come back to the Board with a recommendation.

Tony reported that Amy Sage has resigned from the committee to have more time to attend to her duties as President of the I'On Trust. He has begun soliciting volunteers for the committee.

Infrastructure Report: Tony discussed refurbishment of the Boathouse, which is nearing completion. It has been determined that a second coat of paint is needed on the decking. The cost for the second coat will be \$950 resulting in a total cost for the carpentry and painting of \$7,000. The Board had originally approved \$7,000 for carpentry, painting and electrical repairs. As this project was originally budgeted as an operating expense, the committee has approved charging the electrical repairs to operating expense.

Tony reported that there is a need for a double yellow line on the backside of Saturday Road. A request will be made to TOMP to install the line.

Tony discussed a Creek Club parking incident that occurred during a recent wedding. Mike Russo accepted full responsibility for the incident and has instituted several changes to ensure it does not happen again.

These changes include: signage posted on the building side currently used as a loading zone, a different schedule for the TOMP police officers hired to provide traffic control, and a new provision in the wedding contract he uses.

Deborah inquired about the status of a loading zone on Saturday Road outside the Creek Club. Tony responded he has requested survey bids and expects them soon.

Anne commented that the handicap parking space that used to be in front of the Creek Club has been removed. An inquiry should be made to determine if a marked handicap space is required, and if it is, to have the sign replaced.

Tony reported that an offer has been received from Kay and Charlie Chitty to donate a Little Free Library on the condition it will be installed near their home so they can keep an eye on it and help keep it stocked. The committee is looking for a spot. A comment was made that the structure will need to be approved by coordinating with the IDC.

Treasurer's Report: Anne stated she had a series of motions to offer based on discussion of delinquent accounts during Executive session.

First motion related to a property that was sold at a Masters Sale in March 2014.

Motion to ask McCabe Trotter if there is anything further that can be done to collect the balance of delinquent fees owed of \$2,551.19, and if there is nothing that can be done, to go ahead and write off as a bad debt. Motion was seconded. All in favor. Motion passed.

Second motion related to property that had been in Mortgage foreclosure and the Titleholder has brought the account current with the lender. The Assembly has a lien previously filed.

Motion to authorize McCabe Trotter to proceed with foreclosure of the Assembly lien. Motion was seconded. All in favor. Motion passed.

Third motion involved an I'On builder who owns a lot on which there is a delinquency on assessment payments for the current year.

Motion to verify builder received delinquent notices and if so, authorize notice to builder that he may not submit any further work to the IDC until his account is current. Motion was seconded. All in favor. Motion passed.

Fourth motion involved a delinquent account related to a property that is in Mortgage foreclosure that has a proposed short sale contract. The agent has contacted I'On's management seeking a reduction in the delinquency balance to help make the sale go through.

Motion made to authorize a reduction in balance due to the amount of the outstanding assessments. Motion seconded.

Discussion followed with it being noted that the management's recommendation to the Finance Committee involved a range of possible relief from the total delinquent amount.

Motion made to amend the original motion by authorizing the Board Treasurer to use her judgment in the amount of relief granted. Motion was seconded. All in favor. Amendment passed. Vote taken on amended motion. All in favor. Amended motion passed.

Fifth motion related to a Creek Club billing for expenses. Anne noted that at the May meeting, the Board expressed the need for a catch-up billing on reserves for maintenance for the docks and related areas to be sent to the I'On Club. Mike did the necessary research and developed the budget for Creek Club expenses, including current year reserve funding as well as a catch-up billing to the I'On Club for its share of reserves dating back to 2000.

Motion made to issue an invoice to the I'On Club as billing for its current year share of budgeted expenses for the first six months of 2014 and also as billing for the catch-up reserve funding needed for the I'On Club's share of reserves at 12/31/13. The letter will advise the I'On Club that it may pay the catch up billing in three installments, 1/3 with the current bill, 1/3 with the third quarter billing and 1/3 with the fourth quarter billing. Motion was seconded. Chad recused himself from voting. All in favor. Motion passed.

Sixth motion related to the Finance Committee's recommendation that there is a need now to move forward with getting an update to the Reserve Study.

Motion made to authorize preparation of an RFP to update the Reserve Study. Motion was seconded. Discussion followed and vote taken. All in favor. Motion passed.

Seventh motion related to revised Directors' and Officers' insurance coverage that had been proposed earlier in 2014, at which time the action was deferred. The original revised coverage proposal was received from our current agent at Nationwide. That quote expired after 60 days. We recently received a quote from HUB International, which came from the same underwriter but was more costly than the original Nationwide proposal.

Motion was made to approve placing the revised coverage with Nationwide at an approximate increase in cost of \$6,500. Motion seconded.

Discussion followed. The revised coverage would be for a new D&O policy that include coverage for non-monetary damages and a new umbrella policy that will extend over the new D&O policy. A pro-rata refund of premiums on the current coverage would be due. Total increase in cost for the revised coverage is approximately \$6,500.

Motion made to amend original motion to the effect that if the increased cost of the revised coverage will exceed \$7,000, the purchase decision will hold pending further Board discussion. Motion seconded. All in favor. Amendment passed.

Original motion as amended was put to a vote. *All in favor. Amended motion passed.*

The eighth and last motion relates to authorization for the Treasurer to obtain a credit card in the name of the I'On Assembly. Historically, when office supplies or other miscellaneous items are needed either the manager or a committee member makes the purchase and then submits a request to be reimbursed. With a credit card, such purchases can be made in I'On's name and the bill paid upon receipt.

Discussion followed with some concern about mis-use of a credit card. It was noted that the card holder can always dispute charges and that there is insurance coverage for theft using a credit card. Further, the limit on the card would be \$500.

Motion that Board approve obtaining a credit card as recommended by the Treasurer with a \$500.00 limit. Motion seconded. All in favor. Motion passed.

Finally, Anne advised that the Board package includes a financial report the Finance Committee believes should become the standard. It will include the Hybrid Income Statement, the Accrued Expense Statement, the Balance Sheet, and the Manager's financial report. The committee believes the Board should receive these as they will be posted on the website as requested at the Town Hall Forum.

Covenant Report:

Bob explained that the Board package includes revised minutes of the April 16, 2014 Covenants Committee meeting as well as the minutes of the Committee's May 21, 2014 meeting.

Bob shared that Tom O'Brien's suggestion for a simple I'On property owner survey regarding covenants was discussed at the last Covenants Committee meeting and all present thought it was a very good idea.

An opinion was expressed that any survey should come from the Board of Trustees itself rather than a committee of the Board. While hiring a professional survey company was considered, it was felt that there is certainly enough talent in the neighborhood to do a survey without paying a professional survey company.

After further discussion, it was agreed that the Covenants Committee will draft a proposed survey for Board review.

IDC Report: Stephen presented some proposed options for IDC review, in response to comments heard at the Town Hall Forum, for Board consideration and final approval. He polled each member for initial reaction to the options outlined. Three members favored option 6 and three members favored option 7. Chad suggested contacting the Old Village ARB to see how they handle such reviews.

President's Report: Deborah noted items to be voted on as follows:

Motion to appoint Jody McAuley to the Community Management Task Force. Motion seconded. All in favor. Motion passed.

Motion to engage HUB International to perform the Risk Management Program evaluation at a not to exceed cost of \$8,000. Motion seconded. All in favor. Motion passed.

Motion to approve response to SCS letter as discussed in Executive session incorporating references to the current SCS contract. Motion seconded. All in favor. Motion passed.

Motion to reimburse Anne Register's out-of-pocket costs related to the Town Hall Forum. Motion seconded. Anne recused herself from the vote. All in favor. Motion passed.

Deborah raised the issue of hiring security for I'On. She gave some background on this issue based on experiences in 2013. She noted that money was budgeted for vandalism this year, and so far less than \$1,000 has been spent, whereas the cost spent for security was much higher than this last year. It was agreed by all that the cost of hiring security is not cost effective.

Manager Report: Mike noted he had no additional comments.

The meeting was adjourned at 9:25 pm and the Board then convened in Executive session.

Board Secretary:



Martha Morgan