

**Cowpet Bay West
Board of Directors Meeting
November 13, 2012**

Present: Ed Wardwell, Herb Horwitz, Bill Canfield, Rosie Wells, John Foster, Arran McGinnis, George Blackhall/Phone Conference: Doug Rebak, Sharon Koehler

Approval of Minutes:

Approval of Minutes of October 12, 2012: There being no objections to the minutes, a motion was made to approve the October 12, 2012 minutes as recorded. All were in favor.

Manager's Report:

RO, WWTP, Gen Set, Operating systems ran all month with no major issues.

Transformer: Rebuilt back-up transformer is complete and on island.

Seaside Rail Painting: Seaside rail painting is complete. Currently replacing brackets under the stairs.

CBW Sign: Road sign is complete, will be delivered this week for staff installation.

Treasurer Report:

Bank Balances – October, 2012

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| General & Special | \$ 34,400.00 |
| Reserve | \$ 343,000.00 |

Reserve account is owed \$9,708, one payment for November.

Arrears:

2 owners are 4 months in arrears.

Resolution to Amend Banco Popular Checking Accounts Signatories:

Association Resolution to remove Jon Cassidy and add Arran McGinnis to the Operating (General) Accounts Signatories

Resolution of the Board of Directors of Cowpet Bay West Association ("CBW")

WHEREAS, CBW is a Condominium Association organized and existing under the laws of the Territory of the U.S. Virgin Islands; and

WHEREAS, the members desire that the Association shall act in full accordance with the rulings and regulations of the Internal Revenue Service, as administered by the Virgin Islands Bureau of Internal Revenue;

NOW, THEREFORE, the members hereby adopt , on behalf of the Association, the following resolution

RESOLVED, that the Banco Popular general operating checking accounts (general & special) signatories be amended and only Edward Wardwell, Bill Canfield, Roseann Wells, Arran McGinnis, Sharon Koehler and Holly Case to be authorized signatories .

This resolution is adopted and made a part of the minutes of the meeting of the Board of Directors on November 13, 2012.

BY: _____ Edward Wardwell, President

ATTESTED: _____ Roseann Wells, Secretary

Doug made a motion that the Resolution be accepted, Ed 2nd , motion passed.

Committee Reports:

Security Committee: Committee decided that it would not be practical to hire a private security guard exclusively for CBW. Arran negotiated with No Nonsense Security for new security schedule, 1800-0200, Monday-Sunday, for \$1008.00 per week.

New computer panel for the security gate has been ordered and is in route to replace the green exit button. The new card reader will accept current cards and each owner will receive a four-digit code to enter and exit the gate.

Nominating Committee: Three candidates have expressed interest; Rosie Wells, Michael McGuire, and Dick Lamoureux. Doug will follow-up to ensure that all paperwork is complete before the December 10 due date.

Jon Cassady Update:

Jon was released 10 days ago from the Brooks Rehabilitation Hospital, however he continues his therapy at Brooks 4 days a week. Jon is making slow progress physically but continues to have cognitive problems. Current plans have him in Florida until he is well enough to return to his hometown in Indiana with his brother Jay. CBW Association will continue Jon's employment with CBW until the end of the year, December 31.

Legal Status Update:

District Court Magistrate Judge Ruth Miller has taken no definitive action subsequent to the October 19 mediation session. Association is advised to wait until Judge Miller takes action or reports to Chief Judge Gomez. Travelers Insurance continues to represent the Association in both the pending legal actions.

A second legal issue emerged from a faxed letter, October 30, stating that an individual was severely injured when he slipped and fell on CBW premises. The law office requested that we notify our insurance company no later than November 8, 2012. The day after it was received it was forwarded to our CGL Insurance carrier. Three days later an insurance representative inspected the site of the alleged fall that took place on the steps of Leeward 4.

2013 Draft Budget Review:

Sharon sent comments regarding employee bonuses. There is an allocation in the employee salary category and a separate allotment of \$10,000 for management bonuses. She suggested that we remove funds from the employee salary figure and only keep the separate allotment to coincide with last year's budget. The Board commented that bonuses are not guaranteed to employees and the budgeted amount may not be what is actually paid.

Sharon commented on incorporating employee retirement and severance packages into the 2013 budget. Ed suggested that it is a contingent liability and does not need to be placed in the budget. This will be resolved at year-end with the audited statements.

After thorough discussion, the consensus of the Board was to remove the \$.04/kwh surcharge and include generator maintenance as a separate item in the budget.

The purpose of budget review was to analyze, consider, and finalize at the December meeting. A final budget will be available to the owners by the end of the year before it goes into effect January 1, 2013. Anything a Board Member believes should be corrected, should be submitted to Ed in writing with the suggested change before the December Board meeting.

As the estimated budget stands now there is a short fall of approximately \$138,000. A decision needs to be made on how this will be funded. Suggestion was made to fund the shortfall from the Reserve Fund, raise the O&M Association Fees 8-12% or to do a combination of both.

October 12 Action Items:

- Additional Security Lights (Completed)
- Porch Lights (standardized) - will use current porch lights and replace as necessary
- Reminder to owners lock doors (Completed)

New Business:

2013 Annual Meet and Greet: The St. Thomas Yacht Club graciously agreed to host the Meet and Greet on Thursday, February 7, and the Annual Meeting on Saturday, February 9, 2013. Will include information in the December CBW Newsletter.

Gray Water System: Concern was brought up that the water is more dirty than usual. Arran said that they systems are operating properly but will work on keeping the cisterns full which should correct the problem.

Holly Case 6-Month Review: Ed recommended Holly be awarded \$2,500 annual raise for her excellent performance during her initial six month employment. The Board unanimously approved the increase effective today, November 13, 2012.

December Meeting: The next meeting of the Board of Directors will be Tuesday, December 11, 2012. 8:45AM AST.

Farwell to Herb Horowitz: At the conclusion of the Board meeting, Herb Horwitz tendered his resignation as a Director. Herb and Iris have sold their unit, Leeward #1, and will be moving to Florida. The Board accepted Herb's resignation with unanimous appreciation for his service as a Director. Herb has been a very positive contribution to the CBW community. His knowledge and commitment will be sorely missed. Thank you for your service.

Richard Lamoureux Election: Ed nominated Richard Lamoureux as Director to fill the Board vacancy until the 2013 Annual Meeting. John seconded and Dick was elected by majority vote.

Meeting was adjourned at 1020.

ACTION ITEMS

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| Road Sign | Arran |
| Circuit Board/Card Reader for Security Gate | Bill/Arran |
| Stair/Wall Reconstruct Cost | Arran |
| 2013 Budget | Ed (Board Input) |
| Meet and Greet in Newsletter | Holly |
| Gray Water System (Cistern Cleaning) | Arran |