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Since 1978*

Memo To: Bennett's Creek Landing Marina Members
From: B Thomas
Benna Thomas, AMS, Association Manager
Date: November 2, 2015
Subject: Semi-Annual Meeting Minutes and 2016 Adopted Budget

Enclosed you will find the October 7, 2015 Semi-Annual meeting minutes. Please review these minutes and contact Neil Wilson with any corrections noted. If no corrections are received by November 16, 2015, the minutes will stand as approved.

You will also find enclosed is a copy of the adopted 2016 operating budget and budget summary, which explains each line item. This budget, adopted by the Marina Membership on October 7, 2015, represents the best estimate of the financial requirements to operate the Marina during the 2016 year.

The budget is based upon a quarterly assessment of \$123.00, which represents no increase over the current quarterly assessment. This assessment will be effective on January 1, 2016. You will receive a coupon book in the coming weeks prior to the start of the new assessment. A coupon should accompany each monthly payment.

An Automatic Debit (ACH) form has also been enclosed for your convenience. The automatic debit program allows the bank to deduct your quarterly dues from your designated bank account. This method ensures your dues are paid on time each quarter, saves you postage, and saves the association the cost of providing you payment coupon books each year. It also is the quickest, easiest and most accurate way of making your quarterly assessment payments. Please take time to fill out the form and return it to us in order to set up your account on the automatic debit program. The bank requires approximately a 45 day lead time for the ACH to be effective once the form is provided to the bank by UPA. **If you already have automatic debit set up with UPA, it is not necessary to submit a duplicate form.**

Exciting news! UPA is pleased to inform you that more options are now available to make payments for your Marina assessments. Now, you can make payments online using multiple methods (online bill pay, credit card, or debit card.) You can also choose the recurring payment option so your payment is made automatically and on time or you can make a one-time payment, when necessary. **There will be a fee of \$2.95 per transaction and an additional 3% added to the total transaction if using a credit card.** In order to access online bill pay, please send UPA an email at payonline@unitedproperty.org. UPA worked hard to provide this service for you and is confident you will find it beneficial.

If you plan to pay your assessment with on-line banking, please direct your financial institution to send all payments directly to: Bennett's Creek Landing -Marina, 525 S. Independence Blvd., Ste. 200, Virginia Beach, VA 23452. Please ensure that your account number is included on your on-line payment for proper posting. (Your account number will be on your coupon book).

If you have any questions, please do not hesitate to contact the Association office at (757) 484-0706, ext. 412 or email bthomas@unitedproperty.org.

4870
SADLER ROAD
SUITE 300
GLEN ALLEN
VIRGINIA
23060-6294
(804) 205-5009

827
DILIGENCE DRIVE
SUITE 126
NEWPORT NEWS
VIRGINIA
23606-4212
(757) 873-1185

5849
HARBOUR VIEW BLVD.
SUITE 200
SUFFOLK
VIRGINIA
23435-3768
(757) 484-0706

525 SOUTH
INDEPENDENCE BLVD.
SUITE 200
VIRGINIA BEACH
VIRGINIA
23452-1189
(757) 497-5752

103
BULIFANTS BLVD.
SUITE A
WILLIAMSBURG
VIRGINIA
23188-5722
(757) 345-5383

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AND HOMEOWNER
ASSOCIATIONS

Bennett's Creek Landing Semi-Annual Marina Meeting
Wednesday, October 7, 2015

Members Present:

Scott Wilson
Steve Turner
Jeff and Kimberly Lynch
Phillip Johnson
Daniel Strum
Maynard Clanton
Buck Tysor
Peter Teumer by Proxy

Eddie Leinwand
Nigel Butter
Neil and Carol Wilson
Pat and Kollette Hillard
Keith Maddrey
Charles Blount
Jim Pittman

Members Absent:

Chris Henderson
Jimmy Wilson

Guest: Dan Forbes, HOA Board President

Quorum was established. The meeting was called to order by Neil Wilson at 7:01 PM.

Motion made by Buck Tysor and seconded by Jeff Lynch to elect Neil Wilson to the position of Marina Representative on the HOA Board of Directors. All in favor, motion passes.

Financial Report:

The financial report was approved as presented. Account balances as of August 31, 2015 are:

- Operating Account- \$2,604.62
- Operating Reserve Account- \$5,847.08
- Replacement Reserve Accounts -\$54,314.90.

Unfinished Business:

An overview and discussion of the information provided at the Special Meeting of the HOA Board of Directors, held on September 10, 2015, was conducted. Sarah Palamara, the association's attorney and Philip Pointon the Reserve Specialist with Miller Dotson were present at the September 10th meeting.

At the September 10th Special Meeting, Ms. Palamara stated that Virginia law requires the HOA to maintain a "replacement reserve strategy" for all Common Areas, which includes the Marina. The previous understanding by some of the more long standing marina members was that Slip Owners were responsible for all aspects of the marina which included day-to-day operations, preventative maintenance, and a repair/replacement strategy in the event of a catastrophic event such as a fire or storm. The latter has been addressed via the purchase of an insurance policy, which is currently in effect. Upon discussion at the October 7th Marina Meeting, a consensus was reached that the current repair/replacement reserve strategy of the Marina slip owners should be sufficient to satisfy the HOA Board of Directors and Virginia legal requirements. The slip owner's strategy is:

- 1) Slip owners fund and perform preventative maintenance regularly.
- 2) Slip owners maintain insurance for replacement or major repair of the Marina due to fire or storm damage.
- 3) Slip owners currently have full funding for 2 insurance deductibles of \$25K each occurrence in the bank.

- 4) Slip owners will continue to add to the Marina replacement reserve from each quarterly dues Payment.
- 5) No further action by the HOA Board of Directors should be required.

The effectiveness of the preceding strategy is supported by the fact the marina has never fell victim to fire or storm damage. This is attributed to routine inspections, maintenance and upgrades to the marina's electrical and structural components; the physical location of the marina behind a protective wetland significantly decreasing exposure to storm surge and wind driven swells; and the structural design/integrity of the marina, attributed to the use of appropriate type/size lumber and the consistent use of appropriate type/size fasteners.

Neil Wilson will present this strategy at the next meeting of the HOA Board of Directors and seek approval.

Determining a reasonable replacement value of the Marina continues to be a major concern of the slip owners. The formal 2014 Marina Replacement Reserve study performed by Miller Dodson Associates is considered to be overly conservative by many of the slip holders. This study estimates a replacement cost of \$430K. Two previous informal studies arrived at a Marina replacement cost of ~\$200K. Neil Wilson proposes the formation of a small group to continue research on the amount of funds need to replace the marina structures. Once those figures have been received, the marina members can determine how the Replacement Reserves will be funded.

Neil Wilson informs members the parts to repair the pump-out station have arrived and the repair work will be scheduled.

New Business:

Motion made, seconded and passed to adopt the 2016 Operating Budget as presented. The annual assessment will remain \$492.00, collected quarterly at \$123.00.

Motion made, seconded and passed to allow homeowners and tenants residing in the association to rent boat slips from Marina slip license holders. The Marina slip license holder must provide a written agreement of such rental terms to the Marina Representative at the time such agreement is made. The written agreement must include the lease holder's acknowledgement they are to abide by the same rules in place for slip license holders.

Dan Strum presents a suggestion to allow Personal Water craft storage in the marina as a means of increasing revenue for the marina. This topic is table until the next semi-annual meeting.

Fall cleanup and work day:

Date set for cleanup and work day- Saturday, November 14th. Time to be determined

Projects scheduled:

General clean up of debris from recent storm.

Continue working on placement of screws in the decking.

Check pump out system and make necessary repairs.

If time permits, start an annual inspection of the marina structures.

Scheduled date to turn water off to the pier:

First week in November unless severe weather come earlier.

Slips for sale:

Currently there is one slip for sale

Slip# 19- Jim Pittman

Suggestion to send an email blast to the HOA community advertizing the slip for sale.

With no further business to conduct,

Meeting adjourned at 8:45 PM

#856-BENNETT'S CREEK LANDING MARINA
 Adopted 2016 Budget
 10/07/15

Month no. 6
 No. of units 18

	2013 Final Totals Actual	2014 Final Totals Actual	2015 Current Annual Budget	2015 "Year to Date" Budget	2015 "Year to Date" Actual	2016 Adopted Annual Budget	2016 Adopted Monthly Budget	2016 Adopted Per Unit Per Month
41130 INCOME-MARINA FEES	8,610.00	8,610.00	8,856.00	4,428.00	4,428.00	8,856.00	738.00	41.00
42000 INCOME ADVANCED ASSOC FEES	122.67	123.00	0.00	0.00	0.00	0.00	0.00	0.00
42480 KAYAK STORAGE INCOME	369.00	1,236.00	0.00	0.00	246.00	492.00	41.00	2.28
42500 OTHER MISC INCOME	0.00	3,748.22	0.00	1.00	0.00	0.00	0.00	0.00
42530 INTEREST - DELQ FEES	7.39	3.70	0.00	0.00	0.00	0.00	0.00	0.00
42550 INTEREST INCOME	575.83	163.93	0.00	0.00	4.87	0.00	0.00	0.00
42630 LATE FEES INCOME	60.00	200.00	100.00	50.00	40.00	50.00	4.17	0.23
TOTAL INCOME	\$9,764.89	\$14,084.85	\$8,956.00	\$4,479.00	\$4,718.87	\$9,398.00	\$783.17	\$43.51
51420 AUDITING EXPENSE/MARINA	\$100.00	\$0.00	\$100.00	\$50.00	\$0.00	\$100.00	\$8.33	\$0.46
51800 BANK CHARGES/MARINA	3.00	30.65	5.00	2.50	32.45	35.00	2.92	0.16
52180 PROPERTY INSURANCE/MARINA	2,373.00	3,825.00	3,652.00	1,826.00	3,916.25	3,825.00	318.75	17.71
52220 INSURANCE DEDUCTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
52410 MANAGEMENT FEES/MARINA	921.42	949.08	978.00	489.00	481.56	600.00	50.00	2.78
52700 OFFICE EXPENSE-PRINTING	220.35	275.47	240.00	120.00	155.40	200.00	16.67	0.93
52750 COUPON EXPENSE	21.00	67.95	68.00	34.00	44.40	63.00	5.25	0.29
52900 POSTAGE	22.75	40.41	50.00	25.00	12.01	50.00	4.17	0.23
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$3,661.52	\$5,188.56	\$5,093.00	\$2,546.50	\$4,642.07	\$4,873.00	\$406.08	\$22.56
53720 UTILITIES-WATER/MARINA	\$100.00	\$0.00	\$100.00	\$50.00	\$0.00	\$100.00	\$8.33	\$0.46
53810 UTILITIES-ELECTRIC/MARINA	229.00	181.98	230.00	115.00	54.17	230.00	19.17	1.06
TOTAL UTILITIES	\$329.00	\$181.98	\$330.00	\$165.00	\$54.17	\$330.00	\$27.50	\$1.53
54270 MAINT.-MISCELLANEOUS/MARINA SUPPLIES	\$3,065.75	\$464.88	\$1,000.00	\$500.00	\$0.00	\$1,000.00	\$83.33	\$4.63
54580 MAINT.-DOCK/MARINA	240.61	935.16	1,000.00	500.00	106.64	1,000.00	83.33	4.63
TOTAL MAINTENANCE	\$3,306.36	\$1,400.04	\$2,000.00	\$1,000.00	\$106.64	\$2,000.00	\$166.67	\$9.26
NET OPERATING INCOME	\$2,468.01	\$7,314.27	\$1,533.00	\$767.50	(\$84.01)	\$2,195.00	\$182.92	\$10.16
55160 RESERVES-EARNED INTEREST	\$575.83	\$163.48	\$0.00	\$0.00	\$4.29	\$0.00	\$0.00	\$0.00
55510 REPLACEMENT RESERVE-MARINA	1,523.04	1,500.00	1,500.00	750.00	750.00	1,500.00	125.00	6.94
TOTAL REPLACEMENT RESERVES	\$2,098.87	\$1,663.48	\$1,500.00	\$750.00	\$754.29	\$1,500.00	\$125.00	\$6.94
56550 OPERATING RESERVE EARNED INTEREST	\$0.00	\$0.45	\$0.00	\$0.00	\$0.58	\$0.00	\$0.00	\$0.00
56620 OPERATING RESERVES-MARINA	999.99	4,697.42	33.00	16.50	18.00	695.00	57.92	3.22
TOTAL OPERATING RESERVES	\$999.99	\$4,697.87	\$33.00	\$16.50	\$18.58	\$695.00	\$57.92	\$3.22
TOTAL REPLCMT/OPER RESERVES	\$3,098.86	\$6,361.35	\$1,533.00	\$766.50	\$772.87	\$2,195.00	\$182.92	\$10.16
NET INCOME	(\$630.85)	\$952.92	\$0.00	\$1.00	(\$856.88)	\$0.00	\$0.00	\$0.00

#856 BENNETT'S CREEK LANDING MARINA 2016 BUDGET NARRATIVE

Income

Income- Marina Fees –This line item details the assessments projected to be collected during the budgeted period.

Kayak Storage Income- Income derived from fees paid by non-marina members to store their Kayaks at the marina.

Late Fees Income – Income derived from additional fees assessed to and paid by owners whose dues were not paid on time.

Expenses

Auditing Expenses/Marina – Fees paid to reimburse the Association to have an independent, registered CPA perform an annual audit, review or compilation of the Marina finances and/or state and federal tax returns.

Bank Charges/Marina – Fees paid to the bank for the payment lockbox, deposit slips and other account maintenance costs.

Property Insurance/Marina– Cost of the Marina's general liability insurance.

Management Fees/Marina – This line item covers the cost for United Property Associates to handle the day-to-day operations of the Marina, such as preparing financial statements, receiving and depositing assessments, handling all payments to vendors, communicating with slip owners, handling financial disclosures, rule enforcement and advising and assisting the Marina Representative in his/her duties.

Office Expense/Printing – Cost of office supplies and copying/printing for Association business.

Coupon Expense – Cost for producing coupons for all slip owners.

Postage – Cost for postage of first class mail and certified mailings as needed or required on behalf of the Marina.

Utilities

Utilities-Water/Marina – Cost for Marina's water usage including taxes and service fees.

Utilities-Electric/Marina – Cost associated with the lighting and electrical services for the Marina.

Maintenance

Maint.-Miscellaneous/ Marina Supplies- An estimated amount for supplies to maintain and/or repair items at the Marina other than dock repairs.

Maint.-Docks/Marina- Costs for any supplies/materials needed for repair projects to the common elements of the Marina.

Reserves

Replacement Reserves/Marina – Funds set aside for repair/replacement of major structures not included in the operating expenses or covered by the property insurance.

General Operating Reserve/Marina – Funds set aside for operating expenditures beyond those anticipated in the daily operating budget and to cover any monthly operating account shortfalls.

DEBIT AUTHORIZATION FORM

I (we) hereby authorize **BENNETTS CREEK LANDING MARINA** or its agent to initiate debit entries to my checking/savings account(s) at the financial institution listed below and if necessary, initiate adjustments for any transactions debited in error. This authority will remain in effect until **BENNETTS CREEK LANDING MARINA** is notified by me (us) to cancel it in such time as to afford **BENNETTS CREEK LANDING MARINA** and the financial institution a reasonable opportunity to act on it.

I acknowledge my right to receive prior notice of any debit entry which varies from the approved monthly/quarterly/semi-annual/annual association fee debit entry in any amount.

NAME OF PROPERTY OWNER'S FINANCIAL INSTITUTION OR BANK

ADDRESS OF FINANCIAL INSTITUTION - BRANCH, CITY, STATE, & ZIP

X _____
PROPERTY OWNER(S) SIGNATURE _____
DATE

NAME OF PROPERTY OWNER(S) - PLEASE PRINT

PROPERTY ADDRESS - PLEASE PRINT

MAILING ADDRESS (IF OTHER THAN PROPERTY ADDRESS) - PLEASE PRINT

If this authorization is received by **BENNETTS CREEK LANDING MARINA** prior to the **20TH** of the current month the first draft will occur on _____ (month) 20____. Each payment thereafter will occur on the **2nd day of the month in which payment is due** unless the 2nd should fall on a weekend or bank holiday. In that instance, the payment will be drafted on the following business day.

Account Type (circle one): CHECKING or SAVINGS

BANK ACCOUNT NUMBER (Second Set of Numbers): _____

BANK ROUTING NUMBER (First Set of Numbers): _____

PLEASE INCLUDE:
1) Initial Setup Fee of \$10.00 made payable to UPA
2) Voided Check

Return this form, payment, and voided check to:

United Property Associates
Attn: ACH Division
525 S. Independence Blvd., Ste. 200
Virginia Beach, VA 23452
Fax: (757) 499-7659

PLEASE DO NOT WRITE BELOW THIS LINE. THE FOLLOWING SECTION IS FOR COMPANY USE ONLY!

ASSOCIATION NUMBER: _____

AMOUNT: _____

UNIT NUMBER: _____

PER: Month Quarter Semi-annual Year

RECEIVED: ____/____/____

ACCOUNT TYPE: Checking Savings

START DATE: ____/____/____

ENTERED BY: _____

ON: ____/____/____