

Twilight Park Cottagers Minutes of the Annual Meeting August 4, 2012

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Directors and Officers Present –

Alan Lans (President), Joe Butt (Vice-President), Jane Keiffer, Judith Sheridan,
Rachel Roll, Wade Speir, Alex Sade, Bob Hersey, John Fisher,
Rick Manix (Treasurer), Bill Clare (Secretary)

Welcome and Call to Order - By Alan Lans at 9:00 A.M.

- After a count of those present and of proxies submitted, it was declared that there was a quorum.

Invocation / Memorial Prayer– Rev. John Fisher

- A prayer was given with gratitude for the peace and beauty in our lives, and praying that we would be good stewards of our resources, and that we would have a generous spirit.

Announcement of Births, Deaths and Marriages – Whitney Janeway

- There were 6 births, 4 marriages and 3 deaths reported. An updated list is to be available on the Twilight Park website.

President's Remarks – Alan Lans

- Former Presidents in attendance were acknowledged as were OWL award winners.
- The Board was thanked for their support, including Bob Hersey and Judith Sheridan, whose terms have expired.
- The Daytons were thanked for the addition of a wall at Santa Cruz Falls.
- Artie and Patti Hommel have been made associated members of Twilight Park.
- Several issues of governance for the Park have been addressed.
The ownership of the land for Twilight Park has been transferred from the old Twilight Park Association to the Twilight Park Cottagers. We will now have the option of filing our taxes as either a taxable entity using Form 1120, or as a Home Owners Association using Form 1120h.
- The Finance Committee has been drafting a ten year financial plan and forecast.
- Sarah Post has done a remarkable job in organizing the Youth Program.
- A 5 year logging plan is in place, with objectives of preserving our forest while providing some modest income and tax benefits. We have hired a certified logger for this effort.
- We are going ahead with plans for improving our water supply to meet more stringent requirements by New York State for water filtration and treatment. The costs for this will be spread over 3 years and appear manageable.
- There have been concerns raised about the possible impacts to our water supply from operations at Rory's Garage. We are currently awaiting the latest test reporting.
- Our sewage system has been routinely approved every year and there are no reasons for concern now. There is no contamination of the creek below.
- There is a new and pro-active building inspector in Hunter. For conditions where a permit is required, there are also requirements for workers compensation. For violations, both the Park and the home owner may be liable. The superintendent needs to be informed of all workers in the park. This is especially a concern after the Park closes.

Election of Directors – Tom Braunstein

- The nominees for the Board of Directors this year are:
Jacquie Elder and Malcolm Handte for initial three year terms.
Jane Keiffer for a first full three year term.
- The nominations were accepted by acclamation.

Minutes

- The minutes of the August 6th , 2011 Cottagers' Meeting were approved unanimously.

Treasurer's Report - Rick Manix

- Dues have not been increased in 10 years, but we expect that they will need to be increased in the near future.
- With the help of a capable Board, John Gordon's investment committee, Wade Speir's insurance committee, cost conscious operations by our superintendents, and the support of numerous volunteers, we have managed to operate the Park for about \$500,000 a year and are in strong financial shape with \$926,000 in investments. However, we now have an increasingly negative operating cash flow.
- The issue of the sufficiency of our reserves has been raised. While there is never enough for all contingencies, the Board will make reasonable changes to the assessments, while balancing a prudent approach to managing reserves.
- The costs of upgrades to the water system are preliminarily estimated at \$63,000. This cost can be spread over 3 years.
- The investments in the Fire Reserve Fund have had another "era of alchemy".
- Rick offered thanks to the women in his life - his wife, Leslie, and Mary Douglass, the assistant treasurer, for their support.

Resolutions and Actions of the Board

- The Resolutions and Actions of the Board from August 6th, 2011 to July 7th , 2012 were accepted without discussion.

Board Resolution Concerning the Capital Contingency Fund – Alex Sade

- The following resolution was submitted by Alex Sade:

BE IT RESOLVED: That Article V (1) of the Twilight Park Bylaws, which states that "the Board may not authorize the withdrawal of more than \$10,000 from the Capital Contingency Fund for any single purpose without the approval of a majority of the Voting Members", be deleted; and that the Capital Contingency Fund be terminated with the balance in this fund moved to the Operating account; and that the Park's portion of the proceeds of future cottage sales be deposited into the Operating Account.

- The Board, Treasurer and the Finance Committee have reviewed the various Park funds and their role in meeting our financial goals. We have four funds:
 - Capital Contingency Fund: This fund is financed with the fees charged to Cottagers on their home sales, which is currently 5% of the sale price. The resolution would eliminate this fund, and have this revenue source flow into the Operating Account and be available to fund operating needs of the Park.
 - Capital Account: Capital expenses are funded by a separate assessment. There is a tax advantage in segregating these funds and only using them to fund Park capital expenditures.

Cottagers should be able to step up their home cost basis by the amount of their Capital Assessments. Cottagers were encouraged to confirm the tax treatment with their accountants.

- Fire Reserve Fund: We now have insurance as an additional level of protection, but this fund is designed to meet catastrophic needs which may not be fully covered by insurance.
 - Operating Account: This account is primarily funded by the Ordinary Assessment as well as by miscellaneous revenue sources, such as home rental fees. It is our primary account to fund all of our non capitalized expenses. Park operating income is now less than operating expenses.
 - In addition to these accounts, the Park maintains a \$100,000 line of credit with the Bank of Green County.
- The resolution was approved unanimously.
 - The budget was accepted unanimously.

Final Note – Alan Lans

- Cottagers were reminded that everyone's cooperation is needed in supporting the procedures of the Design and Review Committee.

Formal Adjournment – 9:55 A.M.

The Meeting was followed by reports from Tom Braunstein on the library campaign, from Diane Butt on the planning for the 125th anniversary of the Park, and from the various activity heads.

Final Adjournment – 10:40 A.M.

Respectfully submitted,

William F. Clare III, Secretary
August 31, 2012