

Dear Fellow BSBCCA Owners,

The following summary of the January 8, 2018 Budget Meeting was approved at the Board of Directors' meeting of January 15:

### **Opening Remarks**

Article 12 Section 7.c of our bylaws states that the budget passes unless rejected by a majority of the owners (which would be 1,294 votes). With 89 weighted voted in the room, the Proposed 2018 Budget passed.

President Kevin stated that this year the Board had appointed a Finance Committee which was very helpful to the Board as we went through the budget process. He thanked Finance Committee Chairman Bob Anderson and Members Donna and Jim Benedict, Anita Langar, Bob Taliani, and Dave Krekorkian.

He stated that there are indeed some changes in this year's budget. The electrical assessment has been changed to a utilities assessment and the total cost has been divided among all units, not just units with electrical service. He also stated that the food & beverage assessment has increased, but so has the amount of Bonnet Bucks returned to the owner.

President Kevin also stated that we are in the process of interviewing candidates for the position of Chef / F&B Mgr. He stated that we anticipate that the food service will be greatly improved this season. He also stated that we have discussed the possibility of changing the game room into a Pizza Parlor.

### **Open Discussion Session**

An owner complained that the food is terrible so why would he want all these Bonnet Bucks that he now has to pay for? President Kevin responded that the two people in charge of the food service this past summer are no longer in our employ. Board Member Victor has found some very qualified candidates for the position of Chef / F&B Manager and we are beginning to interview them tonight.

An owner complained that he is now paying too much in assessment fees.

An owner suggested that the food is lousy and that we should hire a concessionaire. She also suggested that the restaurant should be open to the public with no parking fee.

Board Member Victor stated that we are interviewing chefs with real pedigree who have worked in top shelf restaurants. He stated that we are working very hard to make sure that we will put out a very good product this summer.

An owner suggested that we have just the snack bar and close the restaurant.

The discussion turned to the infrastructure of the building. President Kevin noted that all roofs need to be replaced, that the siding shingles are rotting, and that the awning frames are rotting. He noted that all of this needs attention and corrections can only be made with increased assessments. He opined that as owners, we all need to protect our investment.

An owner suggested that we install a-frame roof trusses with a metal roof that would extend beyond the roof line thereby eliminating the need for the awnings.

An owner asked why we don't use the Capital Reserve to replace the roofs and the awning frames. It was noted that this needs to be preserved in case of a catastrophic event such as a hurricane.

Board Member Victor stated that we didn't want to raise the assessments and that we fought to keep them as low as possible. He forecast that we will not overspend.

An owner opined that when we hire a new Chef / F&B Manager, he should have a contract.

An owner opined that the F&B Service makes a statement and this it is an important piece of the entire package of owning at the Beach Club.

An owner questioned why any bar has to open at noon. She complained that she calls security and gets an answering machine. She suggested that there needs to be a supervisor watching over the wait staff in the snack bar. She opined that we could eliminate the entire food service and everyone could bring their own food in a cooler. She complained that everything has gone downhill in the past 15 years at the beach club.

Board Member Victor stated that during those same 15 years, the value of the units has sky rocketed so that cabanas are now selling for \$160K to \$180K, so something must be going right for people to want to buy in for that amount of money. He further stated that we need to protect that value and that we do that by repairing the infrastructure and improving services. This Board plans to do both.

Two owners suggested that if a guest comes to the beach club, the owner should be here. It was pointed out to them that there is indeed a rule that states that no guest pass can be accepted from the hand of the guest on the weekend, but rather that guest pass has to be delivered to the gate by an owner. They both said they had never heard of this rule,

An owner complained that not one of her guests this past summer had to produce a driver's license at the gate.

An owner suggested that we hire adult employees. Another owner suggested that we hire senior citizens. President Kevin stated that many of our employees are student-aged simply because it is basically a summer job. He went on to say that it's very difficult to find adult employees who are willing to work for just 16 weeks in the heat of the summer.

A spokesman of the BSFD Land Trust addressed the Board and explained some of the details of their proposed walkway:

1. The walkway would be a public safety project
2. It would extend from Allagash Trail to the entrance of the Beach Club
3. It would be built approximately six feet in from the causeway
4. The Land Trust owns the strip of land on which the walkway would be built
5. It would be built with donated funds
6. Variances would be needed in order to build a structure in wetlands
7. Abutters would have to be notified of a variance hearing. Every owner at the Beach Club would have to be notified.
8. A permit would be needed from the Town and from CRMC
9. A survey was done which reports that 1,000 pedestrians per day use the causeway in season.

When asked by a Board Member why the walkway would not be built on the other side of the road, the response was that the Land Trust does not own that pond, but rather the Audubon Society does.

A Board Member expressed concern that pedestrians would be exiting the walkway onto the apron in front of the Beach Club's gate, directly into the path of cars making the right turn into the Beach Club. The Land Trust spokesman suggested that perhaps railings could be installed to alleviate this concern.

An owner complained that the salaries are extremely high, that security is not doing a good job, that the girls at the gate are children, that owners should have priority, and the World Premiere must be bringing in their own guests because it's always so crowded when they perform here.

An owner stated that the Finance Committee tried to cut spending. He further stated that we have fixed expenses from the previous board that we could not change. He stated that there is nothing wrong with paying a General Manager \$150K, but we are paying that amount for on the job training. As for the Food Service, he stated that it is capable of holding its own because in 2015 it generated \$750K in revenue, but members stopped frequently the Food Service because of the bad food of the past two summers, causing revenue to drop.

Respectfully submitted,  
Louise B Healy, BSBCCA Secretary