**Board Members present:** Gary Heal, Dan Mathias, Curt Larsen, Paula Walker, Vince Barazzone (7:30 p.m.) and Jack Andre

**Board Members not present:** Amy Rispin and Tony Spakauskas

**Staff present:** Rhea Webster – Association Manager

Gary Heal, President of the Board of Directors for the Drum Point Property Owners’ Association (DPPOA), called the meeting to order at 7:00 p.m. He stated that the meeting is being recorded, and Robert’s Rules of Order govern the proceedings. He reminded all present to not speak until recognized by the Chair. With 28 Association memberships in good standing represented in person and 16 absentee ballots returned for the previously announced vote for approval of the budget, a quorum was considered to be present. Therefore, business of the Association could be conducted.

**President’s Remarks:** Gary Heal reported as follows:

* Regarding letters recently sent to the Calvert Recorder and to the Calvert County Board of Commissioners:
  + The amount of carryover in Drum Point funds is roughly $171,000, rather than the amount suggested, as not all assets are liquid and there are fees which have not been collected, yet are considered an asset.
  + The funds which are held cannot be spent as the Board wishes, as the Board must adhere to the by-laws (which state the approved budget cannot be overspent by more than .15% in any category, without prior approval by the general membership.
  + Administrative costs are being charged against the Covenants; however, the cost of administration of the roads is considered an expense related to road maintenance.
* Calvert County has delayed the transfer of the cost of 81 street lights to the Association for one year. These street lights have been funded from County taxes since the 70’s. The cost is approximately $12,000 per year.
* Gary introduced the new Board members for the upcoming year, which include Libby Fall and John Rovero. Paula Walker was also re-elected.

**Approval of Minutes:** Dennis Baker made a motion to approve the minutes from the April 2016 special meeting, distributed at the door. The motion was seconded and passed unanimously. The minutes were approved as written.

**Committee Reports:**

**Approval of FY 2017 DPPOA Budget:** Gary Heal presented the FY 2017 DPPOA budget, which includes funds from Covenant income and Mandatory Assessment income (published in the summer edition of the newsletter and distributed at the door). The following was noted:

* The Board uses a zero-based budgeting method, with the office providing input to the Planning Committee who considers road projects and other expenses before sending their recommendations to the Finance Committee.
* Once the Finance Committee drafts the proposed budget, it is sent to the Board of Directors for review and approval before it is presented for approval by the membership.
* Mike Snapp questioned why the amount noted as net income on the budget vs actual profit and loss statement does not match the amount noted on the profit and loss statement by class. It was explained that this is due to the fact that Special Tax District funds are not recognized as income, rather as reimbursement of expenses. These reimbursements are not shown on the profit and loss statement by class.
* After discussion, the vote was conducted with the following results:43 in favor and one opposed.

**Old Business:** None Scheduled

**New Business:** None Scheduled

**Public Comment:**

* Dan Stallings asked if the cell tower will go forth. It is the understanding of the Board that construction will commence in the coming year.
* A photo was taken at the beach of someone hitting a picnic table with their four-wheel drive vehicle. The picnic table was destroyed and will be replaced.
* Gary conducted a question answer session regarding the next Special Tax District. The Board of County Commissioners has scheduled a public hearing for 7:00 p.m. tomorrow, June 30th, at the Southern Community Center in Lusby. All were encouraged to attend.
* Other comments included questions regarding the maintenance of the River View Causeway and the trimming of the right of way on Deer Lane.

With no further business to discuss, Dennis Baker made a motion to adjourn. The motion was seconded and passed unanimously. The meeting adjourned at 7:49 p.m.

The next meeting of the General Membership will be held in September, on a date to be determined.