

Minutes for December 12, 2009 Budget Meeting

1. Meeting called to order and the pledge of allegiance by President Joe McGee.
2. **Treasurer's Report-** Troy said as of October 31, 2009 these are the figures. Income is under by \$7,499.00-due to \$6,726 in electric charges; Administrative expenses-under budget-\$5,254.00-due to \$5,000.00 under estimate for insurance; Bad debts-write off due to our first foreclosure; Insurance claim for the 2 lightning storm damages; Maintenance over budget by \$7,794.00-due to erosion control and special projects; Utilities under budget by \$14,493.00 because electricity costs were less; Trash was under budget by \$7,000.00; Receivables- half of the community paid their full assessment and the other half are paying quarterly; there are 6 owners that are over \$1,000.00 in debt and they are working with these homeowners to get their debt paid; The association borrowed \$60,000.00 from the line of credit to pay for the road work. By the end of the year these monies will be taken care of.
3. **Property Manager's Report-**Troy said the roads are completed and the erosion control issues have been taken of. If there are any low spots or other drainage issues that anyone knows of, please report them to Valerie in the front office. The speed limit signs and other signs will be installed as soon as it is possible. The rain has hindered putting these signs in.
4. **Old Business:**
 - A. **Speed bump** needed on N. Longboat, and one to be installed on the corner of N. Saltpond Way, Troy will check these areas.
 - B. **Paved Roads-**Entrance to boat storage area, mailbox area.
 - C. **Spraying of all the road edges** of at least 1 foot wide about 3 times each season to stop the wire grasses from ruining the edges of the new roads.
 - D. **Sprinkler system-**installed in the Rec. Center
 - E. **Phragmites-** to be cut down in the spring by the grounds crew.
 - F. **Drainage problems-**(Lot#16-41 and #102-112 and #118 & 120 and 370)
Troy suggested that these problems have to be looked at by an engineer, because all the expertise that he knows about has been used and there still are problems. Troy will shoot the grades for the engineer.
5. **New Business;**
 - A. **Pool contracts-**We have 3 bids and 2 different jobs. 1 is for the lifeguards and the other is for the repairs that are needed. After discussion of all the bids, a motion was made for the repairs to the baby pool and the Clubhouse pool bottom.
****Troy made a motion to accept the bid from Atlantic Aquatech to repair the pools and add Diamond Brite (need a price) to the bid and the start date of February 15 and to be completed by April 1, 2010. Vince Miller 2nd the motion and all were in favor.** Now the second set of bids is for the summer lifeguards.

****Bob Molle made a motion to accept the pool bid offer from Best Aquatic for the management of the pools, lifeguards, for the 2010 season. 2nd by Vince Castelli and all were in favor. Troy had \$42,000.00 in the budget and will contact the pool company to see if the pools can be done for that amount. The board agreed that if Troy can't get that price that they still want to go with their original bid.**

B. Change Machine- ****A motion was made by Vince Castelli to purchase a new change machine for \$935.00 now. 2nd by Vince Miller and all were in favor.**

C. **ECC paid position**-Joe explained the history of this committee and how it has evolved into the present day commitment. There is a lot of clerical work involved, inspection letters, violation letters, fines and correspondence between homeowners and the ECC. All correspondence between the homeowner and the ECC has to be submitted in writing. Joe also said that with the other volunteers in the community, there is a workers party at the end of the year for all the work they have contributed to the community. The ECC committee has spent a lot of time on inspections and follow ups on homeowners who were in violation. They have had fines levied on homeowners who did not take care of the items they were cited on. Cathy has said that she will still chair the committee and do the inspections, but the correspondence that has to be done, will have to be a paid position, weather she or someone else is hired to do it. Troy commented that this committee has evolved into something that no one could have envisioned. The board knows that all the I's are dotted and the T's crossed with this committee, and if there are any legal issues that might be brought up, this committee has a system that is rock solid. **This is the only committee that is required by the blue deed book.** This committee has to be a separate body from the board because of the appeal process. ****Troy made a motion to form a position for the ECC not to exceed \$5,000.00 based on an hourly basis with a job description to be implemented. **Troy made a motion to appointment Cathy Ortel as a paid part time person to perform clerical follow up on ECC violations, with a job description. Bob 2nd and all were in favor.**

D. **WIFI**- Rec. Center signal may have been knocked out due to high winds- Valerie will call and have it taken care of.

E. **Intercom System**-Bob Molle will call Dave to get an update on when it can be repaired. Dave is going to replace the existing telephone wire with fiber optics.

F. **Assateague Pointe auto stickers**- Valerie will give to Troy to have them inserted in all home owners' dues statements.

6. Committee Reports:

A. **ECC**-Cathy Ortel said she has 1 owner that has been a problem for the last 4 years and continues to be. The association will now have to send someone to her lot and repair and/or fix the existing problems and she will be charged by the association.

B. Beautification Committee-Carl Thompson asked the board to consider the items listed. 1.) **\$1,000.00**- to purchase 5 new trees in the spring to replace dead ones. 2.) **\$1,000.00**- to purchase 5 trees in the fall. 3.) All dead tree stumps have to be removed. 3.) All shrubs on the south side of the Rec. Center building have to be removed and replacement cost for new shrubs is going to be **\$575.00**. 4.) Horseshoe pit-cost for the materials needed is **\$400.00** for one this year. **Joe said to allow \$3,000.00 in the budget for this committee.**

C. Budget Committee-Andy Lapinski asked about the 1-1/2 % increase for electric from Choptank, does that mean our rates are going up? Troy said that the board tries to keep up with the rate changes. Joe said we are billed by 7 meter points in the community and they branch off to the individual homes. The meters are read every 3 months and all the electric that is used for the community amenities are then figured into everyone's electric charges.

7. Open Discussion:

A. Bill Landano-Lot#228-suggested that someone who is jobless be considered to be hired for the ECC paid position. He also wanted it to be announced in the newsletter and choose from the all who respond. Joe responded by saying that the board would take that under advisement. He also said that this information is recorded in the minutes. Joe also said that when ever there is a position to be hired for, the person applying must have the abilities to perform the duties that are involved.

B. Linda Thompson-Lot#108-said on N. Longboat Way there is a spot marked on the road for a speed bump and there isn't one. She also asked about having a speed bump that should be placed on N. Saltpond Way on the bend, because golf carts are going very fast on this street. Joe said the board would take a look at both areas and if needed they will have the contractor come back and do these 2 areas. Joe also wanted the speed bumps on Assateague Way a little higher.

C. Kay Whaley-Lot#90- Said that she appreciates all that the ECC has done for the community, especially Cathy Ortel. She feels that a job description is to be put into the newsletter to see if someone would volunteer for the clerical position before the board puts \$5,000.00 into the budget. Joe said the board would take this under advisement. Cathy Ortel said that the volunteers she had talked to for this committee, could not be here for all the inspection dates or the follow ups that are required, so it really narrowed the field down to who could put the time into being on this committee.

D- Mike Whaley-Lot#90- said there was a problem with the remote for the TV in the Clubhouse. He asked if we could have a fix mounted remote. Joe replied that sometimes the remotes just walk out! Valerie said that she has extra remotes in the main office and she would make a sign that stated if it was missing to come to the office for another.

E. Carl Thompson-Lot#108-stated that there is still a drainage problem behind his house. Carl said it's taking a long time for anything to get done. Joe said we will get

an engineer to take a look at it. Whatever his findings are, you might not agree with, but we will do what he suggests. Joe also said we can't always fit into a certain time frame for certain situations. We have had several projects going on and we have not had a meeting since September. Joe said to Carl that he's an asset to the community and when you bring up something, the board isn't always on the same time schedule as you are. That doesn't mean we are not doing our job. A couple months ago when you brought this up, we were over budget. The board does address things, but is also responsible for costs. Joe said he is tired of hearing about the swales, he said we spent about \$30,000.00 last year for the swales. Troy said he has used all his personal expertise to address this problem and will have an engineer come in and evaluate it. Phragmite's were supposed to be cut down last spring and it was never done. **Carl wants to make sure that they will be cut down in the spring.** Another homeowner asked Carl to ask the board when it would be done. Bob said why doesn't that homeowner attend the meetings and ask the board themselves. Carl and the board discussed what was needed around the pools.** **They want 12 small drink tables, 2 Umbrellas, 25 chairs, and 5 folding tables to be put into the budget for next year.** A plumber will have to be called to fix the leak at the end of the pier. **Carl wants to make sure that when these new trees are planted that they will be watered.** Troy said to call him directly and the job will be done.

F. Fred Verga-Lot#469-commented on the disgraceful front pond area. The paddle boats and life jackets were never put back where they belonged, they were floating around the pond and the boats were not tied down. He thought it to be a big mistake to put them back into the water. Joe agreed that it was disgraceful sight coming into the community, but no matter how we try, we can't monitor every little thing in this community. Joe said we can't take away the amenities' just because a few individuals decide to destroy something. Bob Molle said we need more homeowners to step in and say something to anyone who is doing something wrong, whether it's a golf cart speeding, paddleboats not being tied up, breaking or throwing things in the Rec. Center, changing the marquis sign, etc. Fred Verga agreed with Carl that we need to have the new trees watered on a regular basis. Mike Whaley agreed with Fred Verga about the paddleboat situation. Mike suggested that we attach 6 cables to the dock and attach a hook to it, then put eyebolts on all the paddleboats, so they can easily be hooked up. Joe, Carl and Mike will discuss this new method for tying up the boats. Bill Landano suggested locking up the paddleboats and a card key would unlock them. Joe said we will try Mike's idea first because it will be a lot less expensive.

8. Budget:

- A. Budget Maintenance-** 10- line items were discussed in detail by the Board.
- B. Utility Expenses-** 6- Line items were gone over by the Board.
- C. Amenities-** 4- Line items were gone over by the Board
- D. Reserve money for replacement-**\$861,480.00
- E. Dues-** to be raised \$20.00 per quarter.

9. ****Troy made a motion to raise the dues from \$265.00 to \$285.00 a quarter according to the budget for 2010. 2nd by Vince Miller, all in favor.**
10. ****Troy made a motion to transfer \$21,500.00 moved out of the reserve account to pay for the paving by the mailbox, boat storage entrance. 2nd by Joe McGee and all were in favor.**
11. **Next Meeting is March 6, 2010 at 9:00 AM in the Clubhouse.**