

ASSATEAGUE POINTE HOA MINUTES

November 12, 2022, Meeting called to order by Keith at 9:00AM

Board Members in Attendance

President: Keith Shoff, Vice President: Barry King, Treasurer: Troy Purnell, Secretary: Joe Mosby, Member at Large: Missi Clark, Recording Secretary: Xanthe Lewis

Property Manager's Report by Troy Purnell

Property Manager's Report:

- The mowers are all in good shape. We will probably need two new decks but do not anticipate needing any new motors or mowers this year.
- This summer we had a full grounds crew staff of five. The ground maintenance budget was up this year because of that. We would like to have a full staff for next year as well. It worked out much better with less overtime and getting the yards cut more efficiently.
- Work order status is a little delayed. We are waiting for mis utility to come mark all the spots we need done.
- This is the first year we treated all the ponds in the community. It has made a tremendous difference and we received virtually no complaints this year about them.
- Assateague Pointe is one customer to Choptank electric, and there are six Choptank meters we are billed for. Everything passed those meters is the property of the HOA. It was set up this way originally to save costs. Every year we have money in the budget to replace pedestals as needed so we do not need to do a special assessment. We replace approximately 20 pedestals per year.
- We are getting bids from several contractors for the splash pad renovation at the Clubhouse. The rubber tiles on the bottom are in rough shape. That work will be taking place in the spring.
- The sewage lagoons upfront are owned by the county, and it is their responsibility to maintain it. They have tied us in to the landing next door which ultimately goes out to Ocean City. They plan sometime in the next 5 years to replace all the liners. The money is already in the county's budget to do this so there won't be a special assessment. The work being done should not affect your service.
- The road cracks are looking pretty good. We sealed a lot of them last year and we shouldn't need to do that again this year. The spot between the gate and the pond will ultimately be replaced. We have that worked into the budget to avoid any special assessment.
- **A motion was made to table water being run to the dog park, and it passed unanimously.**
- There are a few boards that need to be replaced on the pier as well as staining the pier. We are hoping to have that completed before the end of December, weather permitting.
- Trash continues to be a problem because people are overflowing the dumpster. We schedule the pickup when the dumpster is close to being full. It usually takes a few days for them to come out. The drivers have a good communication with us, and Glenn's crew and they will have them mash it down while they are there. If the crew is not there, they will not pull the dumpster and we will still be charged for the visit. We do review the cameras when this happens, and we can and will fine the responsible party. Our trash tonnage has not changed, but the fuel and environmental charges have gone up from \$58 to \$218. The contract with waste management is up in December, so we will be bidding that out. Please break down your tree branches into small pieces. If you notice all dumpsters are full, please contact the office, do not place the item on top.

Treasurer's Report by Troy Purnell

Financials through September 2022:

- **Electric:** We have had a lot of recent questions about electric. Assateague Pointe is billed by Choptank as one customer. Last quarter we were about \$30,000 in the red. This was due to a huge spike in the electric costs. We had to make that up, because the only goal with the electric is to break even. That is why we raised the rate last quarter to \$0.22 a kilowatt-hour. Each individual homeowner is billed for the electric usage of their meter plus \$0.02 to cover the cost of all HOA amenity electric. The meters are read every quarter. If you have any questions regarding to please contact Troy.
- **Income:** The electric charges income is over budget \$61,654.83 which will even out in the expense category. Overall, we are \$150,623.03 over budget for income. This is largely due to the electric and Reserve fund transfer of \$90,000. The \$90,000 was composed of \$50,000 towards building maintenance and \$40,000 for the pool renovation. Both of which were planned for expenses.
- **Expenses:** Pool maintenance was over budget by \$47,352.93. This is mostly due to the re-plastering of the Rec. center pool. Overall, amenities were over budget \$8,530, this is due mainly to the increase in insurance costs. Overall maintenance is over budget \$70,117.52. Building maintenance is over budget \$29,042.43. This is due to replacing the two HVAC units and replacing the roof. All of which were original to the building, 35 years. Ground maintenance is over budget is \$21,240.94, due to having a full staff this year. Special projects are over budget \$28, 938.95. This is due to replacing the dog park fence, having all the trees trimmed back to the property lines, the tree buffer added by the lagoon, replacing benches, and the Clubhouse pool deck expansion. All these maintenance expenses except ground maintenance were planned for in the budget and Reserve account for many years. Utility expenses are \$52,817.39 over budget. This is due to the increased electric and trash costs.
- **Overall:** We are \$22,141.94 over budget. The main issue we have heard from the homeowners is about the electric rates. Unfortunately, with the increased charges we had to make up for the previous quarter and stay on even footing moving forward.
- **Line of Credit:** We have a \$150,000 line of credit from the Bank of Ocean City every year. This is for the June, July, and August electric billing we receive, which is the highest bill of the year. Choptank bills us before we bill the homeowners. Once all the billing is received, we pay off that line of credit. Since this year it got very tight with the electric billing, we borrowed the money from the Reserve fund but paid it back within two weeks of the billing. We paid the credit line down to \$75,000; this will be paid off with the January billing. Looking toward the future we will get a \$200,000 credit line so we do not have to borrow from the Reserve. Right now, we have \$191,000 in the Reserve account. Every month we put money into it, to try and avoid special assessments.
- **Online Billing:** You can already pay your bills online with your bank through bill pay. We have found a way to have our billing information online through **RevoPay**. Bank of Ocean City is getting up to speed with it, and we will have it implemented for the April billing. You will be able to go online, your bill information will be there, and you can pay with a credit card or check routing. We will still mail you a bill and you can bring that to the office or mail it in. Once it is up and running, we will send you all the information.

Old Business

911 Address: You must have your house number visible on the front of your house! This is very important for emergency personnel to be able to locate your house if needed!

Exterior Renovations: You are **NOT** to make any changes to the outside of your property without getting ECC approval. We had several issues with that this summer. If you make any changes that do not fall within the guidelines, you will have to change it. The guidelines are on the website, in the bluebook, or in the office.

Gatehouse Remodel: As you came in you may have noticed the gate house is being remodeled. Everything except the roof is original to the building, about 30 years. It turned out to be a little more extensive than we were anticipating. The exterior root had gotten inside and there was some mold. It is moving along well. The inside will get painted, and the floor will be repaired a replaced. We anticipate it being completed in the next few weeks.

New Signage at Dog Park: We got the new sign for the dog park in September. It was posted on the gate. We will be taking the second sign down.

Power Vents at Rec Center & Clubhouse: We will be adding power vents to the gamble ends of both buildings. It will help our HVAC units operate more efficiently by keeping the heat down in the attic areas. This should extend the life of the machines.

New Business

2023 Budget:

Every year we go through the actual costs to plan the budget for the following year. Based on those costs we are proposing raising the HOA fee from \$125 to \$140 per month. This should cover all the following additional costs. This will also allow us to put money in the Reserve budget to prepare for future upkeep of the community, roads, pools, erosion, etc.

- The pool contract will increase next year from \$65,000 to \$90,000. This is due to an increase in wages, labor shortages, fuel costs, and the chemicals cost. Chlorine has gone up in price by 85%. We have asked the pool company to revise the contract to exclude them cleaning the pools. Our grounds crew will clean the pools next summer. This should save us about \$4,000. The only other option to save costs on the pools would be to reduce the operating hours.
- We increased the budget for the insurance from \$30,000 to \$38,800, based on projected 5%-7% increased rates.
- The building maintenance budget was increased \$9,700 to accommodate any repairs the Clubhouse and the Rec. Center may need.
- Ground maintenance was increased by \$20,000 to bring that up to even with our expenses of having a full staff.
- We increased erosion control by about \$10,440, because we have a good amount of work that needs to be done this winter.
- Trash removal had to be increased about \$20,000 to cover the additional fuel and environmental surcharges.

Also, we are proposing to raise the storage yard fee from \$100 to \$300 **per year**. This will enable the HOA to fill in the gravel where it is needed, give a contingency for future repairs or improvements to that area, and help cut down our waitlist. This is still very reasonable for the Ocean City area. Most storage places from our location towards Ocean City are charging between \$800-\$1200 per year for the same set up.

A motion to approve the new budget with the addition of the storage yard increase was made and passed unanimously.

We had many questions regarding the budget, all of which are on the open discussion portion of the minutes

"Footprints" Report

- 1. To increase communication between the Board of Directors and the homeowners we ask all homeowners make sure their email addresses are updated so they can receive all future communications. You can register on assateaguepointe.com. If you are having trouble receiving emails or need any information mailed to you, please contact the front office.**
- 2. Assateague Pointe official Facebook page is an information only page. Unofficial or personal social media accounts and message boards are not the most accurate and/or efficient way to get information about the community. Please visit our website or contact the front office or the Board of Directors, their contact information is on assateaguepointe.com under contact list, for any questions or concerns.**
- 3. If you are having any erosion issues, please contact the front office so we can add you to our work order list.**

Beautification: Missi Clark- A report from Brenda Hawk about the Butterfly Garden: The Butterfly Garden has been cleaned up for the winter. A new cement bird bath was installed. The previous bath was resin and was not holding up through the summers. A Stella-Dora plant and a mimosa tree have been planted. In the spring we are looking to add 3 more sprinklers to the area to keep all the plants alive throughout the summer heat wave.

ECC: Mary Ann Bing- The weather has been very nice, so the weeds are still growing. Please keep on top of that for the Fall season. A reminder that you are **NOT ALLOWED ANY WOOD BURNING FIRES, PROPANE ONLY!** All exterior work needs ECC approval. You are informed of this when you have your settlement with Tony. If you did a private sale, it is the previous owner's responsibility to inform you of the rules. All the guidelines are on the website. If you are replacing your HVAC system, you need ECC approval, and you are **NOT** allowed electric heat. The electric grid system is not designed to support that. Have a great holiday season.

Storage Yard: Joyce Wetzel- As of last month I have put all the stickers on that I could. We did come across several people that had something in there slip that did not match the registration form. There were a handful of people who did not complete their registration form. Next year we plan to send the registration form with the January billing. You can pick up your sticker in the office if you did not receive one.

Entertainment: Vince & Lynn Luca- We have two events left for this year, they are the Children's Christmas party and the New Year's Eve party. Please make sure you sign up by the registration date on the flyer. Also, if you volunteer for any event make sure you are listed on the event chairperson's paperwork. We plan to continue the hotdog nights next summer. We will keep you posted for the 2023 events. For all the new homeowners, we have many events throughout the season starting with the community clean-up. We need volunteers for all the events. If you are interested, please let us know.

Pools: Barry King- Everything has been cleared off the decks and both pools are covered. The pumps are shut down, and the new pump has been installed at the Clubhouse. The pool pumps require a lot of electricity to run all summer. We have had several suggestions to shut them off at night. That would save electricity, but it would delay opening the pools. It takes 4-5 to filter all the water in the pool. Also, we do not know how the chemicals will change with the pumps being off. We are in contact with our supplier about getting some chaise lounges. They should have a price to us next week. Over the winter I will make the necessary repairs to the umbrellas and chaise lounges. We will set up the pool decks during community clean-up. Any volunteers will be greatly appreciated. I hope you enjoyed your summer and have a wonderful holiday.

Announcements

PLEASE CLEAN UP AFTER YOUR DOGS, WE HAVE MUTT MITTS AVAILABLE! PLEASE DO NOT ALLOW YOUR DOG TO DIG IN THE DOG PARK!

PLEASE SIGN UP FOR EMAIL ANNOUNCEMENTS ON www.AssateaguePointe.com & JOIN OUR FACEBOOK PAGE FOR ONGOING ANNOUNCEMENTS!

Open Discussion

Q: Why did the Board approve the corn hole court, dog park improvements, and other upgrades when the pool contract, maintenance, trash, and electric were all going up?

- a) *The dog park improvements were contracted in Summer 2021 to take place in Fall 2021 and the corn hole court was contracted in Fall 2021 to take place Spring 2022. We did not receive the increased electric and trash charges until Summer 2022, and the pool contract is always given to us after Labor Day. Although some increase was expected, the amount inflation has increased these charges was much more then could have been anticipated. These were both projects that have been planned for and discussed at many meeting throughout the years. The only increase we had advanced notice of is the maintenance charges.*

Q: Do you discuss the budget throughout the year?

- a) *Yes! We have at least monthly discussions about the budget. Unfortunately, some projects have already been paid for and/or completed before we find out about huge increases.*

Q: I think it is unreasonable that the corn hole court and dog park upgrades were made for some people, but the whole community has to pay for them.

- a) *Unfortunately, there is no amenity/upgrade that will be universally used by the community. That is why they are discussed at multiples meeting over several years before they are implemented. **Particularly with the corn hole court, expanding the deck was also for safety and operational reasons. The health department can and will shut us down for having adults or children playing any game close to the pool edge.** It was included in the pool deck fencing so residents could not be there late into the night disrupting the surrounding homes.*

Q: Is the money in the Reserve fund to replace the playgrounds? The money spent on other things could have been put towards that.

- a) *No, the playgrounds would be \$200,000 to replace both. Even if we did not do all those other projects, it still would only amount to a small percentage of the money needed. It can only be done with a special assessment. We continue to make repairs to the playground as needed.*

Q: How many people have to ask for a special project before it is implemented?

- a) *A large number of people over an extended period of time, with the exception of necessary maintenance or a small inexpensive projects. The Clubhouse deck expansion started being discussed at the November 2018 meeting, and the bids were presented to the meeting in 2020. Upgrades to the dog park were approved about 5 years before they were implemented but were delayed due to large erosion work needing to be done.*

Q: When was the contract signed for the corn hole court and what was the difference of that contract and what we paid?

- a) *The contract was signed in January and the original bid was honored.*

Q: If I need to get ECC approval to do anything to the exterior of my home, which I was not informed of when I first bought, why doesn't the Board have to get community approval to spend money on a corn hole court, dog park, and the gate shack? Is the HOA paying for the gate shack renovation and if so, why?

- a) *The ECC guidelines are online and in the blue book. There is no secret regarding that the HOA requires approval for exterior work.*
- b) *The Board of Directors is made up of elected members. All special projects are always discussed at the meetings before implementing them.*
- c) *Yes, because it is owned by the HOA. The gate shack renovations are necessary building maintenance. Everything in the shack besides the roof was original to it being built 30+ years ago. To preserve the integrity of the structure changing the siding, windows, doors, and replacing and repairing the floor could no longer be put off.*

Q: How can the Board increase communications? Why can't we put the special projects up for a vote, and not just at the meetings?

- a) *We send many email blasts as well as Newsletters through the summer season. The last email blast that was sent out about the proposed budget, we only received 4 emails with questions. We can increase the communication through email service, but we need the homeowners to participate in responding.*
- b) *Not every decision is feasible to put up for community vote. In the future we will be trying out sending an email survey for the special projects. That is why it is important we have updated emails for each homeowner. Please contact us directly with questions, concerns, and comments. That is the most efficient way to get a matter resolved.*

Q: With the ground maintenance increase can we bid that out to other contractors?

- a) *We can get bids from other companies, but for them to come in they would need to make a profit for it to be worth their while. Also, we lose the convenience and control of having the staff available to us full time. An outside contractor would not give us the savings and efficiency of having our own grounds staff.*

Q: Why does the grounds crew not do the cutting and weed whacking on the same day?

- a) *It could be an issue of the ground being too wet in certain spots. The grounds crew tries to get through as much as possible, weather permitting. Some spots in the community dry more quickly than others.*

Q: Can we start doing the meeting virtually as well? There are a lot of people that would like to attend but are not always able to come down.

- a) *We have been discussing how we can start Live streaming the meetings. There has not been a consensus yet, because we would like to have a stream where people can interact. Facebook Live seems to be one of our best options. We want to have a view of both the Board and the attendants. We will work on having that for the March meeting.*

Q: Did we get a refund for the pool cleaning our grounds crew did? Now that Maryland has choice for electric have, we looked into if we can save with switching? Can we get assistance for our roads in here from the taxes we are paying?

- a) *We have not paid the final bill for the pools yet because we are still negotiating that with Best Aquatic.*
b) *The choice is only on the generation portion of the bill. We will look into that with Choptank.*
c) *You can only get a homestead take credit if it is your primary residence. We can ask but it will most likely be a no.*

Q: What percentage of the HOA budget is going to property management?

- a) *The property management fee is \$72,000, and that is listed in the budget. That fee includes all property management services, as well as the payroll for the front office staff.*

Q: Who reads the meters? Why are the readings not listed on the bill? And how do we know it was read correctly?

- a) *The grounds crew reads them quarterly.*
b) *We used to use an antiquated software that showed the readings, but it's no longer supported. Once will switched everything over to QuickBooks it doesn't allow us that option. All the readings are on file at the office.*
c) *The readings are reviewed and if there are any discrepancies the meter is read again. If you have a concern or question, please call, or email us.*

Q: Can we require people to notify the office before they use the bulk trash?

- a) *It is not a bad idea but would be very difficult to manage.*

Q: Could some of the money from the laundry machines and arcade machines be credited towards the electric bill?

- a) *Yes, we will have our accountant look at those changes.*

Q: What is the Wi-Fi support charge for?

- a) *There is Wi-Fi and cable TV in the Clubhouse and in the Rec Center that all homeowners have access to throughout the year. We will clarify that on the financials.*

Q: The speaker on the intercom system in the office sounds very fuzzy, can that be corrected?

- a) *The intercom system is probably nearing the end of its useful life. We will speak with our camera specialist about adding a speaker to the camera to improve clarity.*

Q: Can the building be used as a storm shelter if needed?

- a) *Neither building is built as a storm shelter. When we have had severe weather warning, we have the gate attendants opening the Clubhouse, but you enter at your own risk. We recommended the bathrooms as the*

safest location because there are no windows. The clubhouse bathrooms can be accessed from the side door at any time.

Q: Can we get solar panels on the Clubhouse and Rec. Center to offset the electricity costs?

a) *We will speak to Choptank about that, and if it's possible we will get some quotes.*

Q: How will the Board increase communication with the community?

a) *We will make sure that we notify everyone through email blast as well as at the meetings. Also, we would like to start doing a survey for the special projects. Possibly using Google survey or jot form. If a large portion of the community participates it would be very beneficial.*

Q: Why can't we just switch out a few pieces of playground equipment at a time to save costs?

a) *Right now, the playgrounds are grandfathered in. If we change anything we would no longer have that, and all the equipment would have to be brought up to today's code.*

Q: You mentioned upgrading the kitchen, what would that entail?

a) *Replacing the cabinets that are worn and starting to fall apart. Increasing the cabinet storage and counter space to better serve the events. New countertops and replacing the microwave. **Nothing has been decided on.** That will be one of the things we would like to address in the new email blast system.*

Next Meeting

The next meeting is March 18, 2023, at 9:00 AM, at the Clubhouse.

Motion to adjourn was made at 11:15 a.m. and was passed unanimously.

Recorded by Xanthe Lewis