

WHITE HORSE PARK COMMUNITY ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
October 20, 2012

The meeting was called to order by the President, Jerry Mathison, and he led all in the Pledge of Allegiance. All Board members were present.

Sue Naplachowski, Park Manager, gave her Park update. Met with Avery Hall Insurance, all paperwork signed and check sent out.

-Met with First State Underground, discussed boring underground to lay conduit. The conduit will contain cable to run the entry system to the gate.

-Positive they will not have to slice through blacktop

-This is the most traveled area in the park

-Can replace wires if necessary without digging backup

-Cost \$9.00 per foot – approximately 74 feet – for a total of \$666.00

Ed Webb made a motion to approve, Dave second, all in favor – approved.

-Electric on the following lots goes out:

Lots 315 through 321 out on Dolphin

Lots 303 through 308 out on Timberline

Lot 40 on Salt Spray

Curtis Electric did temporary fixes until he replaces pedestals at Lots 315, 308 and 40. Ed Webb stated 27 pedestals replaced since 2009 at \$1,000 a piece. All of the electric in the park is direct buried; any small hole will corrode the cable, so if you detect a problem please call and report it.

Minutes:

The Minutes from the September meeting were provided.

Minutes from the May meeting were approved.

Treasurer Report:

Ted Gajewski read the Treasurer report. Ted provided three income proposals:

1) Raise HOA fees \$5.00 per month. This will net us \$27,900.00 per year and will make up for recent increases and give us a small amount of extra cash. HOA fees will probably have to be raised again next year or the year after.

2) Raise HOA fees \$10.00 a month. This will net us \$55,800.00 per year, will make up for recent increases, allow us to do more projects and increase our maintenance staff to get these projects done. Currently, our seasonal employee budget is \$11,000.00. We could double that and still have money left over.

3) Bill homeowners for water separately, and lower HOA fees to \$80.00 per month. Currently, our HOA income is \$613,800.00. Deducting our water bill of \$197,900.00 leaves us \$414,900.00. If we lower the HOA to \$80.00, our HOA income will be \$446,400.00 which is \$30,500.00 more than we have now. This will make up for recent

increases, and give us some extra cash. The HOA fees will probably have to be increased next year or the year after.

NOTE: Regarding whichever proposal is adopted, I want to renew my plea to the Board to increase the HOA every year, or at least every other year, by \$2.00 or \$3.00 to avoid another crisis a few years from now.

Pat Heath stated we cannot continue to function on the same amount of money (HOA fees) that we have been. She proposed that we should pay our own water bill and then lower the monthly HOA fee to \$100.00 instead of \$110.00 so we will actually be paying \$25.00 more a month. This should put plenty of money into our reserve and we can stop increasing the HOA fees \$5.00 a month every year.

Ed Webb stated the \$5.00 per unit for 12 months comes out to \$27,900.00 a year. So that would be \$55,800.00 for \$10.00 a month increase. Ed went through his records and found that from 2007 to 2011 our water bill went from \$167,000.00 and today we are paying \$197,000.00 and it anticipated that this increase will continue. By separating the water bill out of our HOA fees, we won't have to keep increasing our HOA fees every year to cover our increased water bill. He also stated that in 2007 we paid \$10,000.00 for ground repairs and now we are paying approximately \$40,000.00 to 50,000.00 a year in ground repairs and we have already paid out \$27,000.00 in electric repairs so far this year.

Ed presented his income proposal:

1) Reduce monthly HOA fee to \$90.00 a month and send out the extra check for \$105 per unit every quarter for your water bill we would have \$84,000.00 going into our general fund.

2) If we increased the HOA fee \$5.00 a month for three consecutive years, we could have the marina paid off. Once the marina is done, we won't need the \$30,000 a year we are getting from the marina fees, so he would recommend putting a percentage of the marina fee money back into the general fund.

Last year we were able to absorb the \$10,000.00 water increase by reducing trash and insurance costs, but we don't have anywhere else to cut to continue to absorb these increases.

Jerry Mathison stated that separating the water bill is a good thing, any increases will be passed onto the homeowner just like with our electric bill, so we won't have to raise HOA fees to cover future water increases and was in agreement with lowering HOA to 90.00.

Pat Heath agrees with Ed Webb's proposal of separating the water bill and lowering the HOA fee to \$90.00.

Since this is the last meeting for the year, Pat Heath stated that she would like to vote on this income proposal at this open forum meeting. Ed Webb stated that he would like to get feedback from those in attendance before voting.

Committee Reports:

Ed Webb gave the Marina Committee report stating that he and Sue Naplachowski met with the engineers from MidAtlantic and they pretty much told us which way we need to go. We are hoping to widen the ramp a little and take the hump out of it and gradually bring the concrete ramp back further into the water. We are looking at an early estimate of approximately \$60,000.00. Also, the condition of our shack is getting worse, there are no footers, it is built on concrete blocks on sand and the water is causes erosion causing the building to lean towards the back. We plan on fixing this in-house with our maintenance crew. Still getting a lot of compliments on the appearance of the marina and have received requests to put out a special assessment to finish the project. But with the recent electrical problems and associated expenses – we need to keep our priorities in order and tend to the electrical problems. We will gradually keep working on the marina and hopefully by November 2013 we will be able to fix the back of the pier. The estimate for the final phase is \$90,000.00 to \$100,000.00.

ECC Committee:

Sue Gajewski gave this report. So far through September, we have received 12 requests, all have been approved. Four more violation letters were sent out, one third violation with a fine was sent out. Twenty fines have not been paid, eight fines have been paid. She then read a letter from Shirley Skillman regarding derogatory comments being made about the ECC.

Club House Committee:

Thanked to all the volunteers on helped in this year's event. The Labor Day Crab Feast netted a profit of \$555.95. Pancake breakfast had 81 adults and 3 children with a profit of \$445.11.

Marina Proposals from Treasurer Ted Gajewski:

Proposal #1 – Special assessment for \$250,000.00. Each homeowner would have to pay approximately \$45.00 a month for 12 months.

Proposal #2 – this proposal has 3 parts

- 1) pay the loan as planned;
 - 2) this winter repair office building and pave walk from Port-o-John to dock;
 - 3) next winter, special assessment for the ramp, short dock and long dock - \$150,000.00.
- Each homeowner would have to pay \$26.88 a month for 12 months.

Proposal #3 – No special assessment – this proposal has 4 parts

- 1) this winter do office building and pavement out of reserves (\$20,000.00)
- 2) next winter do ramp and short dock out of reserves (\$60,000.00).
- 3) those two years of slip fees put \$70,000.00 into the reserves.
- 4) the following winter, do the long dock. By now, the loan balance will be down to \$56,000.00. Renew the loan to \$100,000.00 giving us \$44,000.00 then take \$46,000.00 out of reserves.

Security System:

Ed Webb stated that for what we are paying for Phase 1 of this system, down the road we can put a camera on the dumpsters, pool and clubhouse – a lot of options and our old equipment is getting obsolete. \$8,000.00 will get us started with Phase 1 at the front gate.

Jerry Mathison stated that the bottom line is that the system has already been approved and at this point all we are working on is the distribution of the cards. One thousand cards come with the system, the Board proposed issuing two cards to each unit, one free card and a second card for \$5.00. Any additional cards beyond the two per unit, would be issued on a limited need basis for a \$15.00 fee. For lost cards, there will be a \$25.00 replacement fee. Motion was made to accept this proposal and the motion passed.

New Business:

Winter projects – repair the maintenance shack, build a canoe rack.

Ed Webb proposed construction of a roof over the rear patio of the clubhouse replace the tents used for functions. He acquired an estimate of \$16,800.00 for a 38 by 30 foot roof. The clubhouse fund has made over \$6,000.00 over the past 3 years. He asked that this proposal be approved by the Board and use the clubhouse funds to finance the project. Ted stated he feels this is a lot of money with the existing ongoing projects to include the marina. Pat she loves the idea, but is concerned about the price and feels we should get additional estimates before we commit to this amount of money. The Board tabled this proposal until additional estimates could be obtained.

Open Forum:

Ed Lagrath, Lot 123- Stated he agreed with the 90.00 HOA Fees and thought the water should be separated.

Linda Zaworski, Lot 62- Addressed leashing of pets. Stated her dog was attacked by an unleashed dog. She was reimbursed for her vet bills but feels we should all be able to feel safe walking our pets and/or walking around the park. She does not want to see anyone get hurt.

Craig Small, Lot 354- Informed BOD that there was a street light out on Pine Cone. Asked if it was water and sewer we were separating or just water or just sewer? Asked to confirm that we were stating that it would be 90.00 per month HOA and 105.00 per quarter for water? BOD confirmed.

Ron Weeks, Lots 286- Asked if you lose a card would the lost card be deactivated? BOD- Yes. Suggested that we put up a barrier at rear gate to prevent cars from drive around the gate arm to enter park.

Tom, Lot 291- Would like to see something in writing for the fees, x amount for water, x amount for HOA would be clearer. Asked if water bill was by usage? **BOD : no split equal between all residents.** Asked if cameras by the dumpsters would need lighting? BOD – Yes equipment is compatible. If we pay our own water bill would there be fines and shut offs for nonpayment? BOD – No can't shut off water.

Wendy, Lot 295- Asked when the dock is finished will there be a hand rail? BOD – That is not in the plans. There are emergency ladders at marina.

Brad, Lot 139- Agrees with the 90.00 HOA and separation of water bill. Stated we need to understand that increase due and cash flow. Increases translate to residents when there are increases. This needs to happen to keep the park solvent when all our costs are increasing.

Marie, Lot 309- Stated she is just overwhelmed. Does not understand why we want to do everything now. The ECC committee saying your place is not beautiful enough. How are you going to get people to pay their dues and water? You can't have everything now. It is not necessary. There are people riding around the park doing nothing. We see it, you need to see it. I go to work everyday and bust my butt. I always do things and never get thanks. There are weeds at the playground and you took away the chemicals. And now I get ECC letters for weeds. This does not have to be.

Jake, Lot 362- Stated he was in favor of raising HOA's but not in favor of separating water. Having trouble collecting money due now. There is cost associated with separating water.

Linda Zaworski, Lot 62- Agrees with Jake. Don't like to see separate bill. More overhead and cost associated with extra billing.

John, Lot 219- Agrees with breaking out water bill.

Linda, Lot 105- Asked that her neighbors next door be asked to trim back their tree. It is laying on her knew roof.

Motion was made to separate the water bill 35.00 per month = 105.00 per quarter and reduce HOA Fees to 90.00 per month.

Motion was seconded.

Motion was approved.

Meeting was adjourned.

There was no further business and the meeting was adjourned.

Respectfully submitted,

David Beauregard, Secretary