



Breakwater Estates Homeowner's Association

Annual Meeting Minutes

Saturday, June 8, 2019

9:30 am

Lewes Public Library

111 Adams Avenue

Lewes, Delaware 19958

The Breakwater Estates Board of Directors held the Annual Meeting on Saturday, June 8, 2019 at Lewes Public Library in Lewes, Delaware. The meeting was called to order at 9:32 am by Co-President Grace Gannon who declared a quorum of homeowners who were either present or sent in a proxy. 32 homeowners need to be present or have sent a signed proxy to hold the meeting. There were 28 homeowners present and 17 proxies for a total of 45 homeowners represented. Board members present at the meeting were: Doris Walsh, Grace Gannon, Brian Eichenlaub, MJ Melah, Karen McGavin, Lana Warfield, Mike Forry and Hector Justiniani, BWE Property Manager from Harford Property Services (HPS).

Call to Order

Co-President Grace Gannon called the meeting to order at 9:32 am.

Review and Acceptance of Minutes from the June 9, 2018 Annual Meeting – Brian Eichenlaub

The June 9, 2018 minutes were sent in the community meeting announcement packet for property owners to review before the meeting. Corrections were made and the revised minutes were presented and reviewed. No additional corrections were suggested. Ken Reilly (22 Breakwater Drive) moved to accept the minutes as amended and Tom Trlica (23 Lighthouse Drive) seconded. The motion carried unanimously.

President's Report – Grace Gannon and Doris Walsh

- CD's which came due were moved to higher rate CD's
- Road signs were refurbished with vinyl sign sleeves and new signage were needed
- All roads re-sealed
- Mailbox house was refurbished
- Established a beautification program for both entrances
- Mosquito and wire grass spraying occurring this summer
- Streetlights which are out or blinking on and off in the community – Several ways to address this:
 - Call Delmarva Power or go to the Delmarva website to report the outage. Street lights are marked by numbers on the pole or the home address where they are located.
 - Call Hector at HPS or email him at admin@infohoa.com and report the burned out/blinking lights
- Reminders for all of us to be good neighbors – Please help your neighbor and take in your neighbor's trash bins if the owners are not here on Monday afternoon. Thank you! Also, please pick up after your dogs. Thanks for all for your help!
- Stop signs – Please pay attention to the signs
- Beautification fund – Funds come from the \$250 fee from new home sales.

Treasurer's Report and Approval of Budget for 2019-2020 – MJ Melah

Treasurer MJ Melah reviewed the financial documents mailed to the homeowners and presented the budget for the coming year.

As of April 30, 2019, there was:

\$21,367.58 in the Working Fund

\$81,029.79 in the Road Reserve Fund – was at Community Bank – Moved to Fulton Bank

\$98,762.97 in 4 CD's

\$201,160.34 Total in Community Savings

After reviewing the above financial numbers, Hector Justiniani presented an updated financial statement from May 30, 2019 in the PowerPoint presentation for community members.

Discussion occurred about laddering the CD's, the amount of time each CD is renewed for, and the banks with the best CD rates. MJ explained which banks were reviewed and assessed for the best rates the Board had found.

Also, a discussion occurred about a line item in the budget – the beautification fee. Where did it come from and when did it get instituted? SeaScape, our prior property management company, had suggested a \$250 fee when houses sell to help defer cost of the upkeep of the neighborhood – signs, trimming of tree, entrance fee flowers, etc. The fee was not ever voted on by the community. Hector Justiniani will research and see when the fee was instituted and see if it is valid or not.

- Due to this discussion, a motion was made by John Simmons (8 Breakwater Drive) to vote on the fee – if the \$250 new homeowner transfer fee should continue, or should the transfer fee be removed and the fees collected refunded (\$750 at this time – 3 homeowners). The motion was seconded by Jill Tjossern (17 Lighthouse Drive).
- A vote was taken by a show of hands and proxies: 28 to keep the fee in place (19 by hand and 9 voted proxies). 7 members voted to remove the fee (all by hand). The community voted to continue the beautification fee.

A few more questions were asked of the budget, and discussion occurred. A motion was made by Dana Danbrow (8 Lighthouse Drive) to accept the budget as presented and keep the community dues the same for this year. Maureen Dolan (17 Beacon Drive) seconded. Budget as presented passed unanimously.

Dues will remain unchanged at \$480.00/year.

Property Management Report – Hector Justiniani

- Hector Justiniani introduced himself to the community and outlined his property experience
- Reiterated the way to report burned out or blinking streetlights:
 - Call Delmarva Power or go to the Delmarva website to report the outage. Street lights are marked by numbers on the pole or the home address where they are located.
 - Call Hector and report the burned out/blinking lights
- Contact Hector by phone (302-227-7878) or email (admin@infohoa.com).
- Breakwater Estates has its own website updated by MJ Melah and Mike Forry (www.bwehoa.com). Thank you MJ and Mike!
- HPS also has a Breakwater Estates site to access your account. It will go live tomorrow. The site address is: www.infohoa.com
- Community Dues – First statement will be a mailed paper statement. Following quarterly statements will be through email only.
- Several homes are late with their community dues. The late policy is to charge \$25.00 after the payment is 30 days late and another \$25.00 after 60 days late. The maximum amount of late fees charged per homeowner will be \$50.00 of late fees per quarter or \$200.00/year for late community dues.
- Questions were asked as to placement of street lights, and when were they installed. Discussion occurred. Homeowners will have to agree to locations on their property for any newly placed street lights.

Old Business

Changes to the Community Covenants – Grace Gannon

- This is a continuation of the discussion begun two years ago about new or replacement homes to be stick-built or modular vs. manufactured, or mobile homes. At last year's meeting, the community decided to move forward with a vote by this annual meeting. Some members sent their ballots in to Hector and they did not arrive for whatever reason, so they needed to re-send their ballots.
- There were questions and discussion concerning the two amendments for clarifications.
 - The votes were counted for both amendments, and there were 43 votes in favor of the covenant change and 16 votes against the change. 47 votes are needed to pass the change. Neither of the two covenant changes passed.

New Business – All

- **Elections** – Grace Gannon and Doris Walsh
 - Doris informed the community that both she and Grace will not be running again and will be leaving the Board. They expressed how happy they were to serve and looked forward to continuing to be part of the community, just not in leadership positions. The Board members presented a thank you gift to each of them for their years of service and dedication to the community.
 - Due to Grace and Doris not continuing to serve on the Board, the floor was opened to community members who would like to run. There were five members on the ballot with room for two more community members. Nichole Davick (7 Pilot Drive) and Bill Bonn (11 Breakwater Drive) volunteered, making for a full election slate of candidates. A motion to close nominations was made and seconded.
 - Dana Dembrow moved by unanimous consent that they vote the entire slate in to office as opposed to a ballot, since there were no contested openings. There was a second. All in attendance agreed and voted the slate of candidates into office for a two year term. Congratulations to the new and returning Board members!

General Questions/Comments:

- Maureen Dolan requested that the Board have another vote for the covenant change. She felt, and others agreed, that there was confusion over the covenant vote and members who gave proxies may have thought their proxies could be voted for a covenant change. A proxy does not serve for a covenant change vote. A signed ballot is needed for a covenant change. Discussion occurred and due to the possible confusion, it was decided there will be another vote this coming year on the covenant changes using a ballot only.
- A vote for a community garage and yard sale was held. 8 members voted for it with no one against it. Doris asked if there were any volunteers to run it and it was decided that interested folks will stay after the meeting and pick a date to hold their yard sales.
- A question was asked about a scrap metal pick up and if the Board could schedule a pick up date. Hector said he will look into it.
- There was a question on trash and recycling and new rates. When will the new rates be decided? The Board will secure the best rates possible when the contract is up for renewal.

Frank Frazzano (16 Breakwater Drive) moved to adjourn, and it was seconded. All approved.

Meeting adjourned at 10:57 am.

Respectfully Submitted,
 Brian E. Eichenlaub
 Secretary, Breakwater Estates