



# Breakwater ESTATES

PO Box 1056  
Havre de Grace, MD 21078

Phone: (302) 227-7878  
Board Email: bwehoabod@gmail.com

## **Executive Board Meeting**

February 27, 2024

3:30 pm

Hybrid Meeting – MJ Melah’s Home and Virtually

The Breakwater Estates Board of Directors held a hybrid Executive Board meeting on Tuesday, February 27, 2024, at 3:30 pm.

Present at the meeting were Board members: MJ Melah, Brian Eichenlaub, Nancy Hewish, Jeff Trigilio, and Joanne McShalley. Bill Bonn attended virtually. Absent: Lana Warfield

### **Call to Order**

- MJ Melah called the meeting to order at 3:31 pm.

### **Approval of Minutes**

- Brian Eichenlaub presented the minutes from the January 13, 2024, Executive Board meeting. No changes were made to the minutes.
  - Nancy Hewish moved to accept the January 13, 2024 minutes as written. Joanne McShalley seconded. All approved.

### **New Business**

- The purpose of this meeting was to explore and discuss the possibility of managing the BWE community within the Board and not through a property management company.
- There are several reasons for this change:
  - a. The rising costs of our contract. The HPS property management fee increased this year by 6.5%. Our base yearly fee to HPS is now \$7,642.00/year (not including extra fees).
  - b. Over the years, the Board has taken over many of the duties of HPS due to the add on fees HPS charges our community – printing costs, mailing costs, research time about fees/payments, working and calling with homeowners over issues that may occur with their properties, and so on. To avoid these costs, the Board has carried out these responsibilities over the past years. But yet, the office costs and incidentals continue, increasing costs to the community budget.

- c. We are fortunate to have two members of our Board with a property management and financial management backgrounds. Both MJ Melah and Jeff Trigilio are willing and able to volunteer their time and energies to taking on those roles that HPS now fulfills, thus preserving and increasing the level of service to the community at reduced costs.
- d. These savings could then stave off any future increases in our community dues. Dues would remain the same, but rising costs could be absorbed over the next several years without having to pass them on to homeowners.
- Discussion occurred for the pros and cons of the return to self-management. Several issues were discussed and resolved.
  - All financial statements and documents would be transferred to QuickBooks which our treasure, Jeff Trigilio, has extensive experience. Emails for quarterly dues would continue to be sent out by Jeff and MJ. The handful of homeowners with no email (5) would continue to receive mailed paper statements.
  - All deposits would be made to a new community account with QuickBooks. The QuickBooks bank is FDIC insured.
  - We would continue to have a yearly audit of our finances.
  - We would secure a mailing address and mailbox from the Post Office. The community address would be the community owned land where the mailboxes are located. The address would be: BWE, 2 Rusty Anchor Drive, Rehoboth Beach, DE 19971.
  - A phone number would be created to take messages, just as happens now with HPS. The phone messages will be checked and addressed regularly. Plus, Board members live in the community, and it is very easy to reach us.
  - We already have a BWE webpage which is updated regularly.
  - All bids, contracts, ARC requests, property liens and so on would continue to go through the Board.
  - Real estate inquiries for governing documents (with impending home sales) would go through MJ.
  - If the separation occurred from HPS, when would this occur? It was discussed and decided to be at the end of the second quarter – June 30, 2024.
  - Late fees would be waved during the transition period as homeowners adjust to self-management and where to send their payments to their new accounts.

## **Motions**

- MJ Melah made a motion to move on from HPS Property Management and move to self-management. Nancy Hewish seconded. All agreed. Motion passed.
- Brian Eichenlaub made a motion for the separation date to be July 1, 2024 depending on contractual obligations. MJ Melah seconded the motion. All agreed. Motion passed.
- The BWE community will separate from HPS Property Management to self-management on July 1, 2024 (depending on contractual obligations).

## **Next Steps**

- MJ will write a letter to Hector Justiniani, our HPS Property Manager, informing him of the decision and inquire for next steps for separating from HPS and transitioning to self-management.
- Jeff will call Hector and HPS to follow up on dates and particulars.
- Brian and Jeff will craft a letter informing the community once all the dates and particulars are ironed out.

## **Old Business**

- Joanne McShalley distributed a homeowner rental form to be completed by homeowners who will be renting out their homes. Discussion occurred. Joanne is going to revise the form and owners renting their property will be encouraged to supply this information to the Board on a volunteer basis.

**Next Meeting** – The next Executive Board meeting will be April 13, 2024 at 9:00 am. The meeting will be in person for Board members who can attend, and virtual for residents wanting to attend.

Meeting adjourned at 5:09 pm – Joanne McShalley moved to adjourn, and Brian Eichenlaub seconded the motion. All approved.

Respectfully Submitted,

Brian Eichenlaub  
Secretary, Breakwater Estates



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## EXECUTIVE BOARD MEETING AGENDA

February 27, 2024

3:30 pm

Hybrid Meeting – MJ Melah’s Home and Virtual

1. Call to Order
2. Approval of Prior Meeting Minutes (1/13/2024)
3. New Business
  - a. Explore and discuss the possibility of managing the BWE community within the Board and not through a property management company.
4. Adjourn