

TOWNHOMES OF BAYSHORE CONDOMINIUM OWNERS ASSOCIATION, INC

COUNCIL MEETING

DECEMBER 19, 2018

Call to order and welcome: 7:16 pm.

Council Members Present: John Dill, Pat Hoffman, on telephone: Jane Hofherr and John Sciole. Nestor Ortiz, absent.

Points of Order: Mike Bragdon asks if all persons present are COA members? John allows lone nonmember to stay.

Pat Hoffman makes the point that conference bridge is not working.

John Dill references recent payment of 2300 to the homeowner not painter. This was a correction made to the minutes by Jane Hofherr.

Jane Hofherr makes the point that the information supplied by Pat Hoffman were omissions not heard by the secretary at the time of original meeting, not corrections.

Financial Statements:

Karen reads directly from the Financial Statements as requested by the Treasurer.

See the attached reports.

Budget: See attached.

Pat has questions-Karen notes she has reconciliations with her if anyone wants to look at them. Pat's additional questions date back to issues from 2010. Pat then questions re specific members who have paid ahead. Karen responds to all questions, it should be noted these questions relate to issues that predate this council.

Motion to accept financial report: motion made to accept by Jane, Pat second, and passed.

More questions from Pat. Karen notes previous council spent all funds before years end, Future bills will need to be paid for tears end out of the Reserve Fund.

John asks for a **Motion** be made to pay the year's end bills, specifically, December bills out of reserve fund as there is no money in the operating budget left by the previous council. Jane makes the motion to pay as above, John S. seconds, John D. votes yes, Discussion: Pat, I don't think we can do that. John points out we have no other choice as we were left with NO MONEY. Pat declines, and the motion is passed.

Karen notes that a contract was signed by the previous council to paint doors for a 13,000 contract and 9,000 paid leaving the community in a deficit before the year's end.

Karen notes that the Finance Committee members have had discussion. Randy Taylor, Hank Walton, Karen Dill and Jane Hofherr believe we are short on our reserves because the previous Council

overspent. Karen recommends that we keep the dues the same and know that there could be a special assessment coming. Karen notes we are short on our reserves because we overspent our money this year and last year. Karen is positive that a contract for 13,700 for door painting was negotiated knowing there was no money in the budget. This was implemented for which there was no money. She notes she has only had the records for the last 15 days. Attorney fees 10,500 for last year. There has been 10,000. paid for fire damage this year for a claim that was not processed correctly. Ms. Hoffman spent 300.00 to make sure the Master was doing his job. Karen goes over the line items of the proposed Budget. See attached. To include a proposed Tax Return Prep and Reserve Study-the Finance Committee suggests we use Hayjack this year and move to identify someone else for the following year. Karen makes special note that our deductible has increased from 1,000. To 25,000 and will decrease over the next three years if there are no claims. She notes there must be all due care.

Our documents allow us to do a special assessment without a meeting.

She notes that in using the Reserve monies, that anything under 5,000. Is not considered a capital expenditure. Randy Taylor, Finance Committee member and president of Fulton Bank notes that we need to be careful to avoid issues.

John S. proposes that a **motion** be made to accept the budget, John D. seconds, Discussion ensues: Pat has questions re the budget notes our last tax prep is coming in at 100. under the year before. Karen Dill notes she would prepare the tax return. Karen Dill notes that all monies are going into a lock box. Karen notes all Council members are bonded. Karen asks why you would take more money out of the reserve when we are already short. Pat declines. **Vote taken and passed.**

President's Report:

John Dill went to the State of DE to change the address of our corporation to the PO Box.

Snow removal: Two proposals received, No Limit Lawncare: 4-8 in to remove snow from Driveways, walkways, guest parking, 2900. Two storms = 5800. Cypress Tree Care: 36. Per man per hour and a skid steer that is 169, /hr. He has five-man crews, 4 supervisors and monitors by GPS. Maxwell and JB's are booked for the winter. Double EE exclusive to Seascape. John Dill recommends Cypress, noting that we came late to the game. Discussion ensues: homeowner asks if we get the same co as the POA do we get a reduction. President: No. Further, president notes that many of the landscapers he queried would only consider contracts where they got all services landscaping as well as plowing. John requests a motion. Pat makes the motion we accept Cypress, Jane second, **motion passed.**

John discusses Landscaping proposals in detail. He received 3 bids to include, Shore and Maxwell.

John notes the Maxwell bid would be good for 2 years. Jane makes a motion to accept Maxwell for 2 years, Pat nay, other council aye, motion passed.

Structural damage to CR's home: Merestone suggests we contact 4 vendors he provided suggested names for bid. John D. contacted all four for estimates in the month of January. John discussed with CR and he agrees to obtain estimates. John D. contacted the immediate neighbor and notes that the neighbor, who will evaluate his home soon and will contact John D. if he finds any issues.

Resale certificates: One property has sold under watch of new council. Resale Certificate needed to be filled out. John Dill completed the certificate.

Jane makes a **motion** for homeowners to pay for their own paper copies of the Certificates. John Sciole second. No discussion. All aye. Motion passed.

Corporate attorneys: John has a scheduled meeting the first week of January with Mary Fox. There are only two. John suggests that we use the corporate attorney only as needed. It is 325.00 just to sit down and discuss her possible role as our Corporate Attorney. John suggests we see how this goes before engaging a sit down with the other option. Discussion: Pat suggests we meet with the second one as well. John D. suggests we table the decision for now and he will do more research.

John notes he has no more new business. He asks if anyone else has new business.

John D. notes Nestor did send a report. The Litigation Committee met with the Attorney via phone. The LC report notes that we have been providing recommendations to the Attorney to assist in resolving the lawsuit with Bragdon. He notes the deductible is 1,000. per the current insurance policy. We continue to try to find a path to resolution. The specific details of the recommendations must remain confidential at this time.

John opens the floor for open discussion.

A motion was made by the Secretary to terminate the meeting, second by John S., motion passed on vote at 9:00 pm.

Respectfully submitted,

Jane Hofherr