

**Reserve at Pilottown Maintenance Corporation
Annual Shareholders Meeting
Lewes Public Library
Saturday, September 15, 2018**

Board Members Present:

Bill Cro Ben Calamia
Joe Parker Jim Carroll

Twenty-nine members present
Twenty-six lot owners in proxy
Four proxy letters were returned as undeliverable

HOA President Bill Cro called the meeting to order at 12:05PM

Kathy McDonough reported on new residents who have moved into the Reserve at Pilottown over the past year:

Gene & Linda Thomas - Captains Circle
James Musacchio - University Drive
Glenn & Carol Dunnington - Marina Drive
Perrin Smith & Patrick Gaffney - Marina Drive

2017 HOA Annual Meeting minutes were accepted as read.

The Reserve at Pilottown yearly Financial Statement sent to each property / lot owner was accepted.

Dues

Ben Calamia gave an assessment of the Reserve's finances and dues. The 2018 yearly dues are \$270.00 per lot. His assessment used HOA financial information attained from 2015 – Present.

Some partial data was attained from years previous to 2015.

Ben went over various elements of yearly Reserve revenues (dues received, funds collected for lot cutting), operating expenses (landscaping, stormwater & bio-swales, administrative) and the need to maintain an operating balance before transferring funds to the capital reserve.

Ben reported that as a result of his review, the HOA had ample funding (\$83,198.72) in capital reserve. The checking account used for operations contained sufficient funding through year's end. Revenue from yearly dues will commence in January.

The resulting recommendation presented was for a decrease in the HOA yearly dues structure for 2019. The Board had voted unanimously to set the 2019 dues at \$200.00 per lot.

Several questions were raised regarding the dues structure. Those included:

- Lowering the amount to a previous \$220.00 without any funds collected for the capital reserve.
- Continuing the current dues structure to allow a further growth of the capital reserve.
- Maintaining a set dues structure for a period of years.
- Elimination of dues altogether.
- Looking into higher yield interest bearing accounts for capital reserves.

After several minutes of discussion, all in attendance were reminded the Board unanimously voted to lower the dues to \$200.00 for 2019 and the proxy votes sided with the Board.

A motion was made to follow the Board's recommendation to lower the 2019 dues, which was seconded.

After a show of hands vote, the motion passed.

The Reserve at Pilottown Dues for 2019 was set at \$200.00 per lot owner.

Old Business

The Board gave an update regarding Chesapeake Utilities and future prospects of bringing natural gas service into the Reserves.

Homeowners also presented further information on the subject.

Currently it does not appear Chesapeake Utilities has high interest in bringing service into the community.

Architectural Review

Joe Parker gave a presentation on current architectural reviews in the neighborhood.

He thanked all who sent requests for review to the Architectural Review Board.

Discussion took place regarding the Federal Emergency Management Agency (FEMA) flood mapping and a complaint regarding a new home under construction in the Reserves.

The Board was informed that FEMA changed floodplain mapping in the area sometime in 2015 and as a result, some of the newer homes under construction have a raised foundation. Complaints have been made to the Architectural Review regarding a home under construction on Captains Circle. Joe reported that he had several communications with all parties involved and had also conferred with the City of Lewes Building Department, who approved the building permit for the residence in question. It was noted that both FEMA and the City of Lewes regulations take precedence over Reserve at Pilottown Declarations.

The Board reported that any future residences will likely be raised at the foundation level because of this change.

Further discussion took place regarding various grading of some newer homes that may have caused moisture and water on the property of homes immediately adjacent to the new ones.

Nominations for Board of Directors

Bill Cro reported he would not be continuing on the HOA Board.

Ben Calamia, Joe Parker, and Jim Carroll to continue another year of service on the Board.

After a request for assistance to serve on the Board, Glenn Dunnington volunteered to serve on the Architectural Review Committee and Joe DeFeo volunteered to serve on the Board.

Owners Comments / New Business

An update and discussion took place regarding the cleanup of the Highland Acres Tax Ditch that runs behind properties along Marina Drive and Captains Circle, crossing under Seagull Drive and eventually into Canary Creek. The Board communicated with Joe Stormer of the Tax Ditch Authority. Marina Drive residents along the Tax Ditch provided further information to the HOA. The consensus was that the Tax Ditch needed a grading adjustment, but due to Authority funding issues, it was unclear when ditch would be cleaned in its entirety.

A complaint was voiced and a discussion took place regarding Sposato Landscaping, the company contracted to maintain HOA properties and to also cut grass on privately owned empty building lots.

A historical review of Sposato's contract was given during the discussion and a suggestion to the Board that Requests for Proposal (RFP) be sent to various landscaping companies that service the Lewes area in an attempt to secure a new landscaping company that may better serve the needs of the HOA. It was stated that Sposato was believed not to be fulfilling its obligations under the current contract.

Although the Board disagreed with aspects of the Sposato complaint, the Board will make inquiries of other landscaping businesses in an attempt to secure the most reasonable and efficient company to maintain HOA community properties.

Some further discussion took place regarding the cutting of empty lots, the cutting and cleaning of the two bio-swales and the use of certain herbicides. The board will make every effort to notify residents when the swales will be cleared so homeowners can tape off any areas they wish to be left alone.

Final comments were made regarding the fence that runs along New Road and some discussion took place regarding its status. The Board will review potential solutions regarding the fence.

A request for participation in community events was made as well as a welcoming for suggestions for new locations to host future events.

Without further business, the meeting adjourned at 1:50PM.

Bill Cro was thanked for his service to the HOA Board.

Respectfully submitted,

Jim Carroll
HOA Secretary