

**MINUTES**  
**Annual Meeting of the Owners**  
**Reserve at Pilottown Maintenance Corporation**

Date: Tuesday, September 14, 2021

Place: Cape Henlopen State Park Hawk Watch Pavilion

Time: 9:00-11:00 a.m.

20 lot owners in attendance, 2 with written proxies

18 written proxies given to the Chair/Board of Directors

The owners unanimously approved the minutes of the September 14, 2020 annual meeting.

Glenn Dunnington gave an update of the architectural review process reminding the owners that all changes or additions to the originally approved plans (like fences) must be reviewed and approved by the Architectural Review Committee.

Karen Fleck went over the HOA financials, pointing out that they only reflected HOA expenditures through July 31, 2021 and the HOA would incur additional operating expenses through the end of FY 2021. The Board recommended the annual dues remain at \$200 per lot for FY 2022. The owners approved the recommendation 39-1.

The four current members of the Board of Directors agreed to serve one more year and were unanimously re-elected. The Board entertained nominations from the floor. Diane Blanton put her name in nomination but received only 11 votes in favor, less than a majority of the owners voting. Another owner suggested the Board establish a committee to review and make recommendations regarding requests by the Board of Public Works and the Delaware Department of Transportation for an easement or right of way along New Road. The Board pointed out that, under the Bylaws, any owner can serve on a committee but there must be at least one Board member on the committee.

One of the owners called into question the amount of money in the capital reserve account and suggested that the HOA was over-capitalized and should return some or all of that money to the owners. The Board advised that it had retained the services of a professional consultant for a capital reserve study to advise whether the HOA is over-funded or under-funded and what would be the optimal level of reserves over time. The Board expects to receive that study by the end of October and will then share it with the owners. In the meantime, the Board has put a temporary cap on further contributions to the capital reserve account. The capital reserve study will be paid for out of that account.

One of the owners suggested that there was approximately \$8,000 “missing” from the capital reserve account as a result of transfers between that account and the operating account in 2019. Because of the serious nature of this charge, the Board will retain a certified public accountant to do an accounting review at the owners’ expense.