

Beachwood Bay Estates Annual Meeting – June 22, 2019

Katie Foster of Rudman Winchell brought the meeting to order.

Beachwood Bay Estates is in a great place as we open this year's Annual Meeting: Our community has seen an upswing in sales of condo units, many community improvements have happened and buildings are continuing to be repaired this summer.

OLD BUSINESS

The major piece of old business carried over from 2018 is the erosion issue. Patti Sansing has obtained 3 estimates ranging from \$95,000 to \$147,000. The most expensive option will remediate a 240-foot parcel of land using riprap and following the permit specifications exactly; the cheaper estimates were for variations on that scenario. Dean Bradshaw recommends riprap (blasted rock) as it locks better and is less prone to shifting due to the nature of the rock. During discussion, owners asked about warranty/guarantee of work. It was pointed out that since the work will be at the mercy of the weather that there is limited ability to guarantee the work. The project is tentatively slated to begin in early fall 2019. The Town of Cutler may be rethinking its participation in the Flood Plain Insurance program. If the town decides to participate again, it may allow us to be able to seek a grant or other financial help for the erosion project.

TREASURER'S REPORT (Patti Sansing and Duane Fox)

Financially speaking, we are in a better place than at this time last year. Currently, there is a balance of \$62,000 in the checking account and \$32,000 in the savings account. The savings account continues to be the reserve of unencumbered monies that we are required to keep by the insurance company. Only two owners are in arrears for homeowner dues. We do need to increase the balance in our savings account in order to better protect the treasury from unforeseen emergencies.

The budget meeting was held on June 1, 2019. Proposed budget was mailed to owners. There were no questions or objections.

BUDGET

There are two major budgetary items as follows:

*Dues will be raised to \$250.00 per unit as of the new fiscal year October 1, 2019.

This will allow us to build financial security as an association, to finance the needed and ongoing maintenance, and allow us to take out a smaller loan for the erosion.

*The association will be taking out a \$100,000.00 loan from Machias Savings Bank to cover partial costs of remediating the erosion problem on Misty Harbor Lane.

This will allow us to avoid placing a steep assessment on each unit to pay for the erosion remediation.

Patti Sansing thought it would be better to partially pay for the work out of existing funds and then pay the rest via loan to avoid individual assessments. The loan is fairly short-term, and has no penalty for early pay off.

15 units are currently on maintenance agreements and are paying reduced monthly dues.

Motion made to approve the budget as presented was made by Jeff Scott. Motion was seconded by Barbara Schofield.

The budget was voted on, and approved for 2020.

SEPTIC SYSTEM

Adam Mayer monitors the septic system. He has found the filters to be clogged on several occasions with feminine hygiene products, baby wipes, and other “solids” that are not meant for the septic system; these not only prevent the system functioning efficiently, they sometimes prevent functioning at all and cause backups and overflow. We have had to have the pump truck come twice recently due to backups. Please ***do not*** dispose of used personal items, to include paper towels and even “flushable” wipes in the toilet. We have the filters cleaned quarterly.

Spectrum will be installing internet at the plant on July 27 which will allow us to have a camera and alarm system there, and thus a timelier response to malfunctions.

The Association owns the septic treatment facility, but the leach fields are owned by Adam. There is a proposal to make the sewer a quasi-municipal entity to take some of the burden off the Homeowners Association. Due to the increase in rentals on the commercial side, the Association is considering implementing a charge to Washington County Community Development to help cover septic maintenance.

BY-LAWS

The by-laws and condo documents have been under review with the aim of clarifying/removing inconsistencies. A notice must be sent out to all mortgage holders prior to any vote, this we cannot vote new by-laws in today. Katie Foster will provide a summary of the steps needed to amend our current documents and review any new documents for legal issues. “Condo docs” is the umbrella term for the declaration, the by-laws, and the rules and regulations which are three distinct things.

Adam Meyer made a motion that the length of term for board members be changed from one year to a longer term; the motion was seconded by Jeff Scott. Also discussed were staggered elections so that the entire board would not be lost at every election. This could not be done at today’s meeting as it requires a change to the by-laws which must be approved by the community as mentioned above at either a special meeting or the annual meeting after notification is sent to the owners.

We, as a condo association, are required to maintain copies of each owner's proof of insurance. Please deliver copy to the HOA so we can put it in your file. Board member Camille Frey will be collecting these documents.

COMMUNITY PETS

Dogs of community members must be licensed and vaccinated for rabies in the state of primary residence. There has been a problem with dog feces no being picked up at Beachwood Bay Estates. Owners are reminded that there is a leash law and that dogs are not allowed to freely roam the neighborhood. Owners are also reminded that they are expected to clean up pet waste. This is both common sense and common courtesy.

ELECTIONS

Nominations for 2019/2020 board as follows:

Patti Sansing, Jeff Scott, Crystal Hamilton, Cathie Parker, Nancie McKeary, Camille Frey

The results of the elections will be posted to the website in a separate document.