

Birch Pointe

CONDOMINIUM ASSOCIATION

"A self-managed and -run community, composed of a volunteer board that works to keep costs low while striving to enhance property values and provide efficient leadership through open and honest communication."

P.O. Box 1195, Hockessin, DE 19707

NEWSLETTER FOR MEETING OF JANUARY 11, 2016

Board Attendees:

Jim Coll – President.....jcoll@birchpointe.net
Monica Rieder – Treasurer.....mrieder@birchpointe.net
Manuel Harnisch – MAL/advisor.....treasurerbp@gmail.com

Susan Yeatman – Secretary.....t/b/a
Tami Cooper – MAL.....t/b/a
BJ Reazor – MAL.....breazor@birchpointe.net

The meeting, held at the Skyline Middle School library, was called to order at 6:35 PM and was/ adjourned at 8:05 PM.



MARK YOUR CALENDARS!

**Tentative date for the Birch Pointe Condominium
annual open meeting is Thursday March 10, 2016**



Real Estate Status:



Monica looked into the Birch Pointe housing market by researching some of the most popular online sites. Resources such as Realtor.com, Trulia.com, Zillow.com, and Estately.com were used to determine the community's latest real estate status. The details for December 2015/January 2016 can be found on our website, www.BirchPointe.net. The most recent information indicated that there were nine units up for "regular" sale: four on Haley Court, three on Diana Drive, and one each on Birch Circle and Claremont Court. In addition, two condos on Birch are, unfortunately, in foreclosure, one with a drastic \$34,000 price drop. A short sale listed on Diana also showed a \$3,000 reduction.

Available sales information indicated that only one property changed ownership in December, a low-cost unit on Birch which is being rehabbed.

As always, please inform a member of the Board if you are aware of a new listing in Birch Pointe, or if YOU are moving and planning to sell your *own* condo. Eric is the Birch Pointe real estate liaison and can provide many of the essential documents, forms, and certifications needed for property transfer.

Of importance to potential buyers is that Birch Pointe has been recertified by HUD allowing them to obtain FHA insured mortgages if needed.

As is mentioned in every recent newsletter, it is important to remember – and to disclose to potential buyers, either directly by the seller or by his/her realtor – that Birch Pointe has a policy regarding investors, a measure designed to protect the interests of ALL owners. If the number of investment owned properties increases, the community can approach an unfavorable rental ratio and future recertification may no longer be possible. The document outlining this policy – established in 2013 – is clearly outlined on our website.

Don't forget that a **census form** should be completed by **ALL** owners and/or renters – old AND new – to provide contact information in case of any on-site emergencies. Please get in touch with a Board member if one has not been submitted.

Tami Cooper has volunteered to take over compiling the real estate info for upcoming newsletters...thank you!

Collections Report:



Collections for December were good with dues remitted coming in at \$92,230, right at our monthly goal. There were also \$2,000 in investor fees posted for the month. The closing settlements for overdue fees from two Birch Circle units which were sold brought in almost \$3,650 of this total. As an FYI, to date in January, over \$55,000 has been received.

Several other larger payments were received during December including from an owner who paid \$1,900 toward an outstanding balance and another with \$1,000. Both have made significant progress towards clearing up their accounts.

Remember, owing HOA fees *can* have a detrimental effect on the sale of Birch Pointe units and lead to a poor reputation for the community. These HOA dues are the **only** source of revenue

for the community and the sole means by which all services, maintenance and utilities are paid. **It is vital that delinquent owners address overdue accounts!**

Owners in financial difficulty are asked to speak with a Board member to discuss their situation and arrange a payment plan/schedule to address ways of clearing up past balances. A bad situation should not be ignored until it gets out of hand.

Consider signing up for Birch Pointe's ACH program! It is an automatic and convenient way to pay monthly dues...no more missed checks! As incentive, a one-time \$15 credit is still available when enrolling. Contact Monica for more info at mrieder@birchpointe.net – or see our website to download the necessary form.

YOUR DUE\$ = YOUR SERVICES

Treasurer's Report:



The monthly financial report can be found on the final page of this newsletter. As shown, total operating costs for December came in on the low side at \$76,320. The sole out of the ordinary expenses were the Workman's Compensation Insurance policies for 2016 which were due at month's end.

Capital improvement expenditures paid out in December were for \$27,990. This included two more balcony rebuilds – both on Diana Drive – and two Claremont Court building intercom

replacements. The last of the ten budgeted balcony reconstructions approved for the year has been completed but was invoiced late. This will be settled with January bills.

Lastly, current figures for the remaining Birch Pointe accounts, i.e. the Reserve and the Operational Reserve Funds, stand at \$254,265 and \$35,295, respectively, and are also outlined on the financial summary.

Board Discussions:



Prior to discussing the proposed budget for 2016, Monica briefly reviewed the figures for the closed out year. Items noted when the 2015 draft and the actual annual costs were compared:

- total income was \$11,000 above budget (yeah!)
- salaries came in at \$10,000 below budget as the planned temp/summer help was not fully engaged
- water usage was an unexpected \$11,000 above budget; this could be, in part, due to a rate increase but is more likely because of larger water consumption
→ we need to point this out and to CONSERVE!
- miscellaneous contractors saw a \$37,000 overage; this was the result of several pricey community-wide work: paving repair/patch on Diana, seal-coating of Claremont, concrete work, sewer drain rebuild/replacement, leaks
- snow removal was over twice that budgeted; mainly the result of using Paoli's salt, Birch Pointe "buggy" in disrepair, icy winter conditions
- capital expenditures came in almost as expected

Overall performance: expenses ran \$47,000 above budget, so

net operating profit was \$40,000 less than anticipated, but still came in at roughly \$150,000.

For the new year, these figures will serve as a jumping off point, keeping in mind anticipated cost increases for utilities, supplies and general maintenance. The 2016 draft will be made available in the next newsletter, following a few adjustments and Board approval.

Along these same lines, contracts for waste removal as well as for pest control are being scrutinized and might possibly be arranged with new providers. As has been announced in previous newsletters, the 2016 contract for landscaping and snow removal has already been awarded to More for Your Money LLC.

Jim mentioned that the salt (calcium pellets and halite rock salt) had been delivered to the maintenance shed by Martom the day of the meeting. With the buggy running once again, Dennis and Eric will be able to help with the icing situations this winter when occurring during the work week.

Two final issues were brought to the table prior to adjournment:

- It was passed by a unanimous vote that, in light of our fiscal soundness, the monthly condo fees would remain at \$330 through June, at which time the finances will be reviewed

again to see if this same amount can continue through the end of the year.

- The annual open meeting will be held on Thursday March 10th. Arrangements are currently underway, with the tentative site once again being Skyline United Methodist Church.

The Usual Reminders and Things to Note



Pet Policies

Pick up after your pet! Failure to clean up waste will result in a \$50 fine. There has been significant non-compliance seen on Claremont Court, an unpleasant situation for ALL residents. Pets **must** also be leashed at all times when being walked.



Handicapped Parking

Observe the handicapped parking spots located throughout the community! They are to be used **only** by vehicles with the appropriate state handicapped license plates or hang-tags. **Birch Pointe reserves the right to remove vehicles not in compliance at the vehicle owner's expense.**



NO SMOKING

Smoking Policies

Smoking is prohibited in all building common areas including hallways and staircases; light up only once outside.



Community Traffic

Please **SLOW DOWN** and mind the stop signs! They are put there for a reason. Cars backing out, owners walking pets, people picking up mail all may be difficult to see, especially at night. Be responsible and considerate: obey the speed limit.

Birch Pointe Directory/Important Numbers

General Property Management Questions

Eric Kennedy – phone: (302) 685-4310; e-mail: ekennedy@birchpointe.net
Jim Coll (Birch Pointe Board President) - e-mail: jcoll@birchpointe.net

Maintenance Issues and Questions

Maintenance staff (Dennis, Eric) – e-mail: maintenance@birchpointe.net

Account Statements

Monica Rieder – e-mail: mrieder@birchpointe.net

Condo Fee Questions / ACH Payment Sign-Up

Monica Rieder – e-mail: mrieder@birchpointe.net

Birch Pointe Maintenance Emergencies

phone: 1-267-474-2907; e-mail: maintenance@birchpointe.net

December 2015 Financials

– Operating Account

Beginning Balance:		\$ 73,434.14
Inflow – Operating Income:	\$	94,560.00
Inflow – One-time Transfers (from ORA*):	\$	0.00
Outflow – Operating Expenditure:	\$	76,316.10
Outflow – Capital Expenditure:	\$	27,990.00
Outflow – to Operational Reserve*:	\$	0.00
Ending Balance:		\$ 63,688.04
Target Ending Balance:		\$ 50,000.00
Surplus / Deficit:		<u>\$ 13,688.04</u>

– Operational Reserve Account

Beginning Balance:		\$ 35,296.52
Inflow – Periodic Transfers:	\$	0.00
Inflow – Interest:	\$	1.50
Outflow – Periodic Transfers*:	\$	0.00
Ending Balance:		<u>\$ 35,298.02</u>

* monies are transferred into/out of Operational Reserve Account (ORA) as needed to cover expenditures, maximizing earned interest

– Reserve Account

Beginning Balance:		\$ 254, 242.91
Inflow – Periodic Transfers:	\$	0.00
Inflow – Interest:	\$	21.60
Outflow – Periodic Transfers:	\$	0.00
Outflow – One-time Transfers:	\$	0.00
Ending Balance:		\$ 254,264.51
Target Ending Balance:		\$ 250,000.00
Surplus / Deficit:		<u>\$ 4,264.51</u>