



# CONDOMINIUM ASSOCIATION

## Newsletter

September &  
October 2019

*"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."*

## COMCAST 2020+ BULK CONTRACT Comcast xfinity

As some may be aware, Birch Pointe's bulk contract with Comcast for the current "Extended Basic Cable TV" service is expiring in May of 2020 and thus the Board has started the process of exploring options for beyond that date.

Based on the information made available by Comcast, and after requesting proposals from all potential providers that are currently able to service Birch Pointe, the Board was presented with two viable options. Both options are through Comcast since no other providers are currently capable of servicing the community.

The options presented to the Board by Comcast are as follows:

### 1. Retail Agreement (valid for 10 years)

- Birch Pointe opens up full flexibility to **individual owners to choose** what level of service to purchase **directly from Comcast**. Each resident will be eligible for special Comcast promotions, packages, etc.
- **Birch Pointe will no longer be responsible for paying the bulk contract fee**, which started at ~\$28 per unit per month when the contract was last updated and is now at \$40.20 per unit per month.
- Comcast will pay Birch Pointe a one-time fee of \$50 per unit for the marketing rights in Birch Pointe along with a small revenue share based on the percentage of residents buying Comcast services directly.
- While it will not be possible to know exactly what the financial impact to individual owners will be, based on a general understanding of the community demographics, it is most **probable that the average household** will see an overall **decrease in monthly costs** with this option.

### 2. Bulk Agreement (valid for 5 years)

- Comcast has offered to **keep our current level of service** (Extended Basic Cable TV service) with a guaranteed 5% year over year increase. This will cause Birch Pointe's per unit cost to increase to about \$51 per unit per month by 2025...about \$11 per unit per month above the current spend.
- Comcast also communicated a \$55 per unit per month Internet-only option, as well as a ~\$70 per unit per month Internet +TV option. However, due to the significantly higher cost, the Board is not entertaining those sub-options at this time. Both of these offerings would also come with a guaranteed 5% year over year increase, and a corresponding HOA fee increase of \$20-\$30 per unit per month.
- While it again is not possible to know the precise impact to individual owners, it can safely be **assumed** that the direct costs of this option will be at least an increase of \$10 per unit per month in the form of **an increase condo fee** to pay for the higher bulk fees going forward.

While neither option is particularly attractive, both represent the best available options at this time. With that in mind, the Board conducted an electronic survey of the community, outlining both options and received a total of 96 responses (nearly one third of the community). The Board deems this response rate representative of the community.

The results of this survey were:

- 83.3% in favor of Option 1 (Retail Agreement)
- 16.7% in favor of Option 2 (Bulk Agreement)

Based on this, the Board is proceeding with final negotiations on a **retail agreement**. Comcast has committed resources which will come on-site to the community during the transition from bulk to retail agreement so that everyone will have an opportunity to secure the services they wish to have directly from Comcast going forward.

The Board also recognizes that this option, while broadly favored by the majority of respondents, will not please *everyone* in the community. For this, the Board would like to proactively apologize. Nevertheless, given the economic realities and the changing demographics in Birch Pointe, the Board is compelled to side with the majority of those that have expressed their opinions.

Finally, once the retail agreement is finalized and barring any unforeseen changes (which would be communicated should they arise), the Board intends to lower the monthly condo fee from the current \$350/month to \$320/month. All/any customary and established payment method discounts, including those for pre-payment, will remain in effect. This will compensate for and reflect the weighted average decrease in Birch Pointe's monthly expenses.

The exact date for when this change will go into effect will be conveyed to the community once a final retail agreement is reached and exact dates are known from Comcast.

## **FINAL POWER WASHING UPATE**



Power washing is completed as of mid-October, after nearly 3 months of ongoing effort and associated equipment rental. Most of the siding that is broadly visible has been washed with a bleach-based solution and looks excellent. The Board is aware that not all areas could be addressed due to the equipment used and the time available, most notably behind Claremont Court, behind certain sections of Birch Circle and Diana Drive. It should also be noted that most individual deck areas did not get washed since many owners did not have them cleared off during the time of washing making it simply not practical to do so.

This endeavor also became a learning exercise as this was the first time that Birch Pointe opted to fully in-source such a power washing project. While the original budget was set to \$7,000 – mostly attributed to equipment rental – the final total will be closer to \$22,000 - \$24,000. This figure includes extended equipment rental, additional labor (Dennis Kennedy graciously agreed to work full-time during the power washing project) and cleaning solution. By comparison, Birch Pointe spent about \$35,000 to out-source this activity during the last siding cleaning in 2016.

In addition, there were also a number of summertime, short notice emergencies which the maintenance team had to prioritize and several other projects had also been delayed as a result of power washing.

The Board agreed that future major siding cleaning projects should be outsourced again. However, the Board has also concurred that it would be beneficial to rent a lift for one month each summer to spot-clean as well as conduct minor tree trimming as part of regular maintenance efforts. A smaller scope will ensure that work is completed more quickly and resources are neither exhausted nor distracted by other projects going forward.

## **EXPLORATION OF NEW PARKING**



As you may have noticed, the parallel parking arrangement at the entrance to Birch Circle has become a permanent fixture. After reviewing the area with the Fire Marshal's office, no fire code access violations (primarily road distance between cars) have been found and the setup is cleared to remain. A wooden flower planter will be built and placed at the front of the first parking spot on entering the community. This is to reduce collision risks of vehicle-to-parked-vehicle over the next few months.

The Board has also explored connecting the top of Haley Court – between 3400 and 3500 Birch Circle – with a set of stairs in order to alleviate further parking pressure in this area. A bid from ProTech Construction was reviewed by the Board but was unanimously rejected due to the roughly \$25,000 price tag. Since the existing new parallel parking spots appear to be effective for this area of the community, the Board believes that this setup alone will suffice there.

Unfortunately, all other potential locales where a similar solution was deemed a "potential" have been ruled out by the

Fire Marshal's office. Thus there are no easy solutions at this time to extend parking at either the end of Birch Circle or the end of Haley Court. Claremont Court also remains a highly congested parking area, with or without resident parking spots.

The Board will reconsider a Capital Expenditure in the future to enlarge parts of the roadways in certain areas, particularly at the ends of streets with only single-sided parking available, in order to create needed additional parking spaces.

The Board may also review the hiring of a full-time parking administrator for FY2020 as part of the budgeting process.

## **DELDOT REPAVING OF DIANA DRIVE**



Board member Cheryl McDonough shared highly encouraging news with the Board that funding for the long-standing grading issue on Diana Drive has been approved through the county's 2020 budget (note, the county's 2020 fiscal year is from July 1, 2019 to June 30, 2020). This means that New Castle County will fund the complete re-grading and re-surfacing of Diana Drive, a project Birch Pointe has estimated would cost between \$200,000 and \$300,000.

Birch Pointe is currently not aware of the exact dates during which this project will be undertaken by the county. Nevertheless, the Board is very grateful for the financial support that our elected officials, especially Rep. Mike Ramone, have been able to commit to the community.

Once the county proceeds with the final bidding of the work, Birch Pointe will have limited time to prepare for this large project as we will not have any control over the contractors or their timeline. The Board will work with the owners of Arkieva and perhaps Woodlea to negotiate temporary parking arrangements since Diana Drive will be completely torn up and inaccessible for several days. More details on dates will be made available when they are known.

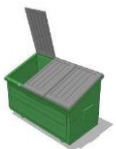
## **HUD RE-CERTIFICATION FOR FHA APPROVAL**



Birch Pointe is currently undergoing the biennial HUD FHA re-certification process which makes the community eligible for FHA-backed loans and thus more accessible to first-time and non-traditional homebuyers. The Board expects to receive approval close to the time of the current certification's expiration in mid-November. HUD has had a highly favorable opinion of Birch Pointe, and particularly the community's finances, since mandating the certification process for the first time about eight years ago. While this can be a rather involved endeavor with all the documentation required for submission – detailed financials for budgets, collections and revenues, capital projects, expenses, rentals, etc. – the positive effect of such designation is beneficial to owners selling their units. It is well worth noting that Birch Pointe is one of a very few condominium communities in the area to have such certification!

## **OTHER COMMUNITY REMINDERS AND REFERENCE INFO**

### **• DUMPSTERS ARE FOR HOUSEHOLD TRASH ...ONLY!**



Please DO NOT leave trash on the outside of dumpsters or put mattresses, furniture, carpets, appliances, etc. in or beside the dumpsters.

### **Private contractors are NOT permitted to dispose of materials in BP dumpsters!**

Residents disregarding this warning will be assessed a fine in addition to the current \$175 special pick up fee charged by Waste Management. Several owners have been recently invoiced \$250 for such actions!

### **• SMOKING POLICIES**



Smoking is **prohibited** in all building common areas including hallways and staircases; light up only once outside. In addition, do not toss butts onto property or over balcony or deck railings as this can be a serious fire hazard; please dispose of them properly.

## • **FIRE ALARM SYSTEMS (important!)**



The fire alarm systems in the buildings (with the exception of 3300 and 3400 Haley Court) **DO NOT** automatically contact 911. It is an ALARM only, alerting you to check your immediate area and VACATE the building until cleared by Fire Department. Do not assume it is a FALSE ALARM!

## • **PET WASTE and PET LEASHING**



Cleaning up after your pet is expected and **mandated!** The fine for disregarding this rule is \$50 per occurrence. Please dispose of bagged pet waste properly; for convenience, pet waste baskets have been installed on Claremont Court and Diana Drive open space areas and also between 3700 and 3800 Haley Court. **All pets are to be leashed at all times; NO EXCEPTIONS!** If unleashed dogs are seen, animal control will be notified. This also applies to pets being left alone for extended periods of time on unit decks or balconies.

## • **DISPOSAL OF RECYCLABLES**



Remember that there is a recycle bin for community use located on Haley Court. This is a single-stream dumpster for the recycling of paper, cardboard, glass, allowable plastics, and aluminum. **Please do not "contaminate" these materials with plastic items other than those designated by numbers 1 to 7. This includes NO plastic grocery or trash bags, sheeting, foam cups, and packaging materials.** Your participation is most appreciated in keeping our community clean!

## • **FIREPLACE SAFETY (especially for new owners and now that it's getting cooler!)**



**Unless your fireplace has been repaired/rebuilt and undergone a "Level 2" inspection** (by order of the state Fire Marshall), it is **NOT** safe to use. Due to crucial safety concerns, ALL chimneys were capped! Maintenance will uncapped them ONLY if documentation is provided indicating the fireplace has passed inspection. Use of such capped chimneys will result in almost immediate smoke build up in the unit which, no doubt, will lead to a 911 fire call. New owners, especially, are cautioned and should be made aware of their units' status by the previous owners

# **BIRCH POINTE DIRECTORY / IMPORTANT NUMBERS**



## ➤ **GENERAL PROPERTY MANAGEMENT QUESTIONS**

Eric Kennedy – phone: (302) 685-4310; e-mail: [ekennedy@birchpointe.net](mailto:ekennedy@birchpointe.net)

## ➤ **MAINTENANCE ISSUES AND QUESTIONS**

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

## ➤ **ACCOUNT STATEMENTS / HOA FEE AND/OR ACH QUESTIONS**

Monica Rieder – e-mail: [mrieder@birchpointe.net](mailto:mrieder@birchpointe.net)

## ➤ **BIRCH POINTE MAINTENANCE EMERGENCIES**

phone: 1-267-474-2907; e-mail: [maintenance@birchpointe.net](mailto:maintenance@birchpointe.net)

# October 2019 Board Meeting

(held at Skyline Middle School library, 10/15/2019)

- Collections – Payments / Delinquencies
- Financial Reports and Monthly Expenditures
- Real Estate Update – Units on Market / Units Sold
- Update on Power Washing – Status / Cost
- Update on Seal Coating
- Other Capital Improvement Projects
- Comcast Contract Renewal for 2020+
  - Proposals: Bulk vs. Retail Agreements
  - Community Survey and Board Opinions
- Additional Parking Possibilities
  - Birch/Haley Connector
  - Others?
- Next Meeting, Adjournment



**Real Estate Status:** Online resources such as Realtor.com, Trulia, Zillow, Estately.com, etc. (since last newsletter and info as of 10/27/2019)



|                          |                      |  |
|--------------------------|----------------------|--|
| (1) Units on market now: | 2 on Birch Circle    | 1 new listing under contract; other with a \$5K price reduction, also under contract |
|                          | 2 on Claremont Court | both new listings; 1 with \$7.9K total and other with \$5.1K price reductions        |
|                          | 1 on Diana Drive     | new listing with \$5.9K price reduction  |
| (2) Units sold           | 3 on Haley Court     | SOLD 8-23-2019, 8-30-2019 and 9-6-2019   |
|                          | 1 on Birch Circle    | SOLD 9-20-2019   |
|                          | 1 on Claremont Court | SOLD 9-26-2019   |

*Properties in Birch Pointe are still selling well!* Although transfers have slowed a bit now that fall is here, to date there have been 23 re-certification fees paid for DUCIOA documents. That averages to over 2 sales per month.

When moving, PLEASE inform Treasurer Monica Rieder if you are on Birch Pointe's ACH program so that future automatic bank debits can be cancelled. Once DUCIOA forms are requested, any scheduled ACH draws should be discontinued if possible. Current owner monthly payments can be made at closing by check, still at the \$330 ACH discounted rate. Contact [mrieder@birchpointe.net](mailto:mrieder@birchpointe.net) if there are any questions or concerns.

Note also that **parking hang tags for units being sold are to be returned to Eric**, not handed to new owners directly or to real estate agents. Tag numbers are associated with specific vehicles for security and tracking purposes. If the existing protocol is not followed, confusion may well result regarding undocumented cars and their actual owners if the new information is not provided. **This procedure applies to units which are rentals: tenants moving out should do like-wise and turn over their tags.** Remember that replacement fees for reissue of a hang tag is \$50. Your cooperation is most appreciated!

## **Notes:**

- Eric is the Birch Pointe real estate liaison and can provide many of the essential information and documents needed for property transfer – including completion of DUCIOA forms. **The fee for re-certification is \$50 starting in January of 2019.**



|                                     |          |     |   |
|-------------------------------------|----------|-----|---|
| (1b) Major expenditures for August: | \$ 7,650 | for | landscaping installment; tree removals  |
| (other than normal utilities)       | \$ 7,567 |     | monthly insurance premium               |
|                                     | \$ 4,314 |     | maintenance supplies                    |
|                                     | \$ 2,450 |     | cleaning services                       |
|                                     | \$ 2,530 |     | annual fire extinguisher inspection;    |
|                                     | \$ 1,016 |     | cell communicators fee for Haley        |
|                                     | \$ 2,100 |     | contractor to address leak on Birch     |
|                                     |          |     | 3 dryer vent replacement reimbursements |

AMEX discount/rebate posted to August = \$428

|   |           |    |  |
|---|-----------|----|--|
| (2a) Total operating costs for September: | \$ 76,354 | in | utilities; maintenance/trash; Comcast; loan; |
|   |           |    | accountant; pest control; wages              |

|  |           |     |   |
|--|-----------|-----|---|
| (2b) Major expenditures for September: | \$ 10,375 | for | landscaping installment; tree removals;       |
| (other than normal utilities)          |           |     | leveling/filling/planting of Claremont "moat" |
|  | \$ 2,545  |     | maintenance supplies                          |
|  | \$ 2,450  |     | cleaning services                             |
|  | \$ 1,617  |     | quarterly fire inspection and maintenance     |
|  | \$ 1,126  |     | drone insurance coverage                      |
|  | \$ 772    |     | contractor to address leak on Birch           |

AMEX discount/rebate posted to September = \$414

|                                       |           |           |  |
|---------------------------------------|-----------|-----------|--|
| (3) Capital improvement expenditures: | August    | \$ 10,375 | concrete work                                |
|                                       | September | \$ 9,550  | seal coating of first half of Birch Circle   |
|                                       |           | \$ 9,230  | cherry picker rental; power washing supplies |

# **August 2019 Financials**

(since those made available in the last newsletter)

## ▶ **Operating Account**

|   |    |                             |
|---|----|-----------------------------|
| <b>Beginning Balance:</b>                       |    | <b>\$ 109,875.07</b>        |
| <b>Inflow – Operating Income:</b>               | \$ | 91,237.18                   |
| <b>Inflow – One-time Transfers (from ORA*):</b> | \$ | 0.00                        |
| <b>Outflow – Operating Expenditure:</b>         | \$ | 85,109.04                   |
| <b>Outflow – Capital Expenditure:</b>           | \$ | 10,375.00                   |
| <b>Outflow – One-Time Transfer (to ORA*):</b>   | \$ | 0.00                        |
| <b>Ending Balance:</b>                          |    | <b>\$ <u>105,628.21</u></b> |

## ▶ **Operational Reserve Account (\*ORA)**

|                                       |    |                            |
|---------------------------------------|----|----------------------------|
| <b>Beginning Balance:</b>             |    | <b>\$ 20,430.31</b>        |
| <b>Inflow – Periodic Transfers:</b>   | \$ | 0.00                       |
| <b>Inflow – Interest:</b>             | \$ | 0.87                       |
| <b>Outflow – Periodic Transfers*:</b> | \$ | 0.00                       |
| <b>Ending Balance:</b>                |    | <b>\$ <u>20,431.18</u></b> |

## ▶ **Reserve Account**

|                                      |    |                             |
|--------------------------------------|----|-----------------------------|
| <b>Beginning Balance:</b>            |    | <b>\$ 255,655.94</b>        |
| <b>Inflow – Periodic Transfers:</b>  | \$ | 0.00                        |
| <b>Inflow – Interest:</b>            | \$ | 434.62                      |
| <b>Outflow – Periodic Transfers:</b> | \$ | 0.00                        |
| <b>Outflow – One-time Transfers:</b> | \$ | 0.00                        |
| <b>Ending Balance:</b>               |    | <b>\$ <u>256,090.56</u></b> |



# September 2019 Financials

## ▶ Operating Account

|   |    |                            |
|---|----|----------------------------|
| <b>Beginning Balance:</b>                       |    | <b>\$ 105,628.21</b>       |
| <b>Inflow – Operating Income:</b>               | \$ | 86,576.69 †                |
| <b>Inflow – One-time Transfers (from ORA*):</b> | \$ | 0.00                       |
| <b>Outflow – Operating Expenditure:</b>         | \$ | 76,353.64                  |
| <b>Outflow – Capital Expenditure:</b>           | \$ | 18,780.25                  |
| <b>Outflow – One-Time Transfer (to ORA*):</b>   | \$ | 0.00                       |
| <b>Ending Balance:</b>                          |    | <b>\$ <u>97,071.01</u></b> |

† reflects mid-year round of 6-month HOA pre-payments

## ▶ Operational Reserve Account (\*ORA)

|                                       |    |                            |
|---------------------------------------|----|----------------------------|
| <b>Beginning Balance:</b>             |    | <b>\$ 20,431.18</b>        |
| <b>Inflow – Periodic Transfers:</b>   | \$ | 0.00                       |
| <b>Inflow – Interest:</b>             | \$ | 0.84                       |
| <b>Outflow – Periodic Transfers*:</b> | \$ | 0.00                       |
| <b>Ending Balance:</b>                |    | <b>\$ <u>20,432.02</u></b> |

## ▶ Reserve Account

|                                      |    |                             |
|--------------------------------------|----|-----------------------------|
| <b>Beginning Balance:</b>            |    | <b>\$ 256,090.56</b>        |
| <b>Inflow – Periodic Transfers:</b>  | \$ | 0.00                        |
| <b>Inflow – Interest:</b>            | \$ | 421.31                      |
| <b>Outflow – Periodic Transfers:</b> | \$ | 0.00                        |
| <b>Outflow – One-time Transfers:</b> | \$ | 0.00                        |
| <b>Ending Balance:</b>               |    | <b>\$ <u>256,511.87</u></b> |

# BIRCH POINTE CONDOMINIUM ASSOCIATION CENSUS FORM

P.O. Box 1195 Hockessin, DE 19707

Unit Address: \_\_\_\_\_ Number of Persons Residing in Unit: \_\_\_\_\_

Legal Owner's Name: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Legal Owner's Mortgage Company: \_\_\_\_\_

Legal Owner's Vehicle Insurance Company: \_\_\_\_\_

Legal Owner's Condo/Home Owner's Insurance Company: \_\_\_\_\_

Legal Owner's Phone Number(s): \_\_\_\_\_  
Home Work / Mobile

If Non-Resident, Mailing Address: \_\_\_\_\_

Tenant(s) Full Name(s) and Phone Numbers:

\_\_\_\_\_  
Name Home Number Work / Mobile

\_\_\_\_\_  
Name Home Number Work / Mobile

Emergency Contact Info: \_\_\_\_\_  
Name Phone

Vehicle(s) Owned by Occupant(s):

\_\_\_\_\_  
Year Make / Model / Color State & License Plate Number

\_\_\_\_\_  
Year Make / Model / Color State & License Plate Number

Pet(s) in Unit: \_\_\_\_\_  
Size / Breed

**\*\* NOTE: Renters are NOT permitted to have pets/animals while residing in Birch Pointe \*\***

Are you currently in possession of the Rules and Regulations of the Birch Pointe Condominiums? Yes / No

**If a unit is a rental, it is the duty and responsibility of the owner/landlord to notify the Management/Board and advise all tenants of the Rules, Regulations and Code of Conduct of Birch Pointe Condominiums**

I understand that the above information is for the sole use of Birch Pointe Condominium Association and its authorized agents in maintaining the community and providing emergency services. I also acknowledge that I must notify Birch Pointe Management if there are any changes in this information and/or if my unit is rented or sold.

## Direct Payment Plan Overview

### A smart and easy way to automate your payment with Direct Payment.

Direct Payment is a repetitive payment between businesses and consumers that enables the service provider to deduct scheduled payments from the customer's checking or savings account. It's a dependable, flexible, and convenient process that does not require the consumer to use a computer or access the internet.



### With Direct Payment, you will:

- Save time by having one less check to write
- Reduce postage costs with one less bill to mail
- Eliminate late fees or charges by making payment(s) automatically

### How does Direct Payment work?

You (the customer) will authorize regularly scheduled payments to be deducted from your checking or savings account by completing and submitting an authorization form. Payments are originated one business day before the specified day that they are due. Direct Payment is usually a repetitive payment that will remain in effect until the customer terminates the authorization. It's just that simple!

### What is ACH?

The Automated ClearingHouse (ACH) Network is a nationwide system that processes electronic payments on behalf of depository financial institutions. The ACH Network was established in the 1970s as an electronic substitute for recurring check disbursements and collections. The ACH system is designed to serve all depository financial institutions, regardless of size, on an equitable basis. The system uses batch processing which costs less than on-line, real time processing systems. This feature makes ACH payments less expensive than other electronic payment methods such as wire transfers, and allows many financial institutions to participate.

# Direct Payment Plan Authorization Form

1. Mark the box of the type of account from which payment will be deducted, either a checking or savings account.
2. Fill in your name, unit number/address, financial institution information, and date.
3. Indicate what day of the month funds should be withdrawn and if this is for a monthly or 6-month pre-pay draw.
4. Attach a voided check for verification of all financial institution information.
5. **Be sure to sign the form!**

## AUTHORIZATION FOR DIRECT PAYMENT

I authorize Birch Pointe Condominium Association to initiate electronic debit entries to my:  
**(check ONE)**

checking account                      OR                       savings account

for payment of my condominium fee(s) on or about the day of the month selected below, as well as any late fees, fines or assessments that are assessed (returned ACH fee, census non-completion fine, general fines, etc.).  
This authority will remain in effect until I have cancelled it *in writing*.

Processing date **(check ONE)**                       1<sup>st</sup> of month                       11<sup>th</sup> of month                       21<sup>st</sup> of month

Processing schedule **(check ONE)**                       monthly                       6-month pre-pay

Starting month for regular HOA payments

Unit ID (e.g. 5001BC, 4005HC, 5203DD)

Financial Institution / Bank Name

**(Please Print Neatly!)**

Account Number at Financial Institution

Financial Institution Routing/Transit Number

Financial Institution City and State

Signature \_\_\_\_\_ Date

**PLEASE KEEP A COPY OF THE AUTHORIZATION FOR YOUR RECORDS**

Please mail to: Birch Pointe Condominium Association, P.O. Box 1195, Hockessin, DE 19707

**Attach Voided Check Here**