

Wellington Manor
HOA Board of Trustees Meeting and Budget
In the Clubhouse & Via Dial in Conference Call
November 20, 2023 - 7:00 pm

The November 20, 2023 Wellington Manor Election and HOA Board of Trustees Meeting was called to order at 7:02 pm by the Board President Steve Walker

Roll Call

In person: Steve Walker, President
Robert Murray, Secretary (not in attendance)
George Lane, Treasurer
Marva Novitz, Vice President
Sue LaMarche, Co-Secretary
Debbie Lazare, Property Manager
Dunayer T. Garrett, Property Administrator

Call to Order: Steve Walker

Approval of meeting minutes from meeting of September 18, 2023 –

- Sue LaMarche asked if there were any additions, corrections or comments.
- There being none, Steve Walker asked for a motion to approve the minutes, Sue LaMarche made the motion, 2nd by Marva Novitz all in favor. The 2023 minutes from the meetings are on the website for anyone to view.

Financial Report – George Lane

October Balances and Revenue and Expense

- The October 2023 Consolidated Balance and Revenue & Expense report is posted on the WM website. October financials will be posted by next week. We are on budget for the year and should end with a surplus in the Operating Account. Operating Income are slightly ahead because of interest from various accounts. Operating Expenses are showing a surplus through the end of October.
- Auditing Expense is slightly behind due to the auditor fees \$4,500 versus \$1,800 that was budgeted which was the rate from previous auditor.
- Maintenance is on target and balances out with landscaping and tree services being up and pest control being lower so it balances it out.
- Pool and recreation are close to budget and it's timing with the invoices still coming in. We are running in a surplus and we expect to have a surplus until the end of Q4.
- **Steve** - There's \$16,000 for snow removal for November and December. We are almost done with November and we don't want snow in December.

Budget Report

- 6.29% increase for 2024 which represents a \$845 quarterly fee and an increase of \$200 per household yearly and \$50 a quarter.
- We budgeted for approximately 4 sales in 2024. The budget was for 5 sales in 2023. This does not affect the Operating budget and goes into the Working Capital fund.
- Legal fees went down in the budget
- Insurance premiums are up by 35% year over year

- Miscellaneous is up and this is printing, notes and mailings and notices that go out in the mail
- Pest control is down due to the Lantern fly spraying, but Landscape and hazard tree services is up, but less than 2023.
- Snow was dropped \$5,000, but we kept it at \$60,000 in all. This is hard to budget because we never know what the weather is going to bring.
- Phone and cable has been running over budget. We now have a smart TV in the fitness room and if anyone needs to know how to use it, **George Lane** can give a tutorial. We are still looking to get Internet services costs down. We are now saving \$150 a month. This expense is so high because we have a business account and not a residential rate.
- Our 2024 Pool contract is up for renewal with a slight increase.
- Reserve Allocation fund expenses has increased by 59.8% which is \$20,804 increase in the contributions to the reserve fund. The was a result of the last 3 years of inflation, the Reserve Study and what does it cost to replace certain things. The Reserve Study is complete and will be posted on the website. An \$80,000 transfer of surplus from 2022-2023 Operating Funds into Reserves that brought us back to 80%.
- Our overall are up 6.5% from \$375,777 to \$400,150.

Homeowner's questions and answers

- **Mike – Are there any heavy duty expenses that will come out of the reserves for the next 3 years? George –** Pool furniture and the York retention basin. HVAC will be paid for out of the 2023 budget.
- **Homeowner - If you have a Reserves why do you have to continue to raise the maintenance fees? George –** We have to maintain the reserve fund at the proper levels. **Steve –** In the Operating account we need to carry \$60,000-\$70,000. We have at least \$80,000 in additional funds more than what we need to carry. It enables us to increase the Reserve contribution to \$55,600. When people purchase a home they want to know that the reserves is at 70% and better. \$200 a year per household x 115 homes. We plan for big purchases and we need to reflect what it costs to keep this place running.
- **Ann - Homeowner - A lot of expenses came out of the reserves. Do we have to have such a big maintenance fee increase? Why don't we do an assessment? Steve –**The board does not want to do an assessment. The board makes the decision on whether there is an increase. **Ann - Homeowner - The board works for the community correct? Steve –** Yes, and that is just what we are doing. We are very comfortable with the numbers that we are discussing.
- **Homeowner – What is the total Reserve budget before the \$80,000 that is being transferred over? George –** Total Reserve cash balance is \$500,888.19. \$480,000 at that was at 91%, but that was in 2019. **Steve –** In the 2019 Reserve study, we were funded at 91%. In the current Reserve Study, after the transfer we will be at 80%.
- **Margaret - Homeowner -** Recognizing that we plow our own streets, have we requested reimbursement from the Township? **Steve –** Have had the conversation with the town and it is a minimal amount that we will get from the township. The township will periodically come and plow and sand if we have choose to not plow or sand. In my experience, this does not happen often.
- **Margaret - Homeowner - Who should plow the streets? Private vs. Township – Steve –** It was a Board decision many years ago to have the contractor who takes care of our sidewalks and driveways to also handle the street. When the Township was plowing, our contractor would complete clearing driveways and then the Township would plow everyone back in. The Board at that time decided that it would be better if we handled plowing ourselves.
- **Margaret - Homeowner – What is stopping us from getting the money back from the township being that we are contracted to do this ourselves? Do we know what**

they are offering? Steve – I spoke to them 2 to 3 years ago about this and it was peanuts and wasn't worth worrying about.

- **Sandy - Homeowner** – The township basically said you want us to do it we will do it. You want to do it yourselves that's fine with us. They will do the streets, but the homeowners are responsible for your driveway and sidewalks.
- **Sandy - Homeowner** – Hopewell Township is just responsible for the streets and that's all.
- **Sandy - Homeowner** – Kudos to the board for volunteering your time and talents that you put into this.
- **Frank - Homeowner – Is it mandatory to accept the people that are doing the Reserve Study? Did you do any bidding for the Reserve Study? Steve** – We don't have to accept the Reserve Study that Parallel did and we don't have to accept the numbers. We paid them to come in and evaluate our replacement costs. We brought in 3 different companies who were interviewed by the Finance Committee and the finance committee voted on Parallel. **George** – They look at everything that are the elements in your assets base. They look at what it costs to replace that asset. They assign a useful life. We evaluated and challenged the numbers they gave us and how they came up with them. It was actually the board's call as to what the numbers should be. It was very mathematical.
- **Homeowner – Approximately how much do we have in Reserve Cash and what do you expect to use in the near future? George** - \$555,000. The 2 big items are patio furniture and the York Retention Basin.
- **Jerry - Homeowner – There's a 60% increase in allocation. We have been putting more in then we are taking out. Looks like you are trying to replenish what we should have 5-10 years from now. Seems like we are trying to replace the Reserves at a rapid pace. George** – Example is our Parking lot - When is that getting done? That's the point of having the money in the reserve fund.
- **Cindy – Homeowner** – The previous Reserve study from 3 years ago it was 91% then. It has dropped from inflation and we are trying to get it back to a reasonable amount and not have an assessment of \$20,000 again for all homeowners.
- **Greg - Homeowner** – Reserve Study –thought the asset replacement numbers were very high. He found a contractor to look at the roof and driveway and their numbers were considerably lower. He found the Reserve Study numbers are very high. **Are we good for the winter? Steve** - The money has been factored in.
- **Homeowner** – 2019 Reserve Study – I want to trust the Reserve Study – 2023 we should have \$380,000 and we are above that. **Why is the new Reserve Study any more credible than 2019? Steve** – Reserve Study take place at a point in time. Inflation and when things need to be replace is fluent. Whether there is a 3 or 4 or 5 years, there are differences and that's where we are now. Some of the numbers may be high. I'm not an expert and we are doing the best we can with the best numbers that they can give us.
- **Carol - Homeowner** – There are a lot of us that are on a fixed income for a long time because we are retired. You have to understand that this may be a hardship for some people. **Steve** – Our increase is \$50 a quarter. We tried to keep it low. It could easily have been more. Other HOA's are increasing a lot more and others are doing special assessments. We don't want to do that. Our increase is about \$4 a week. **Debbie** – There's a townhouse community that has been assessed \$2500 per unit due to the roof failing.
- **Michael - Homeowner** – The roof maintenance by the other community is covered by the reserves and our model here in this community is different.

George - When this HOA was established the maintenance structure itself would be the responsibility of the homeowner and not the association. George went over numbers from when he purchased 10 years ago. There was a \$585 increase in 10 years. So to talk about a \$50 increase it is not unreasonable.

- **Greg - Homeowner** – How many people asked when they purchased what % the Reserves budget was at? So how many should have asked? How many even knew there was a Reserve to ask about?
- **Greg - Homeowner** – We looked at the community and knew that it looked good so that was our decision making.
- **Homeowner** – Is the \$30,000 still going to be allocated for landscaping from Penn East?
Steve – PennEast money is in Working Capital. There's \$71,000 in the Working Capital account and until we know what's going on with 2500 Pennington Rd. and we are not spending any of that money. The Working Capital money is for "down the road" expenses.

Steve Walker asked for a motion to approve the moving \$80,000 from the Operating fund to the Reserve fund. Marva Novitz made the motion, 2nd by Sue LaMarche, all in favor.

Steve read the Resolution. Steve Walker asked for a motion to approve the Resolution moving \$80,000 from the Operating fund to the Reserve fund. George Lane made the motion, 2nd by Sue LaMarche, all in favor.

Trash Pickup – Steve - Our current Waste Management contract was for 3 years with 3% increase every year and they are now proposing an increase from \$20,000 to \$28,000 which is a significant jump. **George** – Plus they wanted to add extra for fuel surcharge, taxes, environmental charges and whatever other additions. Base plus \$282 extra every month. **Steve** – We solicited bids from 2 other companies. Republic Services bid \$20,700 with an additional one-time cost to deliver replacement buckets. We will have to pay WM contractually to pick up their totes. WM dropped their price \$2,000 and they won't budge from that.

- **Homeowner – Does WM know that we are switching and is there a buffer if they don't do the job they are supposed to do or do we pay as we go or are we getting a lump sum?** **Steve** – The change will take effect after the end of the year. There are 2 tote sizes 96 or 64. You can choose. If you don't choose you will get what you already have now and we will let you know when they will deliver the blue Republic container and we will let you know when the tote will be delivered. May not be able to happen on the same day.
- **Homeowner – Do we have cost special pickups?** **Steve** – We don't know as of yet.
- **Homeowner – What's the term of the contract with Republic?** **Steve** – 3 years.
George – WM only offered a 1 year contract. WM does not care. They have enough business that they are not worried about losing others. **Debbie** – We will try to get pickup on the same day as before, but there may be changes and it will still be weekly.

Clubhouse Matters – Sue

- Plumber (Pipe Doctor) winterized pool
- Electricians came and did some work.

Grounds – Steve for Bob –

- Irrigation was winterized
- Mums were removed

Pool Update – Marva

- pool furniture was purchased 10 years ago and it was low end and didn't hold up. The steel frames started to rust and leave rust spots on the concrete.
- We decided to go with commercial grade. Its Aluminum frame, so they won't rust, stackable and made in the USA and have a better warranty.
- Jefco is our supplier in Kendall Park and the manufacturer is called Leisure Creations.
- We are buying 36 new chairs. We are buying 12 new chaise lounges.
- We are keeping the tables.
- Samples were left for everyone to see. Starlight black is the color for the chair frames.
- Also we are getting 10 new umbrellas.
- 36 chairs are \$145 each - \$5,220 aluminum frame and mesh sling.
- Lounge chairs are taller than standard (12 inches), are ADA height which is 17 inches. \$262.40 each \$3,148.80.
- 10 umbrellas 9ft wide are \$466.42 each total \$4,664.20.
- Freight \$1,694.29 to ship them.
- Taxes is \$975.68 the manufacturer is in South Carolina.
- Total \$15,702.97.
- Will take 6-8 weeks for delivery and with delivery around Easter or early spring or April. They come assembled.

Terry - Homeowner – What happens to the old umbrellas? **Marva** – I am open to suggestions. Talking to the Vets to pick up the old furniture. Does anyone want anything? More than welcome to have them. We could probably take some of them over to the Rec center or to the benches. Habitat for humanity there may be someone that would take the time to do the work on the chairs.

Steve Walker asked for a motion to approve the pool furniture for \$15,702.97. George Lane made the motion, 2nd by Sue LaMarche, all in favor.

2500 Pennington Road Project Update – George Lane - the meeting Township Planning meeting on November 16, 2023 did not discuss 2500 Pennington Rd. We expect this to be reviewed at the next Planning Board meeting.

Premier Management Associates Update – Debbie – If there are any street lights out, please let us know and we will call PSEG and have them come out to fix them. We need the pole number and the street address it is in front of.

Homeowner – Do you have an idea of when PSEG comes out and repairs? The utility guys came and put down flags on the front lawn stating that PSEG are coming to repair the posts. George put in a request on York. Sent it to Debbie last week and they were out this week.

Committee Reports – Sue LaMarche said she would call each committee for their reports

- **ARC Committee - Gerry** – There have been 7 requests that have been approved.
 - 15, 19 and 25 Lexington, 6 and 8 Westminster for roofs,
 - 20 Lexington for panel on the back porch and
 - 5 Lexington for a front door.

- 2 are in the ARC committee for review for solar panels and 3 more solar panels request are waiting because they need more paperwork.
- **Clubhouse - Mike** – Nothing to report.
- **Communications committee - Mary and Joe** – Nothing new, but there are things that have been added to the website. There has been a lot of work put into the Homeowners manual and solar panel information is on the website. Please take a look because there are a lot of updates.
- **Covenants – Bill** – Nothing to report, but was pleased with the Homeowner manual and everyone did a fabulous job.
- **Dispute – Sue** - Nothing to report.
- **Executive – Steve** - Nothing to report, but will have a meeting January 2024
- **Finance - George** – Already reported
- **Flag – Bob** – Nothing to report
- **Grounds - Greg** –
 - 600 additional bulbs are being planted in the cul de sac areas.
 - We are working on a project called Pollination Gardens and coming up with some designs. We are losing a lot of open space to developments in Hopewell so we are trying to enhance pollination and beneficial insects to drop the pollination gardens throughout Wellington. The cost is minimal and it's just the prep work and everything else is the committee.
 - Looking into civic projects with the Boy Scouts and looking to install bat and/or bird houses.
 - Bulbs - We are planted out and maintaining and pruning around lampposts. Keep the enhancements up and costs down.
- **Pool – Angela** –
 - Very excited for the new pool furniture.
 - **Marva** – Still finalizing with Dream Pool, in order to keep costs down, we are going to change the pool hours. Why are we open until 8pm? It will lower the costs on the contract.
- **REC – Dick** – Nothing to report.
- **Social – Terry** - announced the fun activities that will be happening at Wellington Manor for the remainder of 2023.
 - **November 25** - We are taking down the fall décor and putting up Holiday decor. Also a post receptacle will be put up in the front of the clubhouse so that you can put an unstamped cards addressed to our neighbors on **December 15**.
Suggestion: Put all your cards for the streets in order and it makes it easier for anyone doing the drop offs.
 - **December 2** Holiday Cocktail Party **5-8pm**. Please RSVP.
 - **December 6** Holiday Ladies night is at Marcilios and it's a Pre-Fixed menu \$50. Please RSVP
- **Sunshine - Carol** – Reminder about anyone who needs a card or a pick me up to let her know.
- **Library** - Please help yourself to the books that are available and there is a selection of holiday books that you can help yourself to as well
- **Welcome - Mary** – Nothing to report

New Business:

Steve – Any new business that we have not covered?

- **Sandy - Homeowner** – Happy Thanksgiving! It's hard to find any good news these days and hearing the budget is not always easy to hear.
- **Greg - Homeowner** – We have lousy quality water service and we should be prepared to have to go after TWW as a community. We are paying for something that we are not getting which is safe water. There is a second airline that is coming into Mercer Airport and the quality of our properties as this comes down the road.
- **Michael - Homeowner** – Can we have an accounting of the amount of money for each of the accounts as to where the funds are? **Steve** – It's on the website. **George** - September is there and October is coming.

Steve asked for a motion to adjourn the November 20, 2023 HOA Board of Trustees Meeting at 8:05 pm, 2nd by Sue LaMarche, all in favor.

Recorded by Dunayer T. Garrett, Property Administrator/PMA