

Fall 2014



# Drum Point Light

## Drum Point Property Owners' Association

[www.dppoa.org](http://www.dppoa.org)

[office@dppoa.org](mailto:office@dppoa.org)

410-326-6148

### Budget for Fiscal Year 2015

The Fiscal Year 2015 budget (page 3) incorporates recommendations to allow the DPPOA Board to ease up on recent cutbacks in Community services, because the new mandatory assessment provides a reliable source of funding for essential non-road expenses. In addition, in light of restrictions in the current Special Tax District (STD) budget (page 2), the Board has shifted some essential administrative expenses away from the STD and will pay for them with Covenant and mandatory assessment fees. Although in FY 2015 the DPPOA and State Highway User Revenue (SHUR) expense columns exceed estimated income, we have adequate carryover funds to handle the difference. In future, we will continue to shift financial control to Community funding sources.

#### Highlights:

- Up to 65% of administrative fees are applicable to Covenant funds. This frees up some STD funds toward the goal of adequate annual maintenance of roads
- Legal expenses are budgeted at \$20,000.
- Increases will be made in beach security for weekends, events, labor, trash pickup and essential training and travel.
- \$2400 will be allotted for essential office improvements. Insulation, a new hot water heater and, an Energy Star refrigerator will increase energy efficiency and lead to a drop in utility costs. Solid flooring will be installed to replace mildewed carpet in previously-flooded areas.
- \$16,000 is budgeted for proactive tree trimming and bush hogging to improve visibility and safety along our roads.

Budgets for all income streams are included in this newsletter. The proposed DPPOA budget is an agenda item for the September meeting of the General Membership, which is scheduled for the 24th at 7:00 p.m. at the Drum Point Club. We hope to see you there!

Amy Rispin, Treasurer

# President's Page

## Gary Heal - President - Board of Directors Drum Point Property Owners' Association



We have had a beautiful, mild summer, I hope you all enjoyed it; I know I did.

Some of you may have noticed that things have been quieter at our beach this season. There are a couple of reasons for that. First, the Board of Directors installed security cameras, as recommended by our Security Committee. New signage has been added. Second, at the request of this Board, Sheriff Mike Evans committed to more regular patrols to help us keep order at our beach, boat ramp and other areas. We appreciate the improved communication with Sheriff Evans.

Thanks also to the members of the Safety Committee and to those Community volunteers who man the gate and patrol the beach on weekends.

Now a word about our budget:

In my opinion, the 2015 DPPOA Budget, presented in this Newsletter, is the best constructed and most accurate budget to be produced in many years. Planned expenses are based on zero-based budgeting or ground-up budgeting processes. Income numbers are as accurate as they can be made to be, and multiple reviews ensure that nothing was missed or double counted. In addition, we are now taking measures to better track our spending so that we can better identify expenses in order to create future budgets.

We did not have a quorum at our June General Membership meeting, which was necessary to approve the draft 2015 budget published in our May newsletter. Having received complaints about the presentation and possible accuracy of that budget, I asked the Treasurer and Finance Committee to take a second, in depth, look at it. Their work has been brought to the Board of Directors, who adopted it as a corrected budget to be brought to our September General Membership meeting.

You will find the DPPOA budget and supporting Special Tax District information in this Newsletter. It has been condensed in order to allow for ease of understanding and to reduce the cost of the Newsletter. A complete budget is available at the DPPOA Office and on our web site, for those of you who need additional information or more light reading.

Gary Heal, President

## STD Fiscal Year 2015 Budget\*

		INCOME	
	STD Unobligated funds as of 6/30/2014		\$ 60,038
	Estimated STD Tax to be Collected		\$ 232,950
	<b>Total STD Funds Available</b>		<b>\$ 292,988</b>
		EXPENSES	
			<b>FY2015</b>
STD Admin		Total Staff & Prof Svcs	40,188
		Total Office Facilities	9,961
		Total Other Admin	1,800
		<b>Total STD Admin Expenses</b>	<b>51,949</b>
STD O&M			
	O&M ROW	<b>Total O&amp;M ROW ***</b>	<b>48,220</b>
STD Capitol			
		<b>Total Capital Expense</b>	<b>132,781</b>
		<b>Total STD Expenses</b>	<b>232,950</b>

\*Full budget available upon request from the Association office or by going to the DPPOA website - [www.dpboa.org](http://www.dpboa.org)

\*\*\* Right-of-Way

# DPPOA Fiscal Year 2015 Budget\*

			2015 Budget
<b>INCOME</b>			
Covenant Bank EOY Balance Forward			24,686
Estimated Covenant Fees to be Collected			13,541
<b>Total Covenant Funds Available</b>			<b>38,227</b>
DP Reserves Account - (info only)			18,743
DPPOA Bank EOY Balance Forward			519
DPPOA CDs Carryover			12,240
DPPOA Mandatory Assessment Collected			56,236
<b>Total DPPOA Funds Available</b>			<b>68,995</b>
SHUR Bank EOY Balance Forward			11,159
SHUR Collected			7,000
<b>Total SHUR Funds Available</b>			<b>18,159</b>
		<b>Total Funds Available</b>	<b>125,381</b>
		<b>Total Collected Income</b>	<b>76,777</b>
<b>EXPENSES</b>			
<b>Covenant Fees</b>			
	NROW **		
	Total Non ROW		6,540
	ROW ***		
	Total ROW		15,350
<b>Total Covenant Expenses</b>			<b>21,890</b>
Total Covenant Funds Available			38,227
<b>SHUR O&amp;M</b>			
	O&M ROW	Total O&M ROW	10,158
<b>Total SHUR Expenses</b>			<b>10,158</b>
Total SHUR Funds Available			18,159
<b>DPPOA Admin</b>			
		Total Staff & Prof Svcs	41,106
		Total Office facilities	2,300
		Total Other Admin	4,850
Total DPPOA Admin Expense			<b>48,256</b>
<b>DPPOA O&amp;M</b>			
	O&M NROW		
Total Community (Non-road)			<b>12,210</b>
<b>DPPOA Capital</b>			
Total DPPOA Capital			<b>2,200</b>
<b>Total DPPOA Expenses</b>			<b>62,666</b>
Total DPPOA Funds Available			68,995
		<b>Total Expenses</b>	<b>94,714</b>
		Total Funds Available	125,381
		<b>Net Funds Available Less Expenses</b>	<b>30,667</b>
		<b>Total Collected Income</b>	<b>76,777</b>
		<b>NET Collected Income Less Expenses</b>	<b>(17,937)</b>

\* Full budget available upon request from the Association office or by going to the DPPOA website - [www.dppoa.org](http://www.dppoa.org)

\*\* Non-Right-of-Way

\*\*\*Right-of-Way



Drum Point Property Owners' Association  
401 Lake Drive  
Lusby, MD 20657  
410-326-6148  
www.dppoa.org office@dppoa.org

Pre-Sort STD  
U. S. Postage Paid  
Prince Frederick, MD  
Permit No. 49

### **General Membership Meeting**

All meetings will be conducted according to Maryland Code, Corporations and Associations, Title 5, Sub Title 2, section (§) 5-206. which states, If the number of members present at a meeting does not meet the requirements of a quorum, those present may call another meeting to meet quorum requirements. At the additional meeting, the members present in person constitute a quorum.\*

\*Per DPPOA Attorney - Any and all business of the Association can be discussed at the meeting.

### **General Membership Meeting Agenda**

**7:00 p.m.**  
**Wednesday, September 24, 2014**

**Drum Point Club**

**Call to Order**  
**President's Remarks**  
**Approval of Minutes**

**Budget Approval**  
**Committee Reports**  
**Old Business**

**New Business**

**Public Comments**  
**Adjournment**

\*\*\*

**Next General Membership Meeting**  
**10:00 a.m.**  
**Saturday, December 13, 2014**  
**Drum Point Club**

\*The September General Membership meeting will be held according to the above referenced code.