

COLONIAL CHARLES COMMUNITY ASSOCIATION, INC.

**Annual Meeting
October 15, 2025**

I. **Meeting Called to Order – Jackie Green, President**

Introduction of Kathleen Elmore, Elmore Law Group; also Brittney Barton with the Elmore Law Group. Effective October 1, 2025, there was a change of certification of the voting ballots by an independent third party or by someone who is not a candidate or a conflict of interest who can certify or count the votes. The votes will be counted at the end of the collection of all the voting. The Board has selected an independent party to assist myself and Ms. Barton to count and certify the election. Meeting notices were sent out prior to the change in the law, there was also a clarification notice sent out on October 7, 2025, regarding timing for turning in the ballot.

II. **Stephanie Martin – Proposed 2026 Budget**

Participated Income: \$753,990.00

Operation: \$783,300, with a variance of \$29,300.00, therefore to cover the operational costs for 2026 assessment must be increased to \$265.17, an increase per resident of \$10.17. This includes funding of common areas, utilities, insurance, contracting services and other operational needs to maintain the community standards.

- Areas that include increases are: legal collections from 2,000.00 to \$8,000.00
- Water and sewer: increase includes usage fee for irrigation system from the supplier
- Clubhouse Electricity: Facing Increases on the monthly invoices that have been received in 2025 ranging from \$1,000.00 to \$4,112.00 per month, which supports the estimated annual costs
- Telephone and Internet Services: increases based on actual 2025 costs; the proposed 2026 budget is \$8, 300.00/year, based on Verizon's bundle rate of \$402.00/month which covers five locations (card, billard rooms, ballroom, fitness center and managers office
- Repairs and Maintenance: Plumbing, increase from \$2,400.00 to \$4,00.00, includes aging plumbing such as faucets, shower heads, drains and toilets
- Mat and Freshener Services: Increase from \$7,500.00 to \$8,400.00
- Tree Removal Services: Increase from \$2,000.00 to \$5,000.00, the \$3,000.00 increase is to cover the aging and hazardous trees
- Snow Removal: Increased from \$48,500.00 to \$52,000.00, this increase is based on current invoices, which totals \$52,000.00, slightly under as we are anticipating that there may not be as many snow events
- Contracting Services: Pool contract is currently \$10,800.00, increases to \$12,500.00, for the indoor pool cleaning and \$2,600.00 for the outdoor pool cleaning
- Janitorial Services: Increasing from \$7,200.00 to \$12,600.00, this reflects three cleanings/month at \$350.00/cleaning
- HVAC Contract: Actual increase for 2026, \$9,170.06, or \$764.16/month, monthly increase of \$36.41 for a total of \$437.06 overall
- Rubbage Removal Services: Has been increased to support anticipated changes to landfill services, the current contract allows them to pass on the costs to the customer
- Community Insurance Package: Estimating the increase between eight and nine percent as per the insurance agent

III. **Jackie Green** – Questions Regarding the Budget

- Bill Allen: Is it possible that the budget can be sent out as some of the numbers have changed? **Stephanie:** Yes, the budget will be put on the portal this evening and a hard copy will be mailed out tomorrow.
- Charles Harding: The budget is approximately \$30,000.00 over from last year, so why can't funds from CDs be rolled over to offset shortages? **Stephanie:** Will look into it
- Janet: Are we going to look into any cost saving measures? **Stephanie:** With every budget approval process, we do look at where we can decrease or either usage or going to contractors, so yes we do look at ways to save. **Janet:** What about turning off the fountain at night? **Stephanie:** That was a consideration, the the fountain is not the majority of the cost for that category.
- Charles Harding: Going back to the CD, since that is a separate item, why not use those funds instead of raising the HOA fee. **Karla:** The CD make up our Reserve Fund which is to be strictly used for repairs and replacements, not for transfer to the operating fund. When you were on the Board, we had Reserve Studies done to assess all of the community's physical assets (interior/exterior of buildings, pools, fences, HVAC systems, roads, ponds, etc.) for estimated remaining life and replacement costs. Our 2021 Reserve Study recommended setting aside \$122,000.00\yr into reserves. Our HVAC system is aging and replacement cost could reach \$100,000.00. **Jackie:** What we will do is not going to agree on the budget until we get the final numbers.
- Unidentified Resident: Once the budget is finalized, does the community get any say in the fee increase or is that included in the budget and the fee is raised? **Jackie:** The budget will reflect the final amount.
- Unidentified Resident: Snow Removal: Is there any way that those commentaries can be shared with the community so we can get a better understanding of why the percentages increases? **Stephanie:** Yes, we can be done, it will be submitted at the time the budget is sent out.

IV. **President's Report; Community 2025** – Jackie Green

- Architecture: There were eleven DRA's request that were submitted and approved.
- Grounds: We will be replacing Complete Landscaping, a decision has not been made on a replacement
- Clubhouse: With the retirement of Mrs. Martinez, we are interviewing for a permanent house cleaning crew

V. **Clubhouse Report** – Answers to Questions Submitted

- Can recycling be limited to every other week as it was originally established?
Response: Recycling and the weekly pickup is managed by the county, no cost to HOA.
- Remove the sprinkler system around the clubhouse and on McDaniel Road, another waste of funds. **Response:** The sprinkler system keeps the grass and flowers watered and entrances at the clubhouse. The system is in operation four months out of a year, at a cost of less than \$1,500.00per year.

- End contract for cleaning services: **Response:** The clubhouse is in use six to seven days a week. House cleaning is needed to clean the entire facility, such as bathrooms, floors, etc.
- End weekend staff at the clubhouse: **Response:** The weekend manager is responsible for testing and logging indoor and outdoor chemical levels and must be a certified pool operator to ensure that the pools are in compliance with all state, federal and local regulations. She is also responsible for recording pool mechanical readings. She maintains a CPR certification. This is a short list as to why a weekend attendant is needed.
- Grass cutting is excessive. Sometimes grass does not need to be cut because of no rain, thus, we do not need grass cut every week, perhaps biweekly, someone should monitor landscaping. **Response:** Grounds Maintenance maintains the landscaping, schedule, conducts inquiries to residents complaints, has direct communication with the on-site landscaper, as well as company manager. The landscaping company has suspended grass cutting due to lack of rainfall or inclement weather.

VI. **Governing Documents**

- Why has the HOA Board extended terms to two At Large Members for three years and current term limits are stated one year in the Governing Documents and please provide the relevant document citation and the minutes of the meeting where this decision was ratified. **Response:** The statutory policy was read at the October 21, 2020, Annual Board Meeting. Please refer to Bylaws Section 4.3, Term of Office, explained in detail.
- Regarding the \$9.30 increase, can a single Board Member, such as a financial manager, without the Board knowledge or without the consent of the Board Members. Please direct me to the minutes where the Board of Directors voted to approve this specific increase before it was included in the proposed 2026 budget. **Response:** We know this is not true, no decision, all decisions are made by the entire Board of Directors. The budget in its entirety will be voted on at the annual meeting. There was no decision regarding HOA fees at any Board Meeting.
- Cygnus Capital Representation: Why hasn't a representative from Cygnus Capital attended any of our Board meetings especially during an election period and why does the Board accept representation solely via proxy. What mechanism is in place to ensure the Board is accurately informed that Cygnus Capital's current positions on community issues. **Response:** (1) Cygnus Capital may attend any General Session meeting, a request or notification to attend has never been received; (2) Voting by proxy is used and accepted by federal, state and local elections; (3) Cygnus Capital has never suggested or contributed to community decision.

VII. Frequency of Meetings: Why are HOA Meetings being held only four times a year? Was this frequency determined by a vote or survey of the residents? If so, please provide the record of the decision. **Response:** Please refer to Bylaws Section 6.1, Regular and Special Meetings. The Bylaws do not stipulate the number of meetings to be held.

VIII. Financial Transparency and Budget Justification: The 2025 budget shows that assessment income of \$734,400.00, and expense account totaling \$778,300.00, resulting in a total proposed deficit of \$24,310.00 after accounting of the Reserve contribution. Why can't the contribution to replace the reserve current budget of \$70,000.00 not to be reduced to \$45,000.000, offset the full deficit thereby balancing our operating budget for the 2026

fiscal year. **Response:** The Reserve Contribution recommended for FY 2022 was \$122,490.00, with an increase for inflation. Inflation is based on the last 10 year consumer price index average, interest and savings is based on the ten year average of constant maturity yield for the ten year Treasury Security Note. Recommended owner assumed interest will be applied to the Reserve and not used to offset operation account expenses for other purposes.

- IX. Management Company Fees: The 2025 projected budget for separate line item management administration fees \$2,000.00, expense \$1,000.00, management fees, \$30,000.00, audit and accounting fees \$2,800.00, all these line items appear to MMI, if so why are they presented as separate costs and what specific service are delivered under each heading? **Response:** (1) The collection write off expense, line item 55.55.95, accounting item, not a payment, management fees, line item 7010 are paid to MMI; audit and accounting, line item 70.7000 is a yearly expense paid to Strauss and Associates, not to the management company, they are auditors.
- X. Service and Site Usage: What other services does MMI offer the community beyond standard management as detailed in their contract? We have an office for the management company to visit in the clubhouse, is this space utilized? What are the specific office dates and time for onsite manager presence? **Response:** (1) The Board decided not to add amenities to the contractor, that would keep the cost down; (2) There are two offices in the clubhouse, one for the onsite manager, Reva Ware, the other is the copier office used by the Board, the management company does not have an office in the clubhouse, but can use the copier office, if need be. Community management visits are not scheduled.
- XI. This concludes all the questions submitted. We appreciate all the questions that have been asked from the floor. Therefore, we will now move to the election portion of the meeting. If there are further questions, please submit them to the Board in writing. Thanks
- XII. **Election – Kathleen Elmore, Attorney**
- There are two positions open up for election to three year term. There were three names on on the ballot: Thelma Carter, Wilbert Ferguson and Alton Morris. Are there any other from the floor? If there are no nominations from the floor, then nominees are Thelma Carter, Wilbert Ferguson and Alton Morris. Comments were asked to into themselves even though bios had been sent out.
 - If there are no more ballots out, than this will conclude the collection of ballots and the Board has picked one other independent with no other conflict, Linda Harris, and there is an oath that Mrs. Harris will sign, as well as myself and Ms.Barton. We will now go to another room and count the ballots.
 - The meeting will break until the team returns with the ballot results.

Kathleen Elmore: After counting the ballots, the results are in: Thelma Carter – 36; Wilbert Ferguson – 35; Alton Morris – 34.This concludes this meeting.



☐ HEADQUARTERS
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Rockville, MD 20850-4381
☒ PRINCE GEORGE'S COUNTY
7253 Hanover Pkwy, Suite B
Greenbelt, MD 20770-3610
Phone: 301-220-1850
Fax: 301-220-1854

September 2, 2025

Dear Members of Colonial Charles Community Association:

In accordance with the Associations governing documents and applicable state laws, this correspondence serves as the second notice of the 2025 Annual Meeting of the Members of the Colonial Charles Homeowners Association. **This meeting will be held in the clubhouse at 3:30 p.m. on Wednesday, October 15, 2025.**

The purpose of the Annual Meeting is to elect members to the Board of Directors. There are currently two (2) positions open for election that carry a three (3) year term. The term of each position will expire October 2028. There are three (3) candidates pursuing a seat on the Board, Thelma Carter, Wilbert Ferguson, and Alton Morris.

The governing documents state that a quorum of 1/6 of the voting class of membership (40 homeowners) is required by proxy or in person. Please help ensure quorum by attending or submitting your **proxy** in advance by no later than **Monday, October 13, 2025 (4pm)**. You may submit your proxy to management by:

Email: smartin@accessmmi.com or **Hand Deliver:** Clubhouse Manager, Reva Ware

Enclosed with this notice:

- **Candidate Bio's** – Captures the candidates experience, background, and platforms of each interest.
- **Proxy Form** - Authorizes another owner to vote on your behalf if you cannot attend.
- **Ballot** – Allows you to cast your vote for board candidates directly in advance or at the meeting.

Proxy Instructions:

- Print clearly identifying who you are appointing as your proxy, sign, and date the form.
- List your voting instructions legibly.

Noteworthy: Maryland law allows proxies to count toward quorum and voting but they are only valid for a period of 180 days.

Ballot Instructions:

- **Absentee Voting:** It is recommended that you submit your ballot in advance of the meeting if you are unable to attend in person. However, ballots will be received up to 24 hours following the meeting. You may return your ballot by hand delivery to Reva Ware, Clubhouse Manager or send by email to smartin@accessmmi.com.
- **In Person Meeting Attendance:** You may vote in person or through your appointed proxy.

Should you have any questions, please contact the undersigned by phone at 301.220.1850 or email to smartin@accessmmi.com.

Sincerely,
Stephanie Martin, AMS, CMCA
Community Manager

Colonial Charles HOA Board of Directors
Secretary
Thelma B. Carter: Resident CC Adult Community – July 2014 to Present

Education

- AA, Political Science; BA, Business Administration, Dept. of Agriculture Grad School
- Certified Professional Food Manager, Culinary Certificate; College of Southern Maryland

Experience

- Administrative Assistant, District of Columbia Public School System
- Administrative Assistant, US House of Representatives
- Thirty-six years; Internal Revenue Service (now retired), Program Analyst, Education Development Specialist, COTR, Section Chief and Acting Director, Paper Submissions. While serving in these positions, traveled all over the Continental US training Revenue Officers/Agents, attending Regional Conferences and Continuing Education Programs
- July 1986 – August 1995; served as National Night Out Coordinator, Marlton Community Association, Upper Marlboro, MD 20772
- January 2010 – October 2018; Culinary Ministry; Evangel Assembly of God, Camp Springs, MD, served as Head Chef, preparing meals for Bereavements and all special events
- April 2014 – October 2018; Missions Ministry, Evangel Assembly of God, Camp Springs, MD; served as US Missions Director; coordinating Missions trips throughout the US, distributing food and clothing to those in need, prepared meals for the homeless, distributing to the Snyder Shelter in Washington, DC and Men's Transitional Center, Seat Pleasant, MD

Special Activities – Present

- Secretary, HOA, Colonial Charles Adult Community HOA Board of Directors
- Executive Board Member; CCSO Crime Solvers Board of Directors
- Member; CCSO Citizens Police Academy Alumni
- Serves as National Night Out Coordinator; Colonial Charles Adult Community, Captain; Neighborhood Watch, serves on Grounds Maintenance and Architecture Committees
- Member; Mt. Ennon Baptist Church, Clinton, MD – Culinary Ministry, (Sous Chef); and Greeters/Hostess Ministry
- Notary Public; State of Maryland; Charles County
- Volunteer; Ronald McDonald House; The Homeless Outreach, LLC, Washington, DC, preparing meals for staff and residents

Wilbert Ferguson

Qualifications: (Pertinent Biographical information)

Born and raised in Washington, DC, I attended parochial school. I graduated from Mackin Catholic High School in 1971 and earned a Bachelor of Science in Economics from Howard University in 1975. After a brief tenure with the Federal Government, I joined the Metropolitan Transit Authority (METRO), where I worked for 37 years in various roles, including rail operator, station manager, and rail training instructor.

I have been married for 49 years and the proud parent of two sons and grandparent to five grandchildren. I enjoy reading, traveling, bowling, working in the yard, and engaging with people.

Areas Of Interest:

(Why would you like to contribute your time to the community as a member of the Board)

As a resident of Colonial Charles, I am enthusiastic about contributing my time and skills to the community as a board member. I take pride in the community's well-maintained appearance, value my neighbors, and appreciate the beauty of the facility. With 32 years of pool maintenance experience from my previous residence and extensive knowledge of lawn care, I feel equipped to support the board and enhance the local environment. I am confident that my experience and dedication will be an asset to both the board and the community.



COLONIAL CHARLES COMMUNITY ASSOCIATION, INC.

NOMINATING FORM

2025 BOARD OF DIRECTORS ELECTION

I wish to become a candidate for election to the Colonial Charles Community Association, Inc. Board of Directors. Please include my name on the BALLOT/ PROXY for this election.

PRINTED NAME:

Alton Morris

ADDRESS:

3206 Shadow Park Lane

PHONE(S):

(301) 374-6819 (Home)
(301) 717-6704 (Cell)

EMAIL:

Altonvp31@gmail.com

SIGNATURE:

Alton Morris

DATE:

8/28/25

QUALIFICATIONS: (Pertinent Biographical Information)

Resident since 2008; Member of the Colonial Charles Neighborhood Watch Team; Founding member of the neighborhood watch team at my previous Community (Ft. Washington); Founding member of the District 4 Community Partnership (Ft. Washington); Member: Executive Board of the National Association of Broadcast Employees and Technicians (NABET-CWA) Local 31; Union Officer: Assistant to the President NABET-CWA Local 31; Vice President NABET-CWA Local 31; Labor Union Contract Negotiator and certification in Conflict Resolution.

AREAS OF INTEREST:

(Why would you like to contribute your time to the community as a member of the Board?)

To improve our community by contributing to its direction, as well as solving its issues. A more attentive Board should have a long term vision and plan for the community it represents, ensuring projects and improvements that benefit the residents. I believe in being engaged in my community, as my record shows. I look forward to representing your concerns and ideas as we work together to get things done. I ask for your vote!



**COLONIAL CHARLES COMMUNITY ASSOCIATION, INC.
PROXY FOR THE 2025 ANNUAL MEETING**

SECTION 1: Homeowner Information

Homeowner Name(s): _____

Property Address: _____

Email Address (optional): _____

Phone Number (optional): _____

SECTION 2: Appointment of Proxy

I/We, the undersigned, being the record owner(s) of the above-listed property in the Colonial Charles Homeowners Association do hereby appoint:

☐ Write Name of Proxy Holder: _____

OR

☐ The Secretary of the Association (if no name is written above)

as my/our true and lawful proxy to represent me/us, vote on my/our behalf, and act for me/us at the Annual Meeting of the [Name of HOA] and any reconvened meeting thereof, with full power to vote and act in the same manner and to the same extent that I/we would if personally present.

SECTION 3: Scope of Proxy (Optional)

Check one:

☐ **General Proxy** – Proxy may vote on all matters that come before the meeting.

☐ **Limited Proxy** – Proxy may vote only as directed below (you may also attach your completed ballot):

- **Election of Directors:**

Vote for the following candidate(s):

☐ **Thelma Carter**

☐ **Wilbert Ferguson, Jr.**

☐ **Alton Morris**

☐ **Write In Candidate** _____

☐ **Write In Candidate** _____

**COLONIAL CHARLES COMMUNITY ASSOCIATION, INC.
PROXY FOR THE 2025 ANNUAL MEETING**

SECTION 4: Signature and Acknowledgment

This proxy shall be valid only for the Annual Meeting noted above (including any adjournments) and shall expire automatically after the meeting is concluded or 180 days after execution, whichever comes first, unless otherwise stated in the governing documents of the Association.

Signature(s) of Owner(s):

_____ Date: _____
(Signature)

_____ Date: _____
(Signature, if co-owner)

Instructions for Submitting Proxy (Clubhouse Manager, Reva Ware or Community Manager, Stephanie Martin, AMS, CMCA at smartin@accessmmi.com).

Notes:

- You may revoke this proxy at any time before the meeting by submitting a written notice or by attending the meeting in person.
- Maryland law permits homeowners to appoint proxies unless prohibited by your governing documents.

**COLONIAL CHARLES COMMUNITY ASSOCIATION, INC.
BALLOT FOR THE 2025 ANNUAL MEETING**

Owner Name: _____

Property Address: _____

Board of Directors Election

(Mark up to 2 candidates. You may vote for fewer.)

| ☐ | Thelma Carter

| ☐ | Wilbert Ferguson, Jr

| ☐ | Alton Morris

| ☐ | Write In Candidate Name _____

| ☐ | Write In Candidate Name _____

Voting Instructions

- **Return Deadline:** Your ballot must be received by **Monday, October 19, 2025**, which includes **24 hours post-meeting per Maryland State Law**.
- **How to Return:**
 - **Email:** Stephanie Martin, smartin@accessmmi.com
 - **Hand-deliver:** Clubhouse, attention Reva Ware, Clubhouse Manager

2025 Annual Meeting Questions & Answers

1. Limit recycling to every other week as that was how it was initially done.

Response: *Recycling and the weekly pickup is managed by the County.*

2. Remove the sprinkler system around the clubhouse and on the McDaniel Road, another waste of funds.

Response: *The sprinkler system adds beauty to the community. It operates 4 months for a total budget cost of \$1,500.*

3. End contact with cleaning services

Response: *The Clubhouse is in use 6 to 7 days a week. Housekeeping is needed to clean the entire facility.*

4. End weekend staff at the clubhouse

Response: *The weekend facility manager is responsible for:*

(1) Testing and logging indoor and outdoor pool and spa chemical levels. (Must be a Certified Pool Operator who ensures the pools are in compliance with all federal, state and local regulations);

(2) Record pool & spa mechanical readings;

(3) maintain a CPR certification;

**This is a short list of the weekend manager's responsibilities.*

5. Grass cutting is excessive. Sometimes the grass doesn't need cutting due to no rainfall. Thus, we don't need grass cutting every week, perhaps bi-weekly. Someone should monitor landscaping.

Response: *Grounds Maintenance maintains the landscaping schedule, conducts inquiries into resident complaints and has direct communication with the landscaper's on-site supervisor as well as company managers.*

The company has suspended grass cutting due to no rainfall.

6. Why has the HOA Board extended terms for two at-large members to three years when their current term limits are stated as one year in the governing documents? Please provide the relevant document citation and the *minutes* of the meeting where this decision was ratified.

Response: *The staggered term policy was read at the October 21, 2020, Annual Board Meeting. Please refer to: Bylaws, Section 4.3. Term of Office*

7. Regarding the proposed \$9.30 increase: Can a single Board member unilaterally decide on such a financial matter without the full knowledge and consent of the other Board members? Please direct me to the minutes where the Board of Directors voted to approve this specific increase before it was included in the proposed 2026 budget.

Response:

(1) No. Decisions made by the Board of Directors are made by the entire Board.

(2) The budget in its entirety will be voted on at the Annual Meeting.

(3) There was no decision regarding HOA fees at any Board meeting.

8. Why hasn't a representative from Cygnus Capital attended our HOA Board meetings, especially during an election period, and why does the Board accept representation solely via proxy? What mechanisms are in place to ensure the Board is accurately informed of Cygnus Capital's current positions on community issues?

Response: *Cygnus Capital may attend any General Session Board meeting.*

(1) A request or notification to attend has never been received.

(2) Voting by proxy is used and accepted at federal, state and local elections.

(3) Cygnus Capital has never suggested or contributed to any community decisions.

9. Meeting Frequency: Why are HOA meetings being held only four times a year? Was this frequency determined by a vote or survey of the residents, and if so, please provide the record of that decision.

Response: *Please refer to: Bylaws, Section 6.1. Regular and Special Meetings. The Bylaws do not stipulate the number of meetings to be held.*

10. The 2025 proposed budget shows Assessment Income of \$734,400.00 and Expense Accounts Total of \$778,300.00, resulting in a proposed deficit of -\$24,310.00 (after accounting for the Reserve Contribution and Interest Income). Why can the required Contribution to Replacement Reserve (currently budgeted at \$70,000) not be reduced to \$45,000 to offset the full deficit, thereby balancing our operating budget for the 2026 fiscal year? Please provide justification based on the current Reserve Study or financial policy.

Response:

Reserve Contribution Recommended for FY22 \$122,490 to \$110,430 with increases for inflation. Inflation is based on the last 10-year Consumer Price Index (CPI) average; interest on savings is based on the 10-year average of the Constant Maturity Yield for the 10-Year U.S. Treasury security note. Recommended owner

contribution assumes interest will be applied to the reserves and not used to offset operating account expenses or for other purposes.

(1) properly funded reserves avoids “special assessments”, 2) when reserve funds are available the Association is more inclined not to defer work; deferral results in additional deterioration and “catch-up” costs to restore the component to a good condition, 3) government mortgage guarantees agencies, i.e. FHA, require a current reserve study to be available.

11. The 2025 Projected budget includes separate line items for Management Admin fees (\$2,000.00), Collection Write-off Expense (\$1,000.00), Management Fees (\$30,000.00), and Audit & Accounting (\$2,800.00). Are all these line items payable directly to MMI? If so, why are they presented as separate costs, and what specific services are delivered under each heading?

Response:

(1) Collection Write-off Expense, line item 55-5595, is an accounting action, not a payment.

(2) Management Fees, line item 70-7010, are paid to MMI.

(3) Audit & Accounting, line item 70-7000, is a yearly expense paid to Strauss & Associates,PA – not to the management company.

12. What other services does MMI offer the community beyond standard management, as detailed in their contract? We have an office for a Community Manager to visit in the Clubhouse; is this space being utilized, and what are the specific scheduled office dates/times for on-site manager presence?

Response:

(1) The Board decided to not add extra amenities to the contract.

(2) There are two offices in the Clubhouse. One for the on-site manager, the other is the copier room used by Board members. The Community Manager does not have an office at the Clubhouse but can use the copier room, if needed.

(3) Community Manager’s site visits are not scheduled.

13. The 2026 budget includes \$52,000.00 for snow removal, in addition to the maintenance contract with Complete Landscaping. What are the specific terms of the contract that justify this \$52,000 expenditure (\$216.67 per household)? What specific service level is provided for this amount, how is the money paid (in advance or as incurred), and what is the process and financial penalty if the contractor fails to respond appropriately? Who is responsible for issuing payment (MMI or the Treasurer)?

Response:

In 2025, pretreatments and snow removal costs were \$54,000 which was \$9,150 over the \$44,850 budgeted. The contractor is paid post each event at a fixed hourly rate for labor, plus the direct cost of the materials used for servicing 240 driveways, all sidewalks, 6 streets (which are HOA responsibility), clubhouse parking lot and sidewalks. Invoices are submitted to the management company for approval and payment with Board approval.

14. Why were residents not formally advised before the decision was made to contract with MMI? Why did the HOA not inform residents during an HOA meeting in January or thereafter in 2025 of this change and explain the problems encountered with the previous company (RGN) in person?

Response:

(1) The Homeowners Association (HOA) had not started the process to interview any management companies in January.

(2) As the community's governing body, the HOA has never referred to residents for contractual changes with management companies, trash disposal, landscaping and snow removal or any other contractual services.

(3) The issues with the previous management company (RGN) was lack of communication between the Board of Directors and RGN.

15. Why is our Newsletter editor sitting as part of the HOA Board? Has the Board ever formally considered or offered the function of publishing the Newsletter to residents by residents, and if not, why has this volunteer opportunity not been offered with specific duties and guidelines for publishing the Newsletter?

Response:

The Community Newsletter is a central, direct line of communication between the community organization or governing body and its members, providing a reliable and personal channel for information. It reaches audiences, such as older adults or those who may not use social media, providing a vital and accessible source of information.

The first Community Newsletter dated, March 2015, was written and edited by then president Charles Harding. The current president continued the production and repeatedly asked residents to submit information relevant to the entire community for the newsletter.

If any resident would like to volunteer their time and energy to writing a monthly newsletter, the Board will be open to turning this over.

16. I have been looking at the preliminary budget and I was wondering why there are no assets nor accounts receivable? Can you explain this to me:

Response:

A budget does not show assets or receivables because it is a forward-looking financial plan for revenues and expenses over a specific period of time, whereas assets and receivables are part of the balance sheet, which is a snapshot of an organization's financial position at a single point in time.

Purpose of a Balance Sheet: The balance sheet (or statement of financial position) provides a snapshot of what a company owns (assets), what it owes (liabilities), and the owner's equity at a particular moment.

Timing Difference: A budget covers a period (e.g., a year or a quarter), focusing on the flow of money (income and expenses) during that time. A balance sheet captures balances at a specific point in time.

Nature of the Items: Assets and receivables represent the cumulative financial position of the company, not a specific transaction flow within the budget period itself. While the collection of a receivable affects the actual cash flow (which might be part of a separate cash budget), the receivable itself is an existing asset balance.