

Ocean Pines Association
Budget and Finance Committee
2021/2022 Budget Review Meeting Minutes
Day One, Tuesday, January 5, 2021

B&F Committee members present: Chairman Dick Keiling, George Solyak, Tom Piatti, Don Nederostek, Brian Reynolds; Non-Committee attendees: OPA: Treasurer Doug Parks, General Manager John Viola, Director of Finance and Operational Logistics Steve Phillips, Accounting Manager Julia Johnson, Marketing and Public Relations Director Josh Davis, Marketing Coordinator Julie Malinowski; Ortt Companies mgmt. as noted below; Media attendees: Tom Stauss.

Chairman Keiling called the meeting to order at 11:00AM

Public Comments deferred until end of meeting.

Chair and GM agreed to put aside formal introductions planned for Wednesday as this was a specific 1-hour time arranged to accommodate Ortt Companies scheduling.

Beach Club, Clubhouse Grill, & Yacht Club – Section 17, 18, & 20

Matt Ortt Companies: Managing Partner, Ralph DeAngelus, Direct of Operations, Lewis Sherman

GM gave a brief intro to the agenda, looking for the typical line-item review from B&F, but also wants to provide a high level, big-picture overview, turned floor over to Ralph DeAngelus.

Ralph (Ortt Cos.) was positive about the outlook for the coming year, this budget starts on May 1st so the three F&B venue budgets as presented assume the COVID pandemic has eased. While Ralph stressed that Ortt intends to under-promise and over-deliver, the overall F&B budget numbers are based on prior year actuals and the combined bottom line numbers align with second contract year targets.

GM reminded attendees that there is a separate COVID-impacted budget summary that will be presented tomorrow.

Ortt Cos. 2021 venue banquet tracking report was presented, potential revenue of \$335K minimum to date, expected to grow with additional bookings. Ortt Cos. are extremely optimistic about the coming banquet season.

Beach Club- All 21/22 budget numbers are a carryover from 20/21 budget. Ortt Cos. believes this is the 'worst' case scenario, but expectation is to exceed these numbers.

Staffing issues were briefly discussed. OC labor market was extremely competitive this past year, J1-Visa employees were missed. J1 coming back for 2021 season, but is being phased in. Ortt Cos. is working to get some J1 staff in for this year.

It was noted how certain sales and costs are recorded for each venue. Banquet food sales are recorded where the food is purchased and prepared, regardless of where it is ultimately served. Any banquet liquor sales are recorded under that specific venue's ledger. Labor costs associated with each sale type are similarly posted.

Final

B&F asked about how Golf Banquet sales are handled. Specifically, does the Golf Ops budget get any credit for bringing in a large banquet to the clubhouse, e.g., should Golf Ops get a small sales commission for bringing in Clubhouse banquet business. **B&F agreed to discuss the idea at a later time.** It was noted that all golf banquet food revenue does go onto the Clubhouse ledger.

Clubhouse Grill- History too short to develop a concise budget, all numbers are best estimates as we build up the new business. Not expecting any COVID related impact to sales. Ortt Cos. re-iterated philosophy to under-promise/over-deliver and fully expects to expand sales. All budget planning aligns with contract targets.

Electricity costs were examined and how those costs are split was discussed. Electric costs (from a single meter) are allocated based on square footage. **Fin Dept agreed to review the allocation and update as appropriate.**

B&F asked about the Sunday Brunch at the Clubhouse. Plan was sidelined by COVID but expectation is to revive the idea going forward.

B&F restated that with some adjustments, still shooting for a 10% bottom line. OPA and Ortt agreed.

Yacht Club- All 21/22 budget numbers are a carryover from 20/21 budget. Ortt Cos expects total sales to exceed budget. Labor costs budgeted for 35%, expectations are closer to 31%. Food and liquor costs are within industry standards. Budgeted contract and supply costs are in line with previous years actuals. Other costs in line as well. B&F inquired about labor costs difference to this year's actual. Handling of Ortt Cos.' \$271K PPP loan was reviewed.

B&F asked about availability of future PPP loans for the YC. Ortt Cos. does not expect to qualify for any further loans based on the requirements.

B&F noted that rolling all three venues into a bottom line, looking at approx. \$200K budgeted profit. All agreed.

Brief discussion regarding tomorrow's proceedings.

Meeting adjourned at 12:01PM

Ocean Pines Association
Budget and Finance Committee
2021/2022 Budget Review Meeting Minutes
Day Two, Wednesday, January 6, 2021

B&F Committee members present: Chairman Dick Keiling, John O’Conner, George Solyak, Tom Piatti, Don Nederostek, Brian Reynolds; Non-Committee attendees: OPA: President Larry Perrone, Vice-President Collette Horn, Treasurer Doug Parks , General Manager John Viola, Director of Finance and Operational Logistics Steve Phillips, Accounting Manager Julia Johnson, Membership and Assessment Supervisor Ruth Ann Meyer, Marketing and Public Relations Director Josh Davis, Director of Recreation and Parks Debbie Donahue, other OPA staff as noted below; Media attendees: Tom Stauss.

Chairman Keiling called the meeting to order at 9:03AM, Pledge of Allegiance.

B&F committee unanimously approved proposed agenda.

Chairman’s opening remarks. Thanks to all for their support making ready for the meetings, setup appropriate for socially distanced interaction, reminded attendees about purpose, process, and importance of the meetings. Special thanks to Finance, IT, and Marketing for their efforts.

Public Comments deferred until end of each section.

GM opening remarks, Budget goals are laid out in proposed 21/22 budget, available on web site. Many options to consider, budget is a working document in progress, dept managers and staff will present budgets, actively involved in prep. Additional 20/21 actuals are forthcoming which will also guide budget decisions. GM also briefed attendees on 20/21 y/e estimates, impact of PPP loans, 21/22 outlook. Approx. \$168K left of old deficit, presently not added to the 21/22 budget nor assessment.

GM provided a high-level review/estimate of the major expenses contributing to the proposed increase in the base assessment as follows:

Employee Med Insurance	\$30	health insurance premium increases
Payroll Expense	13	merit increases and mandatory min wage increase
Prop & Casualty Insurance	07	premium increases incl. liability and prop damage
Aquatics	17	slow covid recovery negative impact to revenue
Beach Parking	15	slow covid recovery negative impact to revenue
Bulkheads (OPA)	21	non-homeowner bulkheads
Drainage Program	44	cost ongoing, need to replenish reserve
Depreciation (favorable)	(11)	OPA-wide depreciation, positive adj for 21/22
Police (favorable)	(13)	operational savings
Gen Maint. (favorable)	(9)	operational savings
Food & Bev (favorable)	??	TBD

GM estimated that OPPD proposed budget offers a favorable offset (Payroll decr.) to the assessment increase. **B&F noted in the Assessment Detail, Section 1, Pg. 5 shows a \$5 increase.**

GM briefed attendees on COVID-impact budget summary, Section 1, pg 15. Includes estimates on impact to budget and assessment should the covid pandemic persist through the year.

Final

Discussion re: insurance increases. Health insurance premiums continue to rise, OPA has claim history driving some increases. Property and Casualty insurance increases driven by wind/storm damage exposure/ratings. Fin Mgr continuing to negotiate rates with providers but final premiums will not be known until after budget is finalized. Need to budget for highest-case estimates. **B&F noted that under the circumstances, any proposals for self-insuring would not be advised, however, investigating savings from higher plan deductibles should be considered.**

Fin Director Phillips noted that HR is looking into the new ICHRA model (Individual Coverage Health Reimbursement Arrangement) for managing health insurance costs/increases.

OPVFD, Fire/EMS – Section 10
President Dave VanGasbeck, Chief, Steve Grunewald

GM, Intros, budget is planned with OPA GM/Finance and reviewed annually by auditors. Pres/Chief will provide details.

President VanGasbeck reviewed budget detail page. R&M up significantly due to aging South Station building repairs. OPVFD working with OPA on more complete renovation plan but not planned for this year's budget. Equipment repairs and replacement, salary and benefit needs, and capital expenses were highlighted. **Director Parks noted that the OPVFD should update their reserves list as part of 'DMA Lite'.** B&F noted a \$22.8K difference in the detail v summary for 21/22 OPA funding. Difference is the OPA-provided funding for the OPVFD member incentive program.

Finance, Membership, IT, Genl Admin, GM – Sections 2, 3, & 4
Director of Finance and Operational Logistics Steve Phillips, Accounting Manager Julia Johnson,
Membership and Assessment Supervisor Ruth Ann Meyer,
Payroll/Human Resources Coordinator Kathy Stryjewski

Note: Afternoon session for Genl Admin & GM's Office was moved up in the agenda since required staff were already present.

Finance Director provided overview of sections 2 & 4, staff continues to work within COVID-19 restrictions, HR response and contact with County officials remain priorities. CARES Act funding work continues, Membership working through challenges with Northstar (NS), overall NS system still work in progress as detailed in recent BoD meetings. IT actively involved with NS implementation.

Payroll Cost increases driving overall dept. increases. From prior year, new 'banded?' position in finance under consideration, Accountant 1 or 2. County Grant program extended through Dec, 2021. \$85K of eligible \$170K received so far. It was noted that up to 70% of OPA revenues go to salary/benefits. **B&F inquired as to the status of request to engage a technical writer. Under consideration by Fin Dept at this time.**

During Genl Admin review, discussion of Interest rate charged to delinquent assessments. DRs dictate rates that can be charged, but any rate change must be approved by BoD vote. **Interest Rates charged to OPA members must be changed to accommodate 6% mandate; Treasurer Parks took action to introduce BoD motion.**

Final

B&F inquired about budgeted Right of Way fees and would Comcast's fees increase our revenue there. Overall, revenue is not expected to increase as Mediacom customers switching to Comcast would not result in increased net revenue. **Question was raised have we seen any ROW revenue from Comcast, Fin Dept. agreed to investigate.**

B&F asked if funding for any potential referendum is included in this year's budget. GM has not received any guidance to provide that funding. President Perrone reported that the need for a referendum is still considered a legal issue and at this time no decision has been reached. Current estimate is \$30K to execute a OPA referendum.

It was noted that work was continuing on re-doing the OPA By-Laws, that effort may require funding sometime this year or next. **B&F can advise, but BoD must be involved with review for funding.**

B&F raised a question about the budgeted casino funding amount going up \$25K, \$325 to \$350K. Are we really going to recognize that increase? OPA cut of the casino funds is set, but amount is flexible. **Fin Director was comfortable with the \$350K estimate. B&F agreed.**

A brief discussion regarding the banks that OPA does business with followed. **It was agreed that OPA would maintain its' existing bank relationships rather than chase better 'introductory' rates from other institutions.**

GM briefed attendees on Section 3. No significant changes to budget except for the anticipated increase in Payroll Costs. B&F inquired about Contract Services. 2020 Actuals include expense for the Compensation Study which was a one-time hit. 21/22 proposed budget amount includes fee for ADP/HR benefits module.

President Perrone asked if funding for the Segal contract was including in the budget, estimated at \$5.7K. Was it included in the GM Office's budget or elsewhere? **A Segal contract payment was made, where posted? GM took action to investigate.** When posted, this expense would be on the GM's ledger.

PR/Marketing – Section 5
Marketing Coordinator, Julie Malinowski

Payroll Cost increases driving overall dept increase. Dept's revenue fortunately not impacted by covid. Reclassified Farmer Market revenue to Rec/Parks. Likewise, some PR/marketing expense associated with the Market was also moved over to Parks/Rec. Printing costs for the OPA publications have increased, however ad revenue generated by those publications is strong and continues to grow. B&F suggested a potential savings by limiting printed copies to a member 'opt-in' list. Strong arguments were made to keep publishing a printed copy and as mentioned ad revenue is covering most of the costs.

Golf Ops/Maint – Sections 15 & 16
General Manager of Golf John Malinowski, Golf Superintendent Justin Hartshorne

John presented budget overview; 21/22 budget follows closely with 20/21 budget. Positive outlook for revenue increases while holding down Total Payroll expenses. All other costs align closely with prior year. While covid strongly impacted Apr/May months, strong summer months helped rebound.

Final

B&F Chair re-visited idea to provide some credit to Golf Ops budget for F&B revenue generated from golf banquets. President Perrone advised that no such changes would be permitted currently under Ortt Cos. contract, **but topic could be reviewed for consideration at a later time.**

Justin provided input on golf maint budget, year to year budget changes included Payroll Cost increase and \$10K contract for annual fairway aeration. Priority work continues on removing thatch from effected greens, tree removal, and improving overall course conditions.

Allocations for electric charges at the golf club were again reviewed. Golf Maint. has their own meter, **a further review and possible adjustments were recommended.**

Final comments and considerations for tomorrow's meeting.

Meeting adjourned at 1:10PM

Ocean Pines Association
Budget and Finance Committee
2021/2022 Budget Review Meeting Minutes
Day 3, Thursday, January 7, 2021

B&F Committee members present: Chairman Dick Keiling, John O’Conner, George Solyak, Tom Piatti, Don Nederostek, Brian Reynolds; Non-Committee attendees: OPA: President Larry Perrone, Vice-President Collette Horn, Treasurer Doug Parks , General Manager John Viola, Director of Finance and Operational Logistics Steve Phillips, Accounting Manager Julia Johnson, Membership and Assessment Supervisor Ruth Ann Meyer, Marketing and Public Relations Director Josh Davis, Director of Recreation and Parks Debbie Donahue, other OPA staff as noted below; Media attendees: Tom Stauss.

Chairman Keiling called the meeting to order at 9:00AM

Public Comments deferred until end of each session.

GM, brief intro on budgets to review today, there will be an update on the Bainbridge Drainage project on Friday, parts of the following budget sections cover general drainage and infrastructure items. It was noted that NS is being utilized to track and manage PW projects.

Genl Maint, PW, & CPI – Sections 6, 7, & 8

Public Works & CPI Director Eddie Wells, Public Works Operations Manager Nobie Violante,
PW Office Manager Linda Martin

Genl Maint – Budget highlights included reduction in Total Payroll expense (dept is down 2 staff positions), focus on item, #582, R&M Buildings, covers various facilities and infrastructure repairs. Proposed budget favorability contributing positive effect on annual assessment.

Eddie briefed on two new culvert pipe replacement systems being evaluated, significant labor savings could be realized if techniques prove effective for our needs. B&F asked if budgeted amount was enough to cover both labor and materials for these repairs. OPA mgmt was comfortable with proposed amount.

PW – Payroll Cost increases contribute to overall budget increase. Detailed discussion included Sale of Assets (PW fleet trucks), Contract Services, and R&M Drainage accounts.

President Perrone highlighted his concern regarding the Contract Services budget vs proposed need for additional staff. A lengthy discussion followed about open PW positions, how to manage/balance labor needs, ability to attract employees for base level positions, how best to evaluate needs and allocate resources. Eddie noted that all GM, PW, CPI staff share duties wherever/whenever needs arise. **Vice President Horn stated that HR would have to look at the PW wage structure and do a simple survey of the area's entry level wages. B&F in agreement.**

CPI – Payroll Cost increases are main impact to budget. B&F asked how recently CPI fees had been updated and if consideration has been given to raising these fees to help cover some of the added payroll expense. **Fin Dept agreed to review the CPI fee schedule for possible changes.**

Final

GM asked if Bulkheads & Road Reserves could be moved up in the agenda since all required staff were present, B&F Chair agreed. **It was noted by GM to re-order the budget presentation agenda going forward to streamline staff attendance.**

Bulkheads & Road Reserves – Sections 9, 22
Public Works & CPI Director Eddie Wells, Public Works Operations Manager Nobie Violante,
PW Office Manager Linda Martin

Total budget aligns closely with prior year. Minor payroll changes, reduction in R&M and other costs result in year-to-year budget favorability. 21/22 budget includes bulkhead replacement of 3100 l.f. @ est. cost \$375/per. This continues our four-year program. \$375/per is our low-end estimate, could be higher as market and material prices may change before signing a contract. If realized cost per foot effects total budgeted expenditure, less l.f. will be replaced to maintain budget #. **President Perrone encouraged GM to start shopping bulkhead contracts if lower price can be locked in for the 21/22 budgeted work.**

A question was raised about the expense incurred for our bulkhead staging area and where does it show on budget. **Bulkhead Staging expense is located Line # 594, Equipment, however 21/22 budgeted expense was missing. Fin Dept to make appropriate budget adjustment.**

Roads – GM briefed on Road surface replacement. 86 miles of OPA roads fully depreciated. Cost of replacement currently \$100K/mi. Continuing with 30-year road replacement plan. GM noted that recent road subsurface evaluations were good. **Brief discussion on suggestion to move some budgeted road reserve funds over to aid drainage project. GM acknowledged plan for the Comm Ctr parking expansion is still being worked, present cost estimate ~\$59K, not in 21/22 budget but could impact Road Reserves eventually.**

B&F asked about road striping costs that were discussed last year, are those expenses expected for this cycle and would that come from Road Reserves? Fin Dept advised that it is an operational expense and on the project list for this year, does not come out of Reserves.

PW Capital Requests – (from) section 22, All vehicles scheduled for replacement are on the DMA Study and are fully depreciated. Bridge work costs mandated following recent MD State inspections. New mower provides multi-purpose use. These projects fully funded from Replacement and Road Reserves. B&F concurred with needed capital purchases.

Discussion continued about the potential movement of reserve funds between roads, drainage, and bulkheads and what the ultimate impact would be to any assessment increase. **B&F cited the need to do a full discussion among committee members before making a recommendation.**

GM moved on to the proposed bulkhead assessment increase to \$40 over prior year \$19 (\$21 incr.). After some discussion GM suggested \$25 instead of \$40 would be his current target. B&F supports this change.

In closing, B&F inquired about trying to decrease electrical costs by converting large outdoor lights to LEDs, e.g., golf club parking lot. **Eddie agreed to change over to LEDs where possible.**

Final

Recs & Parks and Marina – Section 12, 21

Director of Recreation and Parks Debbie Donahue, Dockmaster Ron Fisher

Marina – 20/21 actuals favorable to budget, excellent seasonal weather and ‘pandemic’ boating drove increased gas revenues. Proposing 4% increase in slip rental fees. Very competitive with local market and demand is high. Ron noted that 3 slips at the S/R Club are not rentable, dredging of the spaces is needed. Marina will have two open positions to fill for 2021 season.

Budgeted R&M expenses increased to cover required dock painting and board replacement. Increase to Contract Services reflects additional security guard expenses needed to monitor dock operations. Discussion ensued regarding whether security expenses should be borne by the YC. **At present, expense will likely remain with the Marina.**

Marina submitted new capital request, approx. \$7K, to purchase a dock fender protection system (Slammer) for the gas dock. This protects both the dock and approaching boats from damage and should decrease dock r&m expenses going forward. This request is not presently in the proposed budget. **GM/Fin to evaluate this new request for inclusion.**

Recs & Parks - Debbie re-iterated the changes regarding how the Farmer’s Market income and expenses were moving from the P/R, Marketing budget. President Perrone asked if the Market’s manager was being paid by OPA, Deb indicated they are not.

Overall dept proposed revenue aligns with prior pre-covid year. Payroll Cost up like other depts, Contract Services increased due to additional contract cleaning, Covid-related decrease in Special Events revenue and associated costs are anticipated.

Police Dept. – Section 11

Chief Leo Ehrisman, Lt. Shakhan Toppin

Chief introduced Lt. Toppin to the attendees. The Lt. is our night shift Command Officer and in charge of Dept. Operations.

Proposed budget aligns closely with last year. Expected Payroll Cost increase offset by Payroll reduction, additional \$40K in contract services driven by needed cleaning services.

Chief outlined critical need for replacement of two patrol vehicles. One was scheduled for replacement in 20/21 but was covid-postponed. Only one vehicle is presently listed in the 21/22 Capital Summary. GM acknowledged need for two vehicles and suggested options, complete purchase of delayed 20/21 vehicle request immediately and keep second vehicle request in 21/22 or add second vehicle to 21/22 proposed budget. **President Perrone encouraged GM to get the immediate (OPPD) vehicle need before the next BoD meeting. Whether the additional cost will be borne by the present year budget or added to the 21/22 proposed budget is TBD. B&F agreed that two vehicles should be considered by the BoD.**

B&F inquired if a dept vehicle review/eval has or could be performed like what Public Works has completed. Chief indicated that any reduction in the present number of patrol vehicles would negatively impact operations.

B&F asked if there was any anticipated need for additional operational or reserve funding due to potential police reform mandates. Chief indicated that changes are expected, hope is training can be

Final

virtual, challenge will be equipment requirements, e.g., body cams. Some funding may come through grants but tbd. Nearby towns have invested in this tech and it is expensive, it's not just the cameras. Chief is expecting that any mandates will be phased in and likely effect 2022 or later. **President Perrone suggested that GM begin process to determine how much funding may be needed for these police reform mandates and discuss putting something into the New Capital Reserve to blunt any potential last-minute hits to operational funds. GM agreed, said Chief can prepare those numbers, made note for Finance.**

B&F noted significant increase to contracted cleaning services. GM explained increases due to the expansion of the facilities and the need for specialized, on-call cleaning. GM noted that, in general, there are extra covid-related cleaning expenses this year across all depts., all contracted cleaning services are bid out as mandated by OPA policy.

Capital Summary – section 23

General Manager John Viola, Director of Finance Steve Phillips

Steve presented overview of current Summary. In other sessions, sections of the Summary were reviewed by Dept Mgrs and B&F. Items identified in the DMA study include their appropriate Ref#.

B&F asked about the Fiberglass Doors for Beach Club, weren't they replaced last year? Last year Door replacement was at the Sports Core Pool. **GM tasked Fin Mgr to verify that the SCP doors were completed and that this year's request for the Beach Club doors is correct.**

Treasurer Parks inquired about the Reserve Study reference numbers as not all replacement items included an appropriate reference. **Fin Mgr agreed to gather the missing references.**

During discussion of the Racquet sports new capital requests, the GM noted that the present plan is to use the existing new capital reserve balance and apply it to these new items. President Perrone emphatically reminded attendees that funds in the New Capital Reserve account are earmarked for the project(s) that the funds were 'reserved' for and could not be re-allocated for other new capital items without prior BoD approval. His view was that the new capital items on the summary are New Capital Spend items and have no relation to the New Capital Reserve fund or to the 10% limit of funds that may accrue to the New Cap Reserve Fund. GM acknowledged that view and said he would preclude any re-allocation of those funds pending BoD approval.

Treasurer Parks expressed his prior concern over the process of how funds are added and distributed from the New Cap Reserve and **volunteered to drive work on formalizing the process.** Vice President Horn reviewed the intent of the New Cap Reserve fund, concurred with Treasurer Parks about formalizing the process and stated in light of the new information, that B&F was not favorable to the Sports Core Pool expansion (due to poor ROI and available workarounds for space and training), that the existing New Capital Reserve fund monies may be able to be redirected by BOD approval.

President Perrone explained that whether the funding for New Capital request items goes into the Reserve or is spent immediately, impact to the assessment is the same.

Treasurer Parks encouraged GM to pursue immediate \$10K spend for the North Gate Bridge repairs.

Meeting adjourned 1:53PM

Ocean Pines Association
Budget and Finance Committee
2021/2022 Budget Review Meeting Minutes
Day 4, Friday, January 8, 2021

B&F Committee members present: Chairman Dick Keiling, John O’Conner, George Solyak, Tom Piatti, Don Nederostek, Brian Reynolds; Non-Committee attendees: OPA: President Larry Perrone, Vice-President Collette Horn, Treasurer Doug Parks , General Manager John Viola, Director of Finance and Operational Logistics Steve Phillips, Accounting Manager Julia Johnson, Membership and Assessment Supervisor Ruth Ann Meyer, Marketing and Public Relations Director Josh Davis, Director of Recreation and Parks Debbie Donahue, other OPA staff as noted below; Public Attendees: Karen Kaplan; Media attendees: Tom Stauss

Chairman Keiling called the meeting to order at 9:01AM

Public Comments deferred until end of each session.

GM intro, wrap-up summary for the week, appreciative of all team input, thanks to BoD members in attendance, process full of options and variables to be considered.

GM follow-up on yesterday, \$10K north gate bridge cap request is for guard rail replacement per standards. **PW manpower needs, and present wage issues are recognized and will be reviewed. More detailed estimates for T-Dock expansion will be prioritized per request.** Racquet Sports Cap Requests are a priority in the Cap Summary.

Racquet Sports, Aquatics, & Beach Parking – Sections 13, 14, & 19

Director of Amenities and Operational Logistics Colby Phillips, Director of Aquatics Kathleen Cook,
Racquet Sports Director Tim McMullen, Tennis Professional Terry Underkoffler

Tennis – Our outdoor sports were/are not severely impacted by covid restrictions. Proposed budget aligns with last years, anticipating a modest improvement to bottom line. Hoping to line up tourneys to boost revenue, but USTA covid restrictions may limit that effort.

OPA member comments (via B&F team), included concerns regarding new racquet sports membership dues and daily fees. Also, concerns about parking and support for a hut platform at pickleball? Colby discussed all proposed Racquet Sports rate changes with attendees and **agreed to a follow-up dues/fees schedule review with Finance.** The ‘hut’ is not yet considered for funding, but the need is recognized. Colby stated for the large events that she, her staff, and the OPPD are there to assist with parking. No definite parking plan was put forth.

B&F suggested that membership dues should be made more attractive so OPA members choose that over daily fees. B&F asked if our dues/fees schedule is competitive with surrounding facilities. Mgmt. provided details on surrounding facilities and fees, confident we have a superior product.

Racquet Sports submitted new request, approx. \$33K, for deferred tennis court repairs, needed to improve condition of courts and maintain playability. This expense is not presently included in 21/22 budget. **Discussion suggests it should be operational r&m expense but should be presented to BoD for approval. B&F recommended expenditure be funded from present 20/21 budget, final disposition tbd.**

Final

President Perrone asked that a list of the new, additional budget items be included in a meeting summary.

Platform Tennis – No significant budget changes. Most revenue is membership driven, payroll is consistent with prior year, supplies and other costs within budget.

Pickleball – Continues to experience significant growth. OPA taking charge of 2021 tourney, expected revenue positive as detailed in budget. New courts should also enhance revenue but not recognized in this proposed budget.

Aquatics – Kathleen noted that NS system is providing additional metrics that have leveraged their budget planning for this year. Significant covid impact to Aquatics budget this fiscal year. Staff expect recovery to take longer than other OPA amenities and have budgeted accordingly.

Budget highlights included decreased revenue projections, year-to-year flat payroll, supplies, and other costs, and significant reduction in propane gas costs. **President Perrone expressed concern with the trending bottom line losses in the Aquatics budget and asked mgmt. to review what could be done to mitigate.**

Beach Parking - Significant covid impact to Parking revenue budget this fiscal year. As with Aquatics, mgmt. is not bullish for quick recovery. Budget highlights include decreased revenue projection, flat year-to-year payroll, supplies, and other costs. B&F asked about Parking lease revenue, it is expected Seacrets will make full annual payment this budget year. B&F asked about \$3K listed under Equipment. This for a beach access mat that permits easier beach access. Previously considered as a Cap request item, \$10K for two mats, trying just one for now at lesser cost. **Discussion suggested that proposed 21/22 Beach Parking revenue estimates be reviewed.**

In closing, quick overview of Aquatics Replacement Capital Requests. Mumford's Roof scheduled for replacement, pool furniture, pool electronics, were highlighted. Some cost savings have been accrued by re-conditioning existing pool furniture.

General Discussion/Wrap-Up –

Homeowner property drainage efforts – Current list of 14 homeowners with sever drainage issues but no easement for OPA to address conditions. OPA trying to help with solutions, FEMA and MD Coastal Bays program may offer grants which could reimburse for engineering and other fees associated with mitigation.

Bainbridge Project Update – two-year start-to-finish timeline, \$549K grant money will be reimbursed to OPA by county as invoices are submitted, expect 3-week turnaround for funds distribution. OPA estimated \$300K contribution to project. Pubic Works will provide OPA mgmt. oversight of project. DNR expects a March 1st start date. Additional funding up to \$20K may be reimbursed for OPA mgmt. salary/expenses.

OPA Beatification Plan – GM tasked Colby to spearhead effort, first task new Cherry Blossom trees (\$1.7K) on Cathell Road. OPA Garden Club is assisting with planning. **B&F recommended mailbox cluster improvements should be included in any beautification plan.**

Meeting Adjourned at 12:08PM