

Summer 2011



DRUM POINT LIGHT

Drum Point Property Owners' Association

www.dppoa.org

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410-326-6148

DPPOA and Commissioners Working Together

Gary Heal, President of the DPPOA, and other members of the Board of Directors have met the Commissioners in an effort to bring them up to date on efforts being made by the Drum Point community to improve relationships and the transparency of the Board's efforts. These meetings also provided a forum so both the Commissioners and the Board of Directors can work toward more effective communications and working relationships.

One of the issues discussed was the allocation of Special Tax District (STD) funds from the 15 percent administrative cost ceiling as applied to the STD funds, requested by the Board of Commissioners last year, to a more accurate rate of 65 percent of the actual DPPOA costs. An evaluation of time spent by both the Board of Directors and the Community Manager indicated that 65 percent of the time spent by both is on either roads or stormwater management issues. This proposal will be formally presented to the Board of Commissioners for their formal approval this month (See pp 4 and 5 for more explanation on the budget).

Another issue being discussed is the State Highway User Fund Revenues (SHUR) Funds. Although these funds have been slashed at the State level over the past two years, efforts are being made to increase the amount allocated to the counties within Maryland.

Drum Point also discussed, in a Board meeting,

a short study on taxes, comparing the tax rate in North Beach to Drum Point. The study indicated that property owners of 10 Drum Point homes paid nearly \$10,000 more in taxes to Calvert County than 10 equally-valued homes in North Beach - \$27,219.00 paid by property owners in Drum Point versus \$16,984 for similarly valued homes in North Beach. When expanded to the approximately 900 homes in Drum Point, the difference could be more than \$1,000,000.

Drum Point may ask that a credit be given to Drum Point Homeowners on County Taxes equal to the amount of the Special Tax District Fee.

Other issues brought forward included some law enforcement issues including parking and speeding and use of All Terrain Vehicles on Drum Point roads.

The discussion also included the partnering of Drum Point with the County on Stormwater issues and in the implementation of the Total Maximum Daily Load (TMDL) levels being established at the State level. Although final requirements have not been firmly established, it is hoped that by early action, Drum Point will have a major role in establishing the rules for implementation.

Max Munger, DPPOA Treasurer will brief the Commissioners on the 2012 FY Budget, noting

President's Column

Gary Heal, President

DPPOA Board of Directors



As summer comes on, your Board of Directors has been busy. We have brought on a professional to help us manage our road and storm water management activities, Jeff McDonald. Jeff has been busy finishing up projects held over from the winter and looking at new issues to be addressed. We have developed a budget for 2012. You can find that budget on our web site www.dppoa.org. Click on the word Budget. Our Environmental Committee, headed by Amy Rispin, has been busy surveying storm water management issues and contributing with ideas to help reduce the Total Maximum Daily Load (TMDL) as required by Federal and State Law.

Things seem to have calmed down some politically. We still have some property owners who seem to want to have their say and of course, there are those who would have us do things their way. This is what makes our community, and our country great. We are here to run DPPOA the way the majority wants and welcome everyone's input.

Also, let me remind you again that you are always welcome to our Board of Directors meetings. The agenda is posted on the front page under "coming up" on our website at www.dppoa.org.

Gary

New Reserve Study Under Way

As part of the County's requirement to "spend down" the Reserve Funds set aside in previous years, Drum Point has used these funds for ongoing projects such as the "Snowmegadon" in January and February of 2010, and several major stormwater projects.

When the community voted to keep and maintain the 15 plus miles of roads in Drum Point under community control, it became evident that preparations for the future had to be considered.

As part of this, Miller-Dodson Associates of Annapolis was contacted to update the estimated requirements for Reserve Funding.

Reserve Funding is a planned spending and savings program to ensure that adequate funds are available to properly maintain the community and its assets. Although not required by the State of Maryland, some 14 states nationally do require that HOAs

establish reserve studies and funding. Statements on Reserve Funding are also required by many Associations in Maryland as well as most Accounting Principles (GAAP) and are recommended by the Community Association Institute, an advisory group for common-ownership communities.

The DPPOA Board of Directors has requested that Miller-Dodson place special emphasis on the effectiveness of the Road Rejuvenation Process implemented some 5-6 years ago as well as the need for stormwater management and environmental protection issues in view of new laws being enacted.

The study should be completed by the end of May and after review by the Board, will be available for review by the community in early June. This study will also be part of the new STD submission now being worked upon.

Oyster Seeding Planned

The Calvert County Environmental Commission and the DPPOA Board of Directors supports the Southern Maryland Oyster Cultivation Society (SMOCS) in their efforts to restore 1.5 million oysters in Mill Creek and Leason's Cove. This program is the result of observations by the Chesapeake Bay Foundation (CBF) volunteers that oysters grow well there. Oysters filter a large amount of algae from the water. Significantly increasing the number of oysters in Leason's Cove and Mill Creek to the level set by SMOCS will help reduce pollution in this important watershed.

This level of oysters would be enough to filter the water there on a weekly basis. Len Zuza, President of SMOCS, believes that it will take too long to reach the 1.5 million goal if SMOCS relies exclusively on local residents to raise oysters (Over the past three years, six individuals in Leason Cove have joined SMOCS and are currently raising some 60,000 oysters). SMOCS has obtained outside grants to augment the oysters that its members are raising by buying and planting seed oysters in Mill Creek and Leason's Cove.

Two new reefs will be created; one at Pancake Point, inside day-mark #4; the other in Leason's Cove, on the bar just west of the boat ramp, between the green buoy and shore, in four feet of water. SMOCS hopes to deposit shells in June, plant seed oysters in July or August, and plant residents' year-old oysters in September.

SMOCS wants to inform the Drum Point community about their plans in the Cove, hear opinions, and earn support for these locations. In order to more fully explain the project and get your input, SMOCS would like to meet with you on May 23rd at 7:00 p.m. at the Southern Community Center. All residents are invited to attend. Chris Moody, a SMOCS member who lives on Leason Cove and Len Zuza will be there to give a short presentation and answer your questions. Please contact Len Zuza at 410-326-0450 or Chris Moody at 703-298-8631 if you have any questions.

This program is an example of citizen activism at its best. It neither requests nor requires County funds, it engages residents and businesses in voluntary efforts to reduce pollution, and it makes Calvert County a more attractive place in which to live and do business. We applaud the undertaking.

Project Inspector

Jeff MacDonald Selected

The Board of Directors selected Jeff MacDonald as the new Project Inspector for Drum Point.

Although the concept of a professional Project Inspector has been discussed in the past, recent events brought the matter to the forefront. The opinion of the Board is that by using highly experienced professionals, projects such as stormwater drainage and road projects will be managed more efficiently. In addition, the complexity of these issues, with new Environmental Requirements, pointed out the need for more professional supervision. The Project Inspector will also provide the professional assistance needed in the drafting of Requests for Proposals and Contract oversight.

Mr. MacDonald has more than 30 years experience in managing road construction projects including parts of the Southern Connector and the Solomons Island Roundabout. He is a contractor with the Calvert County Department of Public Works.

Costs for his service will be based on a sliding scale, dependent upon the project costs. MacDonald's fee will be considered as part of the Capital Expenses under the Special Tax District.

Potassium Iodide Available

With the recent turn of events in the Japanese Nuclear Energy Program, there is a renewed interest in the Potassium Iodide pill program.

Under this program Potassium Iodide Pills were distributed to Calvert Residents for use should a radiation leak occur at the Calvert Cliffs Nuclear Plant. The pills that were distributed several years ago MAY HAVE expired. If you have potassium iodide tablets stored at home, be sure to check the expiration date on the container. If the pills have expired, you may contact the Calvert County Health Department at 410.535.5400 for information on replacing the pills.

The Potassium Iodide is effective only when used as directed and is only for protection from thyroid cancer caused by radiation.

2012 Budget and Explanations

The DPPOA Planning Committee met Thursday Dec 9th with Gary Heal, John McCall, Amy Rispin and Max Munger attending. Subsequently, on Dec 10th, the budget committee met (Present were Max Munger, Dennis Baker, and Tricia Powell). At these meetings, Treasurer Max Munger presented a proposed budget derived from prior year actual and estimated 2011 expenditures. The final budget proposal for 2012 includes:

- **Recommended restructuring of all Administrative, Operations and Maintenance, Capital and overhead categories are proposed for Board of County Commissioners (BOCC) approval (change in the Chart of Accounts).**
- **Road projects and major new Storm Water Management (SWM) projects are proposed for 2012, 2013 and 2014**
- **All STD Reserves are merged with STD funds held by the County.**
- **All road-related expenses charged to Covenants and STD line items.**
- **Recommend NO increase in DPPOA membership Dues for FY 2012**
- **Recommend Petition for the 5th STD (for initiation by July 1, 2012) by fall of 2011.**

Income fund changes

Covenant fees, Association Dues and STD 3a income levels are expected to remain the same through 2012. State Highway User Revenue (SHUR) receipts, if any, are expected to be minimal, estimated at only \$2000 yearly. Year-end cash and carryovers cannot be exactly determined at this time, but are estimated from 2011 budget amounts.

There are no planned DPPOA Reserve expenditures. Due to spend-down of previous Reserves and County holdings, 2012 STD income will be approximately \$200,000 less than STD funds available in 2011.

While spending is shifted among categories, there is no change to the 2012 STD budget overall. STD revenues will fall short of expenditures in 2013.

Covenant Expenses

Current year fees and carryovers will be ag-

gressively spent on Right of Way (ROW) expenses similar to the previous year while absorbing former SHUR budgets.

SHUR Expenses: Reduced

Due to the significant drop in State payments, there will be no SHUR funds budgeted. All expenses are to be absorbed in Covenant, DPPOA and STD items.

DPPOA Administrative Expenses: Shifting reductions of \$8000 in ~2012

- Administrative salary charges will be reduced by a recalculation - 35/65% with STD. ~\$5000
- Directors and Officers Insurance is paid by DPPOA. General liability is shifted to STD. ~\$3500
- New HOA attorney and legal fees recalculated with a shift to STD ~\$4000
- Meeting space rental eliminated. ~\$400 change Wednesday meetings to Saturday at Southern Pines Community Center.
- Newsletter shifted from STD and produced in-house. ~\$2400

DPPOA Operations and Maintenance Combined former road and non-road categories - Reduced ~\$5000

- D4xxx Community Maintenance items absorbed from STD and SHUR.
- Road items reallocated to STD.

Correction to Covenant Change Article

In the Spring issue, we published "As part of the contract signed between the Drum Point Property Owners' Association and the Calvert County Board of County Commissioners implementing the provisions of Special Tax District III, as amended, Drum Point was asked to: "Attempt to change covenants in order to be less dependent on voluntary dues."

The Article should have stated: As a consequence of the verbal discussions between the Drum Point Property Owners' Association and the Calvert County Board of County Commissioners, Drum Point's leadership decided to: Attempt to change its Covenants to become less dependent upon the Special Tax District.

How It Comes and Where It Goes

Cash Basis

2011 - 2012 DPPOA Budget *

As of 03 May 2011		2011	2011	2012
		Actual	Budget	Budget
Income Funds				
	Total Covenant Income	25689	23395	21268
	Total DPPOA Income	109957	108530	79360
	Total SHUR Income	17295	16218	2000
	Total STD Expendable Income	474129	468604	385166
	Total Income (Cov, Dues, STDs, SHUR)	627070	616747	487794
Expense Funds				
	Total C5000 Covenant Road Maintenance	4166	15600	16600
	Covenant : Total DPPOA	12%	25%	31%
DPPOA (Office, Admin & Staff)				
	Total D1000 Staff & Prof Svcs	11954	27250	17545
	Total D2000 Office Operation	604	1600	1400
	Total D3000-Other Admin	4183	6500	11850
	Total Admin Expense DPPOA	16741	35350	30795
	Admin:Total DPPOA	47%	56%	58%
DPPOA (Community & ROW Oper & Maint)				
	Total Community (Non-road)	4286	9150	5800
	Total Road Maint	0	1400	1000
	Total O&M Expense DPPOA	4286	10550	6800
	O&M:Total DPPOA	12%	17%	13%
DPPOA (Acquisition & Capitol)				
	Total Capitol Expenses DPPOA	14801	17475	15223
	Capital:Total DPPOA	41%	28%	29%
	Total DPPOA Expenses	35828	63375	52818
	DPPOA:STD	21%	26%	21%
SHUR ROW only				
	Total SHUR Expense O&M	14761	17350	2000
	SHUR : STD	9%	7%	1%
STD (Office, Admin& Staff)				
	Total S1000 Staff & Prof Svcs	26133	27350	35645
	Total S2000 Office Facility	8677	15100	11000
	Total S3000 General Admin	12644	21660	7050
	Total S4000 Non-Road Maintenance	690	4900	0
	Total STD Admin Expenses	48144	69010	53695
	STD Admin/Total STD	28%	29%	22%
STD (Community & Road O&M)				
	Total Community Maint	0	0	0
	Total Road Maint	22367	17000	41200
	Total STD O&M Expenses	22367	17000	41200
	STD O&M/Total STD	13%	7%	16%
STD (Capitol Projects)				
	Total STD Projects	102539	132450	115671
	Total STD Overhead	129	23300	39134
	Total STD Capitol Expense	102668	155750	154805
	STD Capital/Total STD	59%	64%	62%
	Total STD Expenses	173179	241760	249700
	Total Expense	227934	338085	321118
	Net Difference	399136	278662	166676

* For a complete (line item) budget go to www.dppoa.org.

Slate of Candidates for

Dennis Baker

A clear thinker and entrepreneur, with over four decades of senior management experience, Dennis Baker has developed his own for-profit company, as well as directed and implemented significant organizational change, financial stability and large-scale capital programs for three prominent American Zoological Institutions.

While employed full-time, he served in senior business management positions at the Wildlife Conservation Society (Bronx Zoo), Zoo Atlanta and the Friends of the National Zoo. He provided consulting services to the industry during the years 2000-2008, focusing on earned revenue and business management needs.

Dennis earned a M.Ed. in Higher Education from Indiana University; and began his professional career at Towson State University as Director of Student Financial Aid. After serving in the U.S. Army, both in Europe and Vietnam, he created and administered a regional outreach career and educational counseling program for Vietnam veterans. He has also coached football at the community college level.

In retirement, Dennis, and his wife, Emalie, have resided in Drum Point for over five years. During this period, he was a member of the DPPOA Board of Directors, and, more recently he's been serving as Ombudsman for the community.

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the expenditure of what had been Drum Point's Reserve Funds. Ideas for a new Special Tax District for FY2013 and 2014 will also be presented to the Commissioners.

The DPPOA Board of Directors is in the planning phase of what will be called STD V which is planned for a two year period. Major emphasis on the proposed STD will be Road Rejuvenation and Stormwater management issues, especially on Riverview Drive and the Anchor Drive Pond where excessive silting is beginning to fill the area.

Bob Boxwell

I have been a resident of Southern Maryland for 41 years and lived in Calvert County for 11. My wife, Joanne, and I moved into Drum Point in September of 2009. We enjoy the wildlife, the water, live local music, our yoga classes and friends.

I have two bachelor's degrees; the first from the University of Maryland way back in 1976 and the second from St. Mary's College in 1997. After five-plus years in the education department at the Calvert Marine Museum, I moved on to my current position as Executive Director of Cove Point Natural Heritage Trust. The Trust is a Bay oriented non-profit organization, with environmental education as one of our areas of activity.

For the past ten months, I have served on DPPOA's Environmental Committee. I like our community and have seen some of the effort that goes into keeping it in good shape. Most of us live in the Bay's Critical Area. I would like to help make this community aware of how special a place we live in and what we need to do to keep it that way.

Right now, it seems like all the news is about the economy, and our community is more than just roads. We need to balance our funding to allow more flexibility in dealing with community resources.

Yard Sale & Community Clean-Up

The usual crowd came out for the Yard Sale and Community Clean-up, April 30 and May 7 respectively. Please remember to check this newsletter and the website (www.dppoa.org) for information on these and other community events.

The community extends its appreciation to Barbara and John Porter for organizing the yard sale. The \$10.00 donation, requested for a table at the vacant lot across from the office, brought in \$60.00, for the SMILE Food Pantry.

Thanks also to those of you who donated time to help out at the clean-up bins, especially Margaret Pinti and Jimmy Volonakis. With spring here, lots of people cleared out their attics, basements and yards. We filled 1 dumpster with metal and 2.5 with trash to be taken to the dump.

2011 Board of Directors

Dale Maxwell

Well, friends and neighbors, my first year on the DPPOA Board has been a real learning experience. We have faced many challenges this year and I am sure there will be more in the future. I have concerns about the economy affecting our ability to generate needed funding. A good number of our neighbors are hurting, facing repossessions, and losing their homes. This is the time to be very careful with the money we are spending. I feel it is not the Board's money but our money, and we need to use it wisely.

I would like to see more outreach to the people of Drum Point in order to help "grow" a sense of community and neighborliness. It takes time, but it is something that would benefit all of us.

Now that I have one year of board experience, I would like to propose that the Board sponsor at least ONE EVENT for teens. There would be little expense. All we need would be a few volunteers and FOOD!! I think that reaching out to them might just help them develop a sense of pride in our community, and who knows, they might just put their muscles to work helping the community.

As part of my Board responsibility, I have met and spoken with Sheriff Evans concerning traffic and speed control. I believe we need more police presence, especially at night.

I have enjoyed my first year on your Board of Directors and hope you will support me in my efforts to continue to serve the community.

Vote Scheduled for June Mtg

The Drum Point Property Owners' Association Annual Budget will be presented at the June Meeting for approval by the community. A copy of this budget is on page 6, and the fully expanded version is posted on the website at www.dppoa.org.

Amy Rispin

My husband and I have two grown children; we have owned a home at Drum Point for 25 years, which we use for vacations and weekends. This provides a special perspective to my participation on the DPPOA Board. As my neighbors can tell you, I am a devoted gardener and love to swim and hike.

I bring 31 years experience in the Federal Government as a senior scientist, leading the United States in international negotiations for harmonization of environmental and health standards. Currently retired, I find that membership on the DPPOA Board, and volunteer work as a museum docent, more than fill my time.

What I bring to DPPOA as a Board member

I will continue to run on a platform that emphasizes consensus building for Drum Point as a civil community, taking all points of view into account. My record during my eighteen month tenure on the DPPOA Board stands for itself in that regard.

Under my leadership, the DPPOA Environmental Committee was established so our Board takes into consideration good stewardship of the things that make Drum Point Special to so many of us: fishability, boatability, and swimmability.

We are incorporating good stormwater management into our road and other operations. We have endorsed SMOCS' installation of oysters in Leason's Cove and Mill Creek and successfully applied for Free Trees from the County to stop erosion in common-ownership areas.

Most pressing issues facing our community

The DPPOA Board has a responsibility to operate in a civil manner and represent all points of view in our community.

This is the only way we can successfully manage Drum Point affairs, including management of our roads and other infra-structure in a self-sustaining manner. I am a moderate on the board and believe my consensus building skills can contribute to these goals.

General Membership Meeting

June 11, 2011

Balance of 2011 meetings to be announced

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.

General Membership Meeting

Agenda

Saturday

June 11, 2011 - 7:00 p.m.
Southern Community Center

Call to Order

Guest Speaker - Sheriff Evans

President's Remarks

Approval of Minutes

2012 Budget Vote

Treasurer's Report

Old Business

New Business

Public Comments

Adjournment



Drum Point Property Owners' Association

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