

Bel Pre Recreational Association (BPRA) Board of Trustees

Minutes of Meeting of February 1, 2022

1) Call to Order and review of teleconference guidelines

President Purdy called the meeting to order at 7:32 p.m. The meeting was held by teleconference, with the teleconference participation guidelines in place.

2) Roll Call

Secretary Swan called the roll. Board members present were President Karen Purdy, Vice President Mark Foraker, Treasurer Dave Pullen, Secretary Chris Swan, Ted Bechtol, Steve Jennison, Rodney Oo, Claire Pak, and Maria (Cookie) Stagnitto. BPRA members Elliot Chabot (Governing Documents Committee Chair) and Trisha Wells also were present. There was a quorum. Secretary Swan took the minutes.

3) Approval of Agenda

Purdy presented the proposed agenda for the meeting. Pak moved that the agenda for the meeting be approved. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

4) Statements by Association Members

BPRA members were invited to speak on any items. No statements from association members were made.

5) Approval of Minutes

Purdy presented the minutes of the January 4, 2022, Board meeting. Swan moved that the minutes be adopted with the correction that in item 18, “February 2” be replaced with “February 1”. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

6) SBPCA/electronic Bugle distribution project

Purdy introduced Wells and noted that the Civic Association has not yet taken a position on Well’s proposal and is looking into the details. Well’s presentation is being made to the BPRA Board as a courtesy, to keep the Board aware of future possibilities. There is a long history of the BPRA helping the Civic Association with their projects and the Civic Association helping the BPRA with its projects. Purdy recommended that the BPRA board should not be taking any formal position on what is presented tonight until the Civic Association has had a chance to complete its review and decides what direction it wants to go.

Wells then presented her proposal that – in addition to the current printed and PDF versions of *The Bugle* – there also be an electronic version in blog style (basically, an electronic table of contents that would link to individual articles). Her proposal also included her management and distribution of an electronic *Bugle*, in lieu of a paper copy, per each homeowner’s preferences. Issues raised by this proposal included:

- Potential changes in the printing costs, allowing a bulk mail distribution possible;
- Allowing members of the community to choose which format(s) they want to receive *The Bugle* in – recognizing that some community members may want to receive *The Bugle* in more than one format;
- How to maintain the list of which formats go to which community members;
- Keeping track of when members of the community leave and when new members of the community arrive and integrating this into the list;
- Treatment of renters versus owners;
- Making sure that advertisers' interest are protected;
- Providing the distributors of the paper version of *The Bugle* with a method of letting them know which houses to provide the paper version, that will not increase the workload of the distributors; and
- Protecting the integrity of *The Bugle* for posterity as the newspaper of record for our community.

7) Physical Facilities

Deferred to the March 1 Board meeting.

8) October Board meeting date change

Purdy noted that the Board's October meeting is currently scheduled for Tuesday, October 4, the night of Yom Kippur, and recommended that the meeting be rescheduled for either Monday, October 3, or Thursday, October 6. Pullen expressed a preference for October 6. Purdy moved that the October 4 Board meeting be moved to October 6. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

9) Reserve Study

Purdy reported that PM+Reserves (the firm given preliminary approval by the Board on January 4, 2022) responded promptly and positively to the 8 issues raised in Pak's January 20 letter. The Board discussed PM+Reserves' responses and related issues, including verifying that:

- The 60 days in the proposal is within the timelines set out in the BPRA Request For Proposals (RFP);
- The on-site inspection by PM+Reserves will be coordinated with the schedules of Grounds and Landscaping Coordinator Bechtol, Tennis and Pickleball Courts Committee Chair Pullen, and Pool Property Helpers Coordinator Joe Moeller;
- PM+Reserves will, as requested by the Board, break out the components of the bathhouse (roof, electrical, etc.);
- A cash flow calculation will be provided by PM+Reserves; and
- PM+Reserves is aware of – and will comply with – the Maryland State requirements for Montgomery County.

Pullen moved that the Board approve PM+Reserves' level 1 revised proposal. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

10) Georgetown Aquatics contract extension/renegotiation

Pool and Recreational Facilities Committee Chair Stagnitto reported that Clark Baugher (owner of Georgetown Aquatics) would like to renegotiate their contract with BPRA for maintenance and operation of the pool – due particularly to the increase in the County’s minimum wage and previously unexpected, potentially high increases in insurance costs. It was the consensus of the Board that Georgetown Aquatics will need to provide a detailed itemization of the unexpected costs before the Board can evaluate and consider the request.

11) SBP Dolphins 2022 Calendar

Pak reported that June 15 is currently scheduled to be the last day of the Montgomery County Public Schools’ school year. The Strathmore Bel Pre Dolphins Swim Team has tentatively set their calendar as follows:

- Blue/White Meet – Saturday, June 11
- Up to 5 “A” meets to be held on Saturdays from June 18 to July 15
- “B” Division Championship – Saturday, July 23
- Awards Banquet – Wednesday, July 27 (with tables on the grass, near the pool and the shed because of COVID rules)
- Pasta Parties on Fridays in the grassy area.

The Head Coach candidate that the Dolphins is considering has suggested moving morning practices to 8:15 to 11:30 and to move afternoon practices so that they would end at 7:00 p.m. Under this plan, afternoon practices would take place on Mondays, Tuesdays, and Thursdays, and “B” meets would be held on Wednesdays. One lane would be kept open for adult swim during the afternoon practices (before 6:30 p.m.) and 2 lanes would be kept open after 6:30 p.m. Stagnitto (who teaches the water aerobics classes) pointed out that Swim Team use of the pool until 7:00 pm would interfere with water aerobics classes. Pullen believes it essential that the BPRA try to re-engage with the senior community, so that it sees the benefit of Association membership and the various ways it can benefit from using the pool.

Pak moved that the Board authorize the Swim Team to use the pool for the Blue/White Meet (June 11), the “A” meets (each Saturday from June 18 to July 16), and the “B” Division Championship (July 23), provided that the pool will be open for use by BPRA members by noon each day. Some of the “A” meet Saturdays will not be needed, if they are away meets. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

Pullen moved that, subject to COVID-19 rules, Swim Team practice is authorized at the pool from 8:15 to 11:30 a.m. on Mondays through Fridays, provided that the pool will be open for general use by BPRA members by noon, as has been the historical practice. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

Purdy (who is the Swim Team’s A Meet Manager) moved that visiting teams, including parents and supporters, be permitted to be at the pool during meets. The motion was seconded, discussed, and

approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, and Stagnitto, in favor, and Swan opposed.

12) Financial Audits

Audit Coordinator Foraker reported that the BPRA's current auditor (Frank Hajek & Associates) strongly feels that § 501(c)(7) classification is not appropriate for the BPRA and that a § 501(c)(7) organization audit would cost \$6,000 to \$8,000 per year, instead of the \$995 contained in the current contract between Hajek and the BPRA – which Hajek had calculated on the assumption that the BPRA was classified as a § 528 organization, which he states is more typical for an HOA. Governing Documents Committee Chair Chabot noted that the Internal Revenue Service issued a Letter of Determination in 1975 classifying the BPRA as a § 501(c)(7) organization and had confirmed the BPRA's § 501(c)(7) status in a 2006 audit. Chabot also noted that the BPRA Board had fought hard to keep its § 501(c)(7) status in 2006 because it provides more favorable tax treatment than § 528. Most HOAs are not eligible for § 501(c)(7) status, because § 501(c)(7) organizations are not permitted to enforce “covenants for the preservation of the architecture and appearance of the housing development”; however the BPRA is not involved in such covenants, except to offer informal dispute resolution assistance for neighborhood disputes. Oo offered to have a friend of his, who is knowledgeable in the tax field, provide a third opinion at no cost to BPRA.

After further discussion, Foraker moved that the Board authorize getting quotes for the cost of obtaining:

- Copies of the 1975 and 2006 IRS determination Letters and any supporting documentation;
- An independent, legal opinion on the propriety of BPRA's tax classification; and
- Conducting financial reviews for FY17 to FY20 in lieu of audits per se.

The motion was seconded, discussed, and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

13) Budget & Finance

a. Monthly financial statements

Treasurer Pullen reported that the monthly financial statement for January has not been completed yet because of the work to complete the transition fiscal year (March 1 to December 31, 2021) that resulted from the General Membership approval of the By-Law amendment changing BPRA's fiscal year to the calendar year. Pullen hopes to have the January 2022 financial statement to the members of the Board by next week.

Pullen reported that the Association has roughly \$7,800 in checking and \$178,000 in money market accounts and this is more than sufficient to meet all business needs through the end of March (by which time most of the 2022 annual assessment payments will have been received).

Pullen reported that the mailing of the annual assessment letter cost \$779, which was less than the amount authorized by the Board. Purdy reported the 31 households have already paid their assessments electronically.

b. Delinquent accounts

Pullen reported that the number of delinquent accounts continues to shrink. Thomas Schild Law Group has recommended filing a lawsuit against a household that has 2 years' of arrearages, and has not responded to any of Schild's communications. Pullen moved that the Treasurer be authorized to complete the necessary paperwork formally authorizing Schild to go forward with the recommended law suit. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

c. FY change application (By-Law amendment) tax return filing

None.

d. Other items

Pullen reported that SunTrust currently charges the BPRA for every check we receive over a certain number per month. Pullen indicated that he is trying to get the BPRA's account upgraded to eliminate this fee, but SunTrust has suspended any/all account changes until it rolls out updated account definitions/options (resulting from its merger with Truist). New account definitions and options are scheduled for rollout beginning February 22. After reviewing the new choices, either a more favorable account option will be pursued within Truist, or the Board may wish to consider changing banks if more favorable terms are available.

Pullen also reported that he is conducting a due diligence review of the bookkeeper that he will be recommending to the Board for the Bookkeeper position. To cover the gap until the new bookkeeper starts, Pullen moved that the Board authorize up to \$200 for Rita Vaught for interim bookkeeping services. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

14) Committee Reports —

a. Questions about reports

None.

b. Entertainment and Recreation – Spring Thing

Entertainment and Recreation Committee Chair Swan recommended that the Spring Thing be held on May 14 (with May 15 as the rain date). Stagnitto and Pak are the coordinators of the event. Swan moved that, subject to COVID-19 rules, the Spring Thing be held on May 14 (from 2 p.m. to 4 p.m.) with May 15 as the rain date. The motion was seconded and approved, with Bechtol, Foraker, Jennison, Oo, Pak, Pullen, Purdy, Stagnitto, and Swan in favor, and none opposed.

15) Other Business

Jennison raised the question of whether, depending on COVID-19, we should have a snack bar in 2022. Oo indicated that he took a financial loss on the snack bar last summer, but is willing to do it again – though he would like to re-negotiate the hours of operation. Purdy noted that the Board will discuss the snack bar in coming months.

Purdy reported that she has received a complaint about a very large sign at the intersection of Village Lane and Beaverwood Lane, which is likely in violation of the County Sign Ordinance. Pullen noted that complaints to the County Government concerning the sign should be done by individuals, not by the Association, and that there is an on-line form and process for easily doing so.

16) Adjournment

There being no further business, the meeting was adjourned at 9:21 p.m. The next regular monthly Board meeting is scheduled for Tuesday, March 1, 2022, at 7:30 p.m., by teleconference.

Respectfully submitted,

-- Chris Swan, Secretary