

# Bel Pre Recreational Association, Inc. – Board of Trustees Meeting October 3, 2023

1. Call to Order
  - Karen Purdy called the meeting to order at 7:32 PM.
2. Roll Call
  - Claire Pak took attendance.
  - The following Board members - Karen Purdy (President), Jay Staggs (Vice President), Dave Pullen (Treasurer), Claire Pak (Secretary), Ted Bechtol, Steve Jennison, Rod Oo, and Patrick Welteroth - were present when the meeting was called to order. Andy Popadich arrived at 8:15, part way through Item 12.
  - Association members Elliot Chabot (Governing Documents Committee Chair), Christine Swan, and Charlie Meininger (candidate for election to the Board) were also present.
3. Approval of Agenda
  - Jay Staggs offered a motion to approve the agenda. Steve Jennison seconded.
  - Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. The agenda was approved.
4. Conflict of Interest Disclosure
  - Karen Purdy read the standard request for COI disclosures: Based on the agenda just approved, or any new business that a Trustee intends to raise at this meeting, does any member perceive the need, or intend, to declare a conflict of interest, as that term is defined in the BPRA Conflict of Interest Policy, with any item proposed for discussion or decision at this meeting?
  - Karen acknowledged previously declared conflicts by Jay Staggs and Claire Pak, whose children are employees of Georgetown Aquatics.
  - No other conflicts were disclosed.
5. Statements by Association Members
  - Karen Purdy opened the floor for statements by Association members.
    - i. Governing Docs Committee Chair Elliot Chabot introduced himself and said that he will explain the proposed by-laws amendment (item 7) and Plan of Organization update (item 8).

6. Approval of Minutes (September 12, 2023 Board Meeting)

- Jay offered a motion to approve the September 12, 2023 meeting minutes. Steve Jennison seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. The minutes from the September 12, 2023 Board meeting were approved

7. Proposed By-Laws Amendment

- Governing Docs Committee Chair Elliot Chabot provided a brief overview of the Commission on Common Ownership Communities (CCOC) rule change, which allowed communities to use electronic platforms to hold remote meetings during the COVID-19 pandemic. In accordance with this CCOC provision, BPRA did switch to electronic meetings. However, our bylaws do not contain any provision for electronic meetings. CCOC has now declared that its authority to permit electronic meetings is no longer in effect. Under the Maryland Homeowners Association Act, Associations are permitted to continue holding meetings via electronic platforms. However, the Act also specifies that when elections are held remotely, Associations may count only the votes of people who actually attend the meeting. Our practice has been to mail paper ballots to Association members, and count ALL ballots returned by the deadline, whether or not the member casting the vote attends the Annual Meeting.
- Elliot explains that if we continue holding electronic meetings citing the Maryland Homeowners Association Act as our authority to do so, then we must comply with all of the Act's provisions - this means that we would NOT be able to count ballots returned by mail, unless the voting member attends the Annual Meeting.
- In order to allow BPRA to continue holding electronic meetings, the Governing Docs Committee is proposing a new bylaw that authorizes electronic meetings, and authorizes BPRA to count all ballots cast regardless of whether or not the member attends the Annual Meeting.
- On behalf of the Governing Docs Committee, Elliot asked the Board to approve the wording of the new bylaw. This is not a vote to approve the bylaw amendment itself; rather, it is a vote to advance the proposed bylaw amendment to the membership for an up or down vote. If approved by the full membership, this amendment will take effect in 2024; it will not affect the 2023 Annual Meeting.
- Karen thanked Elliot and the Governing Docs Committee on behalf of the Board.
- Karen asked for a motion. Dave Pullen moved to approve the wording of the bylaw amendment and to advance it to the membership for consideration. Jay seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. The motion passed, and the bylaw amendment will be included in the ballot for an up or down vote by the membership.

- Dave asked for language that we can use to explain to the members. Karen asked Elliot to provide high-level bullet points, with an emphasis on the Board's wish to count all members' votes. Elliot agreed.

#### 8. Plan of Organization Update

- This update **will** impact this year's election. Under the Plan of Organization's old (pre-2020) rules, all meetings were held in person. The COVID-era (2020 and beyond) temporary rules relied on the CCOC's broad, temporary authority to allow electronic meetings. That authority no longer applies/
- On behalf of the Governing Docs Committee, Elliot proposes a new Section 406 (401 is 2020; 405 is post-COVID) that would apply only for this year, acknowledging that we are operating under a combination of our existing bylaws and CCOC's COVID-era rules. Section 406 will incorporate the new state law regarding eligible ballots (meeting attendees only), and will be in force only for 2023.
  - i. Karen asked if the new bylaw passes, will we need to update the PoA again? Answer is yes.
  - ii. Karen thanked Elliot again on behalf of the Board.
- Elliot's proposal was taken as a motion. Jay, Ted. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. The amendment to the Plan of Organization was approved.
- Elliot acknowledged the Board's thanks and emphasized that the entire Governing Docs Committee contributed to the bylaw amendment and the Plan of Organization update.

#### 9. Annual Meeting and Town Hall

- The Annual Meeting is scheduled for 11/16. The Town Hall is scheduled for 12/5.
- John Bogasky will pull a participant list from the Zoom call as a back-up for the Secretary's attendance record.
- Dave explained that the motion for the bylaw amendment and the notification to membership of the Plan of Organization update may add an additional page or two to the annual mailing, which will drive up the cost. Dave has already requested an estimate for the additional costs but has not yet heard back from Mailings Unlimited. Until he has an updated estimate from Mailings Unlimited, he will not know if the previously approved budget of \$1200 will be sufficient.
- Dave requested that we consider increasing the approved mailing budget to \$1400 (an additional \$200). This was taken as a motion. Jay Staggs seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. Dave is authorized to spend an amount not to exceed \$1400 to cover printing and delivery of the annual mailing.

- Jay asked what happens if we fail to achieve a quorum (10 percent of the membership). If this occurs, we will postpone the election and bylaw vote until the Town Hall, when the quorum is only 36 households.
- Elliot explained that we can also follow the quorum provision in the Maryland Homeowner Association Act, by which whoever shows up constitutes a quorum, as long as sufficient notice is provided in advance of the meeting. The annual mailing and a notice on the website would constitute sufficient notice.
- Notice to the membership regarding the quorum must make specific reference to the provision in the Maryland Homeowner Association Act. BEFORE the general meeting, we must notify members that in accordance with the Maryland Homeowner Association Act, if we fail to achieve a quorum at the Annual Meeting, then we will postpone voting until the Town Hall, and that attendees at the Town Hall will constitute the quorum.
- Dave moved that the BPRAs follow the new Maryland Homeowner Association Act quorum provision. Jay seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed. Homeowners will be notified in the annual mailing, and via a notice on the website.

#### 10. BPRAs Board Nominations

- The nomination deadline was yesterday, Monday, October 2. There are three nominees (Claire Pak, Christine Tyler Pell, and Charles Meininger) for three open seats.

#### 11. Draft Five-Year Plan

- Karen distributed the Plan in advance of the meeting.
- Historically, we have been able to complete necessary maintenance for less than the amount estimated in the Reserve Study.
- Our current plan provides for a new pool white coat in 2028, but it could be earlier if Georgetown Aquatics recommends doing the work sooner. If we replace the pool tiles and coping stones at the same time, the price would increase.
- Claire Pak offered a motion to adopt the Five-Year Plan. Ted Bechtol seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, and Jennison voted in favor. None were opposed, and the Five-Year Plan was adopted.
- Karen will review recent reserve fund expenditures (2022 and 2023) and set up a spreadsheet comparing recent expenditures to Reserve Study estimates.

#### 12. FY 2024 Budget

- Dave sent the draft budget to the Board on September 26, 2023. Dave expressed his thanks to the Budget Committee for their work.
- Dave reminded us that we are not adopting a budget tonight. Rather, we are approving a document to distribute to the membership.
- We reviewed the budget in detail.

- i. Dave explained that assessment revenue does not cover pet waste station costs, and that donations received thus far this year are not sufficient to cover the costs. We will need to raise additional funds to cover the pet waste station, and to ensure that members understand that the station is funded solely by donations and non-assessment revenue such as pool guest fees..
- ii. Dave reminded us that Civic Association memberships and Dolphins donations are “in and out” (pass-through) revenue - we collect the donations and membership fees, and pass them on to the respective organizations. The Dolphins and Civic Association contribute proportionally to mailing costs (based on the number of pages they include in the annual mailing).
- iii. Dave reminded us that the majority of our revenue (over 90 percent) comes from assessments, and that under our accounting method, we recognize revenue when we EARN it, not when we receive it.
- iv. The draft budget assumes that we will implement the fourth step increase approved by the membership in 2019 - assessment will rise to \$400.
- v. Dave reminded us that bookkeeping costs do not reflect market value - a community member performs this task at a significantly reduced rate. This is not a long-term solution, and we need to plan for realistic bookkeeping costs. The draft budget reflects an increase in bookkeeping costs.
- vi. Ongoing expenses include Georgetown Aquatics, eSoft Planner, GSuite.
- vii. The draft budget assumes an increase in insurance costs - based on recent increases and trends, rates are likely to rise ~\$1,000.
- viii. Budget includes financial planning costs
- ix. Budget still reflects meeting expenses - although we do not have to pay for meeting facilities, we need to keep this line item as a placeholder in case it becomes necessary to book meeting space to hold in-person meetings.
- x. Budget accounts for the CCOC fee increase from \$5/property to \$6/property.
- xi. Budget accounts for expected increases in postage fees.
- xii. Professional services - attorneys’ fees are higher than budgeted this year. New budget reflects this increase. Note that we front-end the cost of recovering delinquencies. We started the year with 106 delinquencies; down to 18.
- xiii. Bathhouse and pump room study - this has been in the budget for several years. Expect to proceed in 2024. Dave asked for confirmation that costs for the study are paid from Operating funds and any work resulting from the study would come from the Reserve fund. Karen confirmed that this is correct.

- xiv. Costs for pool supplies (chemicals) were higher than anticipated in 2023. New budget reflects expected additional increases
- xv. Utility costs (especially water) continue to increase, and the budget reflects these increases.
- xvi. Repairs - budget accounts for both anticipated and unexpected repairs.
- xvii. Budget does not include snack bar revenue - the Association does not earn revenue from the snack bar.
- Jay Staggs offered a motion to advance the draft budget to the membership. Ted Bechtol seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, Jennison, and Popadich (who arrived at 8:15 and was present for this vote) voted in favor. None were opposed. The draft budget document is approved to move forward to the membership for review.

### 13. Budget & Finance

- Monthly financial statements will be ready for review in about 10 days.
- Delinquent accounts. Started with 106. Cleared 88. 12 in payment plan negotiation. Six to move forward to Thomas Schild Law Group (the BPRA's legal counsel, hereinafter referred to as "Schild"). Two of the six are less than \$60. Dave will hold these two in the hopes that we can collect them in the next week or so. The other four accounts will be referred to Schild now.
- A homeowner is asking us to waive interest and late fees on his account. He does not occupy the property, and sold it in August. There was also a fire at the property. According to the bylaws, whoever owns the property when the assessment is due (March 1) is responsible for paying the assessment. The homeowner claims not to have received the notice. He has owned the property since 2004. The total due is \$478. After some discussion, Steve Jennison moved to deny the request. Jay Staggs seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, Jennison, and Popadich voted in favor. None were opposed. The property owner's request for relief was denied. Dave will notify him and give him a week or so to pay before we refer to Schild.

### 14. Committee Reports

- Karen opened the floor for questions about the reports. There were no questions.
- Recreation and Entertainment
  - i. Chris Swan reported on Blocktoberfest. Paulette Ladas may supply some adult beverages. Rod Oo will make brats. Kye Pak obtained the permit. Chris needs help with set-up and breakdown. Dolphins are welcome to sell spirit wear. Start time 3 PM, set up beginning at 2.
  - ii. Chris reported on Trunk or Treat, scheduled for Saturday October 28 5 to 7 PM. Chris needs help getting into the parking lot and closing up after.

- Grounds and Landscaping
  - i. Funds requests. Ted is requesting funds not to exceed \$600 for fall fertilizing and seeding. Tree work approved at the September meeting is scheduled for October 23. Jay moved to approve. Claire seconded. Purdy, Staggs, Pullen, Pak, Bechtol, Welteroth, Oo, Jennison, and Popadich voted in favor. None were opposed, and the funds request for \$600 for fall fertilizing was approved.

#### 15. Other Business

- Dispute Resolution. Patrick Welterorth reported on an issue he assisted with. A homeowner's neighbor has an RV and a number of commercial vehicles parked on their driveway, grass, street. There is frequent litter from the commercial vehicles. The homeowner has not approached the neighbor about this issue, but had previously approached him about an off-leash dog and the neighbor was not cooperative. Patrick drove past the property and confirmed the homeowner's complaint.
- Steve suggested 311 as a first step. It is illegal to park an RV on a residential property for more than 72 hours. Also illegal to park any vehicle on the grass. Patrick wonders if we can provide any additional assistance, but agrees that 311 is the appropriate first step. Patrick will notify the homeowner and will also call 311.

#### 16. Adjournment

- The meeting adjourned at 8:50 PM.
- Next meeting - November 7, 2023, via Zoom