

Birchwood Lakes Community Association, Inc.
Regular Board Meeting Minutes
October 14, 2014 @ 7pm

Present: Clare Bennett, President; William Wagner, Vice President; Carolyn Martin, Secretary; Marcella Livingston, Treasurer; Anthony Palma, Assistant Treasurer; Directors Joanne McInerney, Eugene Jarvis, Thomas McConnon.

Absent: Director Michael Moffa

Also Present: Carrie Ridner, Community Manager; Linda Schwall, Administrative Assistant

President Bennett opened the meeting at 7:00pm with the Pledge of Allegiance.

APPROVAL OF THE MINUTES FROM PRIOR MEETING:

- September 16, 2014 Regular Session Board Meeting Minutes

Motion to approve the September 16, 2014 Regular Session Meeting Minutes made by Director McInerney, seconded by Director Jarvis. All in favor. Motion passed.

- Action Without A Meeting September 23, 2014

This Action Without A Meeting is to approve the transfer of \$1,000 from A/C# 6110-003 Recreation Payroll to A/C 7430-003 Recreation Environmental Services for payment to Microbac Labs for water testing. All Directors were contacted. All Directors voted yes.

- Action Without A Meeting September 24, 2014

This Action Without A Meeting is to authorize board members, Eugene Jarvis, to look at the BLCA/Grafke septic system to determine condition. This would be done at no cost to the Association. Findings to be presented at the October Board of Directors' Meeting. All Directors were contacted. One Director abstained because of his direct involvement; three Directors were unavailable. All other Directors voted yes. Motion Passed

Motion to approve the above Actions Without A Meeting made by Vice President Wagner, seconded by Secretary Martin. All in favor. Motion passed.

TREASURER'S REPORT:

Assistant Treasurer Anthony Palma presented the bank balances and the income and expenditure reports. (Copies available at the office)

Write-Offs:

At the board meeting on May 9th, 2014 the Board approved to write off \$9071.01 on Lot 10, Block 33, Section 5 due to the fact that it was in Repository. As it was erroneous information that caused the county to place this lot in Repository, Board permission is requested to reverse this write off.

Lot 10, Block 33, Section 5 (reversed due to error) \$9,071.01

Motion to approve the above write-off made by Treasurer Livingston, seconded by Secretary Martin. All in favor. Motion passed.

Lot 36, Block 9, Section 2 (write off requested due to foreclosure) \$4,617.89

Lot 15, Block 47, Section 6 (write off requested due to settlement) \$9,987.86

Lot 10, Block 33, Section 5 (write off requested due to Sheriff Sale deed correcting prior Sheriff Sale deed recorded 7/29/08) \$ 873.24

Lot 11, Block 33, Section 5 (write off requested due to Sheriff Sale deed correcting prior Sheriff Sale deed recorded 7/29/08) \$1,563.24

The following write offs/adjustments are requested to correct the charges on the above two accounts per the recording of the corrected deed:

Lot 10, Block 33, Section 3 (Lot Improved lot charged full dues per original deed)
\$5,854.97
Add Lot Improvement Surcharge \$ 250.00

Lot 11, Block 33, Section 3 (CIF charges for transfers that were not legal)
Deduct CIF charges \$2,150.00

Total Write Offs \$25,047.20

Total Additions Lot Improvement \$250.00

Director McInerney noted that the Section Number on the two written as Lot 10, Block 33, Section 3 is incorrect and should be amended to Lot 10, Block 33, Section 5.

Motion to approve the above write-offs with the amendment from Lot 10, Block 33, Section 3 to Lot 10, Block 33, Section 5, made by Treasurer Livingston, seconded by Vice President Wagner. All in favor. Motion passed.

Budget Transfers – None

Collections – Treasurer Livingston provided an update on the collections status. Community Manager, Carrie Ridner, distributed copies of the procedure established for hardship payment plans for Board review and approval. One of the key elements added to the procedure is that hardship plans will require that the lien be filed after 2 months of missed payments and that failure to adhere to the hardship plan may result in sheriff sale.

Motion to approve the hardship payment plan procedure made by Treasurer Livingston, seconded by Director McInerney. All in favor. Motion passed.

MANAGER'S REPORT

Carrie Ridner, CM, provided the Manager's, Maintenance and Public Safety Reports (attached).

COMMITTEE REPORTS

Community Safety – Director Jarvis informed the board the committee will meet within the next two weeks.

Road Construction & Maintenance – Director Jarvis, with Vice President Wagner, informed the meeting that the committee met recently to discuss the status of the road projects. They noted that the committee would like a list of culvert pipe locations and their condition in order to get vendor pricing to have them cleaned.

Beautification – Director McConnon reported that the committee had informal discussions through email. The committee is suggesting the jersey blocks at the 739 entrance be concealed more attractively. The committee members noted the repair of the bulletin board at the 739 school bus stop area and suggested we similarly repair the other bulletin boards throughout the community.

At this point of the meeting, President Bennett stated that while the By-Laws state that each committee should have at least three members, one being a board member, it does not address quorums at committee meetings. She shared that it is often difficult to get members together and that she thought email communications were a good option in those circumstances.

Lake Management – Director McConnon reported that the Spotlight on the Lakes Seminar had a very disappointingly low turnout and it is likely this seminar will be discontinued in the future. He informed the board that the committee is recommending pontoon boats not be allowed on our lakes due to their size and the size and depth of our lakes. President Bennett noted this would be sent to the Governing Documents Committee. The committee also suggested we continue next spring/summer season with the same lake treatments and that additional grass carp be added to another of our lakes. The committee noted that we now have three boats and we are looking for another one so that we have one for each of our lakes; they also recommended the purchase of a small electric motor.

Finance, Budget & Contracts – Treasurer Livingston shared that the next meeting of the committee will be October 16th @ 6:30pm at the conference room to continue discussions on the 2015/16 budget.

Communications – President Bennett shared that the draft should be going to the publisher within the next few days.

Capital Projects & Property Development – date has not been set for the next meeting as we are waiting on the surveyor for the Tamarack Trail property owned by BLCA.

Governing Documents – Director McInerney presented a report with some recommendations for the board's approval:

The committee recommended the elimination of vehicle decals in response to feedback from the membership.

Motion to discontinue the vehicle decal program effective immediately made by Director McInerney, seconded by Vice President Wagner. All in favor. Motion passed.

Director McInerney read some of the proposed wording for Untidy Properties. She expressed her disagreement with the wording. President Bennett sent it back to committee for further discussion.

Director McInerney read the proposed revised wording for R&R Section 98-20-21 – ATV's, Snowmobiles, Motorized go-carts, off road recreational vehicles

- A. All-terrain vehicles, snowmobiles, mini-bikes, motorized go-carts, or any recreational vehicle designed to go off-road, are not permitted on any BLCA roads, common areas *or right-of-ways*
- B. *Vehicles are not to be driven on the private property of other members unless written permission of the owner is obtained and placed on file at the BLCA office.*

Motion to approve the revised wording for Rules and Regulations Section 98-20-21 as written above made by Director McInerney, seconded by Director Jarvis. Director Palma voted no. All other Directors voted in favor. Motion passed.

The Committee recommended a change to the fine under R&R Section 98-50-23 from \$25 to \$50.

Motion to approve the revised fine under Rules and Regulations Section 98-50-23 from \$25 to \$50 made by Director McInerney, seconded by Secretary Martin. All Directors voted in favor. Motion passed.

The committee suggested eliminating the use of pontoon boats on our lakes under R&R Section 98-60-26 as the boats are too large for the size and depths of our lakes.

Motion to approve removing 'pontoon boats' in the wording for Rules and Regulations Section 98-20-21 made by Director McInerney, seconded by Secretary Martin. All Directors voted in favor. Motion passed.

PAYMENT OF BILLS – None
OTHER UNFINISHED BUSINESS

Salt Update – President Bennett updated the meeting on the salt contamination activities. A meeting was set up with Brian Oram and Scott Moyer to bring the new board members up-to-date on the salt contamination problem and address any questions they had. Additional studies on BL-21 were approved by the board at the recommendation of Mr. Oram.

Motion to approve additional well studies on BL-21 made by Treasurer Livingston, seconded by Director McInerney. All Directors voted in favor. Motion passed.

President Bennett noted that any estimates received for the additional studies would be presented to the board as an Action Without A Meeting.

President Bennett informed the board that two prior members of the salt team were no longer on the board. She asked the board to approve Chas Ritson to remain a member of the salt team in view of his vast knowledge of the issues. In addition, President Bennett asked if any other board member would like to participate on the salt team noting that the other members are: President Bennett, Vice President Wagner, CM Carrie Ridner, and Brian Oram, our hydro-geologist. She added that continuity is so important and that newer board members should serve on the team. Director Jarvis said he may be able to do so but he needed to take into consideration family and job commitments.

Motion to approve that Chas Ritson remain a member of the salt team made by Treasurer Livingston, seconded by Secretary Martn. All Directors voted in favor. Motion passed.

739 Entrance Traffic Study – CM Ridner stated that McGoey Hauser is collating and reviewing all the information and we should have feedback from them in January. President Bennett added that we would like to see the information before submission of application to PennDOT.

NEW BUSINESS

Tree Removal Requests – Lind, Smith

Motion to approve the tree removal request from Lind, made by Vice President Wagner, seconded by Director Jarvis. Director McInerney voted no; Director McConnon abstained because he disagrees with the tree guidelines. All other Directors voted in favor. Motion passed.

Motion to approve the tree removal request from Smith, made by Vice President Wagner, seconded by Secretary Martin. Director McConnon abstained because he disagrees with the tree guidelines. All other Directors voted in favor. Motion passed.

Resolutions Committee – Citation #8257

Motion to approve the citation fine reduction as recommended by Resolutions for Citation #8257, from \$200 to \$100, made by Assistant Treasurer Palma, seconded by Vice President Wagner. All Directors voted in favor. Motion passed.

Resolutions Committee – Citation #8260

Motion to approve the citation fine reduction as recommended by Resolutions for Citation #8260, from \$200 to \$100, made by Assistant Treasurer Palma, seconded by Secretary Martin. All Directors voted in favor. Motion passed.

Audit Proposal

Motion to approve the contract from William Owens, CPA, made by Treasurer Livingston, seconded by Secretary Martin. All Directors voted in favor. Motion passed.

Classification of Income/Expense – the board reviewed the CPA opinion received from Bill Owens on the classification of income and expenses, enabling us to offset income against expense. CM Ridner informed the board that the office will work with our accountants to make sure we apply this where applicable.

Office and Conference Room Floors – The board agreed with the option for office flooring presented by CM Ridner, noting that something needed to be laid down before the subfloor is damaged. The floor will be laid in-house probably around Thanksgiving weekend. Conference room flooring was tabled until further options could be explored.

Swim Team – Budget Committee Request – The budget committee recommended the board request a copy of the swim team's financials before determining any allocation of funds in the 2015/16 budget. Jim Luttrell, a member in the audience, informed the board that he has an insurance background and his concern was that as we are the insurance holder for the swim team we are accountable, even if they are a separate entity, and that we may want to consider asking the swim team to provide their own insurance as we would any vendor, listing us as named insured. It is our fiduciary responsibility to request their financials. The board asked CM Ridner to send a letter to the Naturales requesting their financial statements.

Beach 3 Septic and bathrooms – Director Jarvis stated that the Beach 3 septic and bathrooms are beyond repair and that the building should be demolished. Additionally, there is a sinkhole where the collapsed septic is located that needs to be filled in. Treasurer Livingston stated that we could replace the system with a holding tank, but Director Jarvis noted that the bathrooms are in such disrepair that everything would need to be replaced. Director McInerney stated that we should replace them because the beach is used. President Bennett did not agree because the amount of use the beach gets each summer does not justify the cost of replacement when there are other projects that are costly priorities. She added that there are working bathrooms at both Beach 1 and 4 and once Beach 4 is dredged the lake would be suitable for swimming again. Director Jarvis suggested we begin the permitting process at Beach 3 and obtain costs to remove the septic system and the cabanas. The board agreed.

Approval of Director Resignation – Treasurer Livingston informed the board that she resigning her seat on the board at the end of Executive Session. The Board thanked Treasurer Livingston for her service to the Association.

Motion to approve Treasurer Livingston’s resignation from the Board of Directors at the end of October’s Executive Session made by Secretary Martin, seconded by Vice President Wagner. All in favor. Motion passed.

Approval of Director Appointment – Prior to the October Board Meeting, the board interviewed Jim Luttrell, who had submitted his letter of interest to be appointed to the board. Michael Bukaj, who had also submitted a letter of interest, rescinded his interest due to other commitments.

Motion to approve the appointment of Jim Luttrell to the Board of Directors to fill the remaining term of the open seat, made by Director Jarvis, seconded by Vice President Wagner. All in favor. Motion passed.

Appointment of Treasurer -

Motion to nominate Assistant Treasurer Anthony Palma as Treasurer of the Board of Directors made by Director Jarvis, seconded by Director McConnon. Anthony Palma accepted the nomination. All in favor. Motion passed.

President Bennett asked if any of the board members would be interested in serving as Assistant Treasurer. There were no nominations.

Committee Chair/Co-chair, Finance, Budgets & Contracts

Motion to appoint Treasurer Anthony Palma as Chair of the Finance Committee, made by Vice President Wagner, seconded by Director Jarvis. All in favor. Motion passed.

Motion to appoint Vice President Wagner as Co-Chair of the Finance Committee, made by Director Livingston, seconded by Director McInerney. All in favor. Motion passed.

Action Without A Meeting Communication – President Bennett informed the board of a 2012 decision by the board to change the procedure for Actions to allow for 24 hour actions and 48 hour actions. She stated that the board agreed that all responses by directors to actions must be verbally given in person or by phone. President Bennett noted that some of the directors on this new board asked if they could email or text their response. Director McInerney stated that anybody could respond by email and there would be no way of knowing if the response was from a director. Director McConnon disagreed, stating that there should be an email option. The board decided that the existing procedure should remain in place.

COMMUNICATIONS, WRITTEN & ORAL – None

MISCELLANEOUS

Motion to approve a \$30 donation to Delaware Township Volunteer Ambulance Corps, made by Director Livingston, seconded by Director McInerney. All in favor. Motion passed.

The board discussed a letter received from a property owner who owned several lots on Route 739. She wants to find out how she can remove her lots from the Association. Additionally, the owner wants us to provide the names and addresses of surrounding property owners so she can contact them. The board noted that we do not release that information and that she should be notified as such and that she could obtain the information from the tax office. The response to her should include that the Association will need to discuss the removal of lots with the Association Attorney before we can respond to her on this topic.

Motion to adjourn Regular Session Board Meeting at 9:24pm and move into Executive Session, made by Vice President Wagner, seconded by Secretary Martin. All in favor. Motion passed.

Respectfully submitted by,

Carolyn Martin
Secretary