

BOARD MEETING MINUTES

October 25, 2017

Carrolltowne Elementary School

ATTENDANCE

BOARD OF DIRECTORS:

Andrea Michael
Donna Chaney
Mark Gillies
Melissa Clark
Mike Morency
Ron Kowaleski

OFFICERS:

Mike Morency, president
Mark Gillies, vice president
Andrea Michael, treasurer
Donna Chaney, secretary

MEMBERS: page 6

BOARD DISCUSSION

1. Board meeting procedure and protocol

- MD law allows open period at the beginning of a board meeting for member comments. Mike Morency allowed three minutes per member for comments, limited to the topics on the meeting agenda.

2. Member comments

- None

3. Activity updates

- Playground – Mark Gillies: the contracts for the landscaping/ground preparation and the new playset were signed. The landscaping will be done on Oct. 30 and 31 by ALC Custom Landscapes at a cost of \$4,200. Residents can pick up any woodchips/mulch from the existing site this weekend (this will be included as a separate point in the email with the minutes). The swing set has been ordered, at a cost of \$6,463, with one change to the original design. The wooden cross bar will be replaced by a galvanized steel pipe to discourage climbing. The installation will take approximately two-three weeks. A general playground rules sign for the area was suggested.
- **ACTION: Mark will ensure the landscaping work is completed by 6pm on Oct. 31.**
- **ACTION: Mark will develop proposed content for a playground rules sign and send it to the board for review.**
- **ACTION: Mike will check with the insurance company to see if there are any guidelines for specific text to include on a rules sign.**
- Republic trash contract – Mark Gillies: Mark was just contacted by Republic, who offered a new, three-year contract at a reduced annual increase (1.52% each year for the next three years, unless the landfill increases its fees). That includes two bulk pick-ups (our current contract includes one bulk pick-up), yard waste pick-up, and two Christmas tree pick-ups. We have one year left on our current contract, with a rate increase of 4.5%. This new three-year contract would replace the last year of our current contract.

It was noted that there have been complaints about trash in the street and it was suggested that we obtain quotes from other trash companies for comparison. Mike noted that the November board meeting is a general membership meeting, not a board meeting, so this would not be on the agenda but would require a special board meeting, if a vote is deferred on this item.

- **ACTION: Mark will obtain quotes from other trash services. The board voted to hold a special board meeting next month to vote on a new trash contract.**

- Declarations – Donna Chaney: the lawyer is nearly finished reviewing and updating the marked-up declarations document that the committee worked on over the summer. Donna had a call with the lawyer on Oct. 11 to discuss the lawyer's work up to that point. A final document is expected from the lawyer this week and the committee will meet in the near future to review the lawyer's work and minor suggestions.

- Pond – Andrea Kowaleski: the pond committee met at the pond this month and discussed the geese and landscaping maintenance. Several points were discussed:
 - The aerators will be shut off for the winter, which will deter the geese.
 - Another option to control the geese is to install a monofilament line around the pond, which would not be visible to humans but would deter the geese.
 - The group also considered hiring dogs to chase the geese away but there is a cost associated with them.
 - The Maryland DNR provides services to catch the geese but this is a costly option.
 - Another concern is that the roots from the trees around the pond are growing out of control; in addition the county recommends that trees be planted further than 20 feet away from the pond.
 - Andrea received a quote from Element Landscaping to clear the trees and brush that has grown up around the pond and to install the monofilament line in the spring; both items are included in the budget.

- Communications and voting – Mike Morency: Mike sent out an email last week to all members asking them to opt in to receive electronic communications from the HOA. Approximately 80 responses have been received. The HOA will be sending a second notice to all members who have not yet responded to attempt to increase the number of those who opt in for electronic communications.

4. 2018 budget

- Andrea Michael, treasurer, presented a proposed budget for 2018, which must be sent to the members 45 days before the end of the year. The board requested changes to several line items (increases to mailing and community events).
- The 2017 budget included funding for several special projects that were not completed this year (by-laws update, picnic table repair, and the basketball/tennis court repair). These items will be added as special projects to the 2018 budget.
- There was discussion about the reserves that are expected to be on hand as of the end of the year (approximately \$30,000) and whether to lower the annual dues for 2018. It was noted that there will likely be short-term capital expenses (within 1-5 years), so maintaining the reserves and continuing to build them up should be a priority.

- It was noted that if the 2018 dues are lowered and additional funds are required in the coming years for the expected capital expenses, it will be much more difficult to increase the dues above the 5% annual increase that is allowed in the by-laws. While a one-time special assessment is always an option, the board is generally against this action. Keeping the dues at their current amount will prevent the board from having to consider a special assessment in future years.
- **ACTION: The board voted to keep the annual dues at \$375 for 2018.**

5. 2017 election procedures

- Per the current by-laws, three board members must be elected for 2018. It was noted that the proposed declarations document, which may go into effect, requires a minimum of five board members.
- Mike suggested that the board adhere to the following dates:
 - 11/3: request nominations from the members
 - 11/10: nominations received
 - 11/15: ballots distributed (mailed and available online)
- A discussion was held on whether to invoke section 5-206 of the 2016 Maryland Code, Corporations and Associations, which would allow the board to hold a special meeting 15 days after the November general meeting, if a quorum is not present at the November meeting. The members present at the second meeting would constitute a quorum. The special meeting would require a 15-day notice and an advertisement in the county newspaper. The votes from the November meeting would be counted at the special meeting, in addition to any new votes that are received at the special meeting.
- **ACTION: The board voted to elect five board members in 2018.**
- **ACTION: The board voted to invoke Section 5-206 for the 2018 election.**

6. End of term for all directors

- The current board term expires as of the general election in November. Mike noted that since five new board members will be elected, two current board members will need to give notice that they will be resigning as of the general meeting, with the remaining five board members remaining as hold-overs until the election is held.
- **ACTION: The board accepted Mike Morency's and Andrea Michael's resignations in November.**

7. Motion to adjourn

BOARD ACTIONS

| ITEM | Board Member | For | Against | Abstain | Absent |
|---|----------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Hold a special board meeting prior to the general membership meeting in November to vote on a new trash contract Motion: Mark Gillies Second: Melissa Clark | Andrea Michael | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Donna Chaney | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Lauren O'Brien | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Mark Gillies | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Melissa Clark | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Mike Morency | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ron Kowaleski | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| VOTE RESULT | PASS | 6 | 0 | 0 | 1 |

| ITEM | Board Member | For | Against | Abstain | Absent |
|---|----------------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|
| Maintain the annual dues at \$375 Motion: Melissa Second: Ron | Andrea Michael | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Donna Chaney | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Lauren O'Brien | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Mark Gillies | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Melissa Clark | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Mike Morency | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ron Kowaleski | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| VOTE RESULT | PASS | 4 | 2 | 0 | 1 |

| ITEM | Board Member | For | Against | Abstain | Absent |
|---|----------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Elect five board members in 2018 Motion: Mark Second: Melissa | Andrea Michael | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Donna Chaney | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Lauren O'Brien | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Mark Gillies | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Melissa Clark | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Mike Morency | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ron Kowaleski | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| VOTE RESULT | PASS | 6 | 0 | 0 | 1 |

Harvest Farms Community Association

| ITEM | Board Member | For | Against | Abstain | Absent |
|---|----------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Invoke section 5-206 of the Maryland Code to hold the 2018 board elections, if a quorum is not reached at the November meeting Motion: Mark Second: Ron | Andrea Michael | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Donna Chaney | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Lauren O'Brien | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Mark Gillies | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Melissa Clark | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Mike Morency | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ron Kowaleski | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| VOTE RESULT | PASS | 6 | 0 | 0 | 1 |

| ITEM | Board Member | For | Against | Abstain | Absent |
|--|----------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Accept the resignation of Mike Morency and Andrea Michael as of the November general election Motion: Melissa Second: Andrea | Andrea Michael | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Donna Chaney | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Lauren O'Brien | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Mark Gillies | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Melissa Clark | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Mike Morency | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ron Kowaleski | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| VOTE RESULT | PASS | 6 | 0 | 0 | 1 |

MEMBERS PRESENT

Scott Walthour

Kathy Newton

Vicki Gallagher

Bill Gallagher

Charles Lawson

Becki Lawson

Andrea Kowaleski

Michele Carroll

Tomas Carroll

Updated: 10/25/2017

199 Units

2017

| | \$/Unit (Budget) | Budget | Actual | Remaining | |
|--|---------------------|------------------|------------------|-------------------|---|
| Revenue | | | | | |
| Dues (199 at \$375) | \$ 375 | \$ 74,625 | \$ 73,500 | \$ (1,125) | |
| Interest | \$ 0 | \$ 15 | \$ 129 | \$ 114 | Done for 2017 |
| Total Revenue | \$ 375 | \$ 74,640 | \$ 73,629 | \$ (1,011) | |
| Expenses | | | | | |
| <u>HOA Services</u> | | | | | |
| Waste Collection | \$ 210 | \$ 41,875 | \$ 30,432 | \$ 11,443 | One additional payment due in Dec for Q1 2018 and \$500 for fall bulk pick-up |
| PO Box | \$ 1 | \$ 100 | \$ 73 | \$ 27 | Done for 2017 |
| Storage Unit | \$ 1 | \$ 100 | \$ 99 | \$ 1 | Done for 2017 |
| Office Supplies, Mailings & Banking Fees | \$ 2 | \$ 300 | \$ 631 | \$ (331) | |
| Subtotal Services | \$ 213 | \$ 42,375 | \$ 31,235 | \$ 11,140 | |
| <u>Admin, Finance & Legal</u> | | | | | |
| Legal Fees | \$ 18 | \$ 3,500 | \$ 4,825 | \$ (1,325) | |
| Insurance | \$ 10 | \$ 2,000 | \$ 1,957 | \$ 43 | Done for 2017 |
| State & Federal Taxes | \$ 0 | \$ 40 | \$ 36 | \$ 4 | Done for 2017 |
| Subtotal AFL | \$ 28 | \$ 5,540 | \$ 6,818 | \$ (1,278) | |
| <u>Community Resources</u> | | | | | |
| Grounds Maintenance | \$ 70 | \$ 14,000 | \$ 7,094 | \$ 6,906 | \$1,200 for tree removal/pond perimeter clean-up, Grass paid thru Sept |
| Pond - Maintenance | \$ 29 | \$ 5,800 | \$ 5,299 | \$ 501 | 2 more months @ \$420/mo |
| Pond - Electricity | \$ 6 | \$ 1,200 | \$ 538 | \$ 662 | 3 more months @ appx. \$54/mo |
| Subtotal Resources | \$ 106 | \$ 21,000 | \$ 12,931 | \$ 8,069 | |
| <u>Community & Communications</u> | | | | | |
| Website | \$ - | \$ - | \$ - | \$ - | Done for 2017 |
| Social - Easter Egg Hunt | \$ 1 | \$ 250 | \$ 229 | \$ 21 | Done for 2017 |
| Social - July 4th | \$ 11 | \$ 2,100 | \$ 2,084 | \$ 16 | Done for 2017 |
| Social - Yard Sale | \$ 1 | \$ 200 | \$ 114 | \$ 86 | Done for 2017 |
| Social - Fall Bonfire | \$ 3 | \$ 600 | \$ - | \$ 600 | Done for 2017 |
| Social - All Ages Basketball | \$ 0 | \$ 60 | \$ 54 | \$ 6 | Done for 2017 |
| Subtotal Community | \$ 16 | \$ 3,210 | \$ 2,481 | \$ 729 | |
| Total Expenses | \$ 362 | \$ 72,125 | \$ 53,465 | \$ 18,660 | |
| Reserves | | | | | |
| Basketball/Tennis Court Repair | \$ 13 | \$ 2,515 | | | |
| Gain/(Loss) | | \$ - | | | |
| Special Projects** | | | | | |
| Bylaw Update Completion | | \$ 2,500 | \$ 169 | \$ 2,331 | Board authorized \$2,500 expense for legal, printing & postage to finish this project |
| Picnic Table Repair | | \$ 1,000 | \$ - | \$ 1,000 | Board authorized \$1,000 expense at July 2017 board meeting |
| Playground Replacement | | \$ 10,700 | \$ 2,386 | \$ 8,314 | Board authorized \$17,000 (\$6,400/set and \$8,400/site work plus buffer) expense at |
| Total Special Projects | | \$ 14,200 | \$ 2,555 | \$ 11,645 | New estimate was obtained for site work which will lov |

**Items not included in original 2017 budget. Expenses were authorized by the BoD to be paid out of reserves.

| | | | | |
|-------------------------------|-----------|--------------|--|--|
| Checking Acct Balance | \$ | 58,541 | | |
| Remaining Expenses for Year | \$ | 30,305 | | |
| Emergency Funds | \$ | 10,800 | 15% of yearly expenses | |
| Reserves (courts resurfacing) | \$ | 10,000 | Tennis courts and basketball courts (should last appx. 5 years). 2018 project? | |
| Buffer/Available | \$ | 7,436 | | |