

Birchwood Lakes Community Association
Annual Meeting Minutes
August 27, 2011

In Attendance: Marcella Livingston, President; Joanne McInerney, Vice President; Clare Bennett, Secretary; Carol Martin, Treasurer; Linda White, Louis Freeman, John Meola, Carl Fredrickson, Joanne McInerney, Thomas McConnon, Directors

Also In Attendance: David Horvath, BLCA Attorney, William Owens, BLCA Accountant.

Absent: Bettye White Gross, Community Manager

Meeting was called to order at 9:05am.

Announcement of Candidates for Board of Directors

President Livingston announced that there was no election of Directors as we had as many candidates as open positions. She expressed disappointment that members are not coming out to serve on the Board.

Committee Reports

Roads Maintenance & Construction – We solicited proposals for drainage, asphalt repair and seal coat utilizing Wayco, Inc. for the asphalt and seal coat work and Cornerstone Consulting Engineer & Architectural Firm to work on our drainage project. In addition, we contracted Pocono Spray Patch to repair many of the potholes in the community with their specialized equipment and process. Seal coated roads include: Alder, Poplar, Red Pine, Persimmon Drive, Gumtree Lane, Tamarack Trail, Lakeview Dr., Lancet, Primrose Lane, Hawthorne, Pepperidge, Wisperwood, Tallwood, Branchwood Trail, Tulip St., and Palm Drive.

Road Construction includes: Outer Drive as per the Engineering Plan (permit just received so we can now proceed), Wisperwood Mail/Bus Area, and a Speed Hump on Aspen.

Engineering Plans from Cornerstone Consulting include: Oak Ct., Poplar, West Shore, Myrtle Court, Basswood, Buttonwood, Gumtree Lane, Pine, Chestnut, Spruce, East Lake and Lake View Drive.

Director Freeman thanked the Committee Volunteers, Office and Maintenance Staff for all their help and hard work. He informed the meeting that the steps taken to proceed was done with a great deal of thought and research. He invited those interested to come and attend a meeting to get a feel for the work involved in our Roads Program each year. Director Freeman also called upon more members to join the Committee.

One Member stated that Aspen Road is not holding up in some areas after the work performed by Pocono Spray Patch, particularly along the edges. Director Freeman said we will look at that. Freeman encouraged members that when they observe anything to report it to the office.

In closing, Director Freeman informed the meeting that the Board of Directors is working very hard on behalf of the Membership. He added that we would like to be able to get a great deal

more done each year but the Association simply does not have the funds to move as fast as desired. He also announced that he would be resigning from the Board in September due to personal reasons.

Rules and Regulations – Rules and Regulations spent the year addressing some of the loopholes and clarifying the translation of some of the rules. We introduced a new Septic Ruling and adjusted the fines on this and we set the fines for the spring thaw on the roads. We also created a new Health & Sanitation subsection. Going forward we are working on some other items including: commercial and construction vehicles, recreation vehicles, excessive noise, setting off explosives, guest boats and tenants.

Capital Projects – The Pool is due for inspection following Labor Day closing. Once the inspection report is received we will know how to proceed. We are working with the Engineer to get the area prepped for the new salt shed in Phase 1 of the New Maintenance Facility. We recently got a proposal for renovating and enlarging the current office. The purpose for getting the proposal is so that we can have a cost estimate before putting it out for a reserve vote. We want to plan ahead financially so that when the time comes we are ready with the funds to proceed with the office renovation.

Community Affairs – Director White recently took over as Chair of this Committee. Members Sheila Salmon and Nancy Halliday stepped down after many years of working on the Newsletter. We thank them for all their hard work. Director White has been attempting to recruit more volunteers and has been seeking out articles for the newsletter. Members are encouraged to participate. The next deadline for submission of articles and pictures is right after Labor Day Weekend. Submissions can be sent to: editor.birchwoodlakes.net or dropped off at the office. One Member stated that she has not been receiving the newsletter in the mail. Director White offered to take her name and address or that the Member could go to the office and inform them.

Director White thanked Member Frank Arrison for all his hard work on the website.

Recreation Committee – Recreation activities are ongoing. Arts and crafts are twice a week and bingo is weekly. She informed the meeting that while attendance at bingo is disappointing we continue to offer it to those that enjoy coming to it. The Adult Luau was popular with over 60 people participating. The Ice Cream Social was so popular we ran out of ice cream – a first! The Dinner Dance last week was enjoyed by about 75 people. Director McInerney thanked Bettye White Gross, Community Manager, for picking up the slack after the Recreation Coordinator resigned. She expressed a special thanks to lifeguard, Chrissie DeCola, for stepping up even when she was off-duty. The Closing Pool Party and Jackpot Bingo will be held next weekend. Director McConnon thanked Director McInerney and the Committee for the key role they played in getting the new playground in by the Pool – it is enjoyed by all the children.

BLCA Beautification – Director Fredrickson spoke about the committee and maintenance efforts that are taking place to spruce up the 739 Entrance with a new planting area. It is coming together extremely well and will enhance the entrance. In addition, they will be painting and re-shingling the Guard House at the Entrance.

Community Safety - The Community Safety Committee met this year for the first time in two years. They have redefined the Mission Statement of the Committee and are working on ideas for improving safety and security in the Community. Director McConnon invited Members to volunteer.

BLCA Property Development – Director Fredrickson shared that the Committee researched and purchased more properties from the last Repository Sale.

Member Pugliesi expressed concern about the hazardous conditions at the 739 Entrance. President Livingston informed him that we are trying to set up a meeting with PennDot and that we have another tentative date scheduled, awaiting their confirmation.

By-Laws – Secretary Bennett informed the meeting that in 2011 the By-Laws Committee developed some important proposed changes. These included:

- In the event a Board proposes changing from an internal staffing setup to an external entity such as a property management company such changes would have to be voted on by the Membership, not just by a Board of Directors of as little as 5 people.
- Candidates for Election must be in good standing for at least one year prior to submitting a statement of candidacy and nominating petition and, if elected, must remain a member in good standing for the duration of his/her term.
- Instead of the By-Laws reading that a director may be removed by the BOD if they miss three consecutive meetings, the By-Laws now say that if a director misses three meetings in the 12 months between annual meetings the BOD may remove said director.
- Per a recent By-Laws change, January 2011, we now require a Director to sign a Code of Ethics and we have now included in the By-Laws an Ethics Breach Procedure.
- We have also added a new subsection that addresses what a Director must do if they fall out of Good Standing and a procedure that will be followed by the Board should they remain out of standing and the expectations of said director for the duration he/she is not in good standing.

The By-Laws Committee continues to review other areas of the By-Laws. Secretary Bennett expressed disappointment that the ballots could not be counted because we did not receive enough votes. She stated that the volunteers on the By-Laws Committee spent a great deal of time and focus on reviewing the By-Laws and writing up the proposed changes for the best interest of the Members.

Voting & Elections – Secretary Bennett shared with the Members in attendance that out of over 700 Members in Good Standing, only 147 Members sent in their ballots. This falls well below the 200 Quorum required. She reminded the Membership that it is their right and duty to vote and that this should be taken seriously. It is important to the function of the organization that the Membership participate fully in these important decisions and changes. As per the BLCA By-Laws the deadline for receipt of ballots will be extended and all Members in Good Standing are asked to vote.

Lake Management – The committee continues to be active in many areas involving our lakes and is currently comprised of 12 members. This year we:

- Conducted our 4th annual Well Water and Septic Program on 7/23 with 22 members attending and Koberlein Septic and Delaware Township Septic Enforcement Officer.
- Continued our discount well water testing from Wilkes University and discount septic pump-outs from Allstate, Koberlein, and M&S. A reference has also been provided for discounted sanitary well caps and well chlorination. Information available at the Office.
- Supported the Kids Fishing Tournament on 8/13.

- Participated in planning meeting with the Community Manager and EcoSolutions prior to the 2011 lake treatment season. Conducted mid-season inspection of lakes on 7/18-7/19.
- Conducted our 3rd annual geese addling program this spring and currently involved with our associated harassment program using pyrotechnics.
- Provided an Action List to the Board in the late spring, listing several concerns including enforcement of decals and badges on the lakes, trespassing, etc.
- Donated a model Warning Sign to be used at one boat launch that states that the BLCA lakes are for members in good standing and their guests only.
- Continued our contributions to the BLCA newsletter regarding the treatment and condition of the lakes, fishing, well water and septic issues, etc.

On-going Issues/ Concerns

- Increase the budget for lake treatments, geese programs, aerators, signs, etc for 2012.
- Increase enforcement of badges/ decals and trespassing on the lakes.
- Continue research into cost effective ways to remove or reduce the peat islands in Middle and East Lakes.
- Research grant opportunities related to reducing storm water run-off into our lakes.

Finance, Budget & Contracts – Last year we were pretty close on our budget. We did get hit in some unexpected areas such as Maintenance vehicles and insurance policies. The Committee works very hard to try to keep expenditure down as low as possible but the bottom line is that we do need more money for operating and reserves. The Committee will have to give serious consideration to this problem going forward.

Volunteers – President Livingston read a list of volunteers who have served on the various committees and invited those present to stay after for cake and coffee. She expressed appreciation for their support and hard work and encouraged others to join committees of interest to them.

Voting Results – President Livingston read out the names of the Judges of Election and announced that we were unable to count the votes as a quorum is 200 ballots and we did not reach this quorum. As of the deadline of August 19, 2011 we received 147 votes. As per our By-Laws the deadline for receipt of votes will be extended and postcards sent out to the Members in Good Standing notifying them of the extension.

Annual Audit Report

Bill Owens, BLCA Accountant, provided an update on the financial status of the Community and the results of the audit. He informed the meeting that in keeping with best accounting practices BLCA now shows its books as two separate records, i.e. Operating and Reserves. This system enables us to clearly show that monies are being used for their intended purposes. He stated that our books are in much better shape than in previous years and credited BLCA bookkeeper, Linda McGinley, stating this is the best set of records he has received from BLCA.

Mr. Owens expressed that his greatest concern for BLCA is our need to increase our Reserve Funds. This would need to be achieved through a dues increase. He stated that it is difficult for the Board to achieve this because it would require a substantial dues increase, which, in turn, requires a vote of the

Membership. We have a chronic problem with meeting a vote quorum and then receiving enough votes in favor of increasing dues.

Member Ritson asked if there is any offset in our current revenues for those members who do not pay their dues? Mr. Owens stated that an allowance is made for bad debts under accounts receivable. He informed the meeting that the Board has made more of an effort these past two years to go after uncollected dues. Member Nestor asked if the reserve fund is about the same as last year? She observed how much the dollar is devaluing and that we need to think realistically and long term about our reserves funding. Mr. Owens again stated the problem our board has in obtaining more funding through a Membership vote.

Director McConnon asked Mr. Owens' opinion on how we are doing with regard to delinquencies and where we compare to other Communities with our dues assessment. Mr. Owens stated that BLCA dues are on the very low side compared to the 20 plus communities he works with. Collection rates are not as good as we would like. One of BLCA's problems is that many of the delinquencies are on lots and it is extremely difficult, if not impossible in many cases, to get lot owners to pay their dues, especially if they find the lot unbuildable. President Livingston added that we have approximately 400 lot owners, many of which are delinquent.

Member Pugliese complained about Wayco drivers speeding on Aspen.

Members living on Aspen Drive asked David Horvath, BLCA Attorney, the legal status of the 'burnt-out house'. Attorney Horvath stated that the property keeps changing ownership and is now owned by a people in Utah. The new owners will be served with a court order within the next six weeks. The Members are deeply concerned that this property is a health hazard as it is infested with rats who are causing damage to surrounding homes. It is also devaluing the surrounding homes. Member Pugliese stated that he spoke to Ileana Hernandez about this property and she said she will look into it. President Livingston stated that we have gone to the Township on this and other properties on several occasions and they have refused to help. President Livingston stated she will call Ms. Hernandez and speak to her. Member Nestor offered to donate time and attention to this matter.

Member Kohan asked about the 'hotel'. President Livingston stated that this has also been taken to the Township and in recent weeks the Township was informed that it was a safety hazard as kids were gaining access and they could be hurt.

Member Geiger asked if there were ways to communicate to the general membership updates on the various issues, such as these two projects. President Livingston informed the meeting that Open Board Meetings are held once a month. These monthly meetings address the business for the month. At end of each meeting there is an opportunity for questions from Members in Good Standing in the audience. In addition, Minutes from the meetings as well as a great deal of other information is available on the website and newsletter. Minutes are also available at the BLCA Office. The Meeting Calendar for the year ahead will be posted next week once they have been firmed up at the Reorganization Meeting following the Annual Meeting. Secretary Bennett stated that the Community Affairs Committee could also explore other possible options to get information to the Members.

Member Nestor expressed concern about the water lilies in the lake. Lake Management Chair, Mr. Ritson shared that they were treated with a contact herbicide the last week in July but was not effective. The contractor went back in about 10 days ago with a herbicide that goes down to the roots which will take about two weeks to start being effective, but will continue to work on keeping down the foliage for about two years.

Tom McConnon had to leave at 10:30am as he had another commitment.

Member Nestor wondered if we could get an old fashioned hand pump so we could get pure water in case of an emergency. The Board said it is not something that could be considered immediately.

Member Ritson asked if the Board of Directors will be signing a new code of ethics in the reorganization meeting. President Livingston stated that they will be completed in the office during the week.

President Livingston informed the meeting that should there be Emergency Measures required due to the possible severe weather this weekend our maintenance is on call. A generator is ready to be set up at the clubhouse for people to come to if power is lost. The dams and phones will be monitored every hour. Security will be present.

Member Roy Kohan thanked the Board for their time and hard work.

President Livingston stated that her year as President is over. She thanked the staff for all their hard work. She noted that our new maintenance supervisor is very good and his staff are working together very well and they took the initiative to prepare for this storm.

President Livingston thanked the other Board Members for their support.

Motion to adjourn the Annual Meeting on August 27, 2011 at 11:15am made by Director White, seconded by Director Freeman. All in Favor. Motion Passed.

Respectfully Submitted,

Clare A. Bennett
BLCA Secretary