

BEACH VILLA OWNERS'S ASSOCIATION
ANNUAL SHAREHOLDERS MEETING MINUTES
MARCH 12,2022

Prior to formally calling the meeting to order, Chair Bill McLean reminded those present that any shareholder who had provided a proxy and wanted to rescind that proxy should do so now, as once the meeting was called to order, a proxy could not be rescinded. No members responded.

- 1) **Call To Order:** The Zoom meeting was called to order at 11:04 AM by Chair Bill McLean.
- 2) **Review Meeting Handouts and Meeting Process:** The Chair reviewed the documents sent to owners prior to the meeting and the meeting process to be followed. Those present were informed that all votes would be recorded electronically.
- 3) **Ascertain Meeting Quorum:** Susan Wright, Zoom Manager, reported 42 owners were in attendance on the Zoom meeting and 53 proxies had been provided to the board. Noting that only 10 shares present in person or in proxy constituted a quorum, the Chair declared a quorum was present and that the meeting would proceed.
- 4) **Approval of minutes from the Annual Shareholders Meeting of March 13, 2021:** A motion to approve the minutes of the March 13, 2021 meeting was made by Doug Young and seconded by Steve Wainwright. There was no discussion. Vote results in favor were 35 in-person votes and 42 proxies for a total of 93.25 shares. There were no votes against the motion. The motion was approved.
- 5) **Treasurer's Report:** The Chair indicated that the Treasurer's Report by Susan Slaff would include a review of both the Auditor's Report and the 2022 Budget.

A motion to accept the Auditor's Report as presented was made by Susan Slaff and seconded by Susie Chew. Discussion followed. Susan Slaff stated the Auditor's Report shows \$208,000 for the sewer project, \$106,000 in Capital Reserves, \$39,000 in accounts payable and \$29,000 in advanced dues payments. Selisha Thompson reported that \$68,000 was owed in accounts receivable as of 12/31/21. Cash available to the association is \$56,000. Vic Pfeifer inquired about an instrument similar to an IRA for BVOA employees. It was noted that the board has plans to explore a retirement fund for the employees with voluntary participation. There being no further discussion, the chair called the vote. Votes in favor of the motion were 32 in-person and 42 proxies for a total of 89 shares. There were no votes against the motion. The motion was approved.

A motion was made by Susan Slaff and seconded by Susie Chew to accept the 2022 budget as presented. Discussion followed. Treasurer Susan Slaff reported on a number of items including areas of income other than dues, the current Accounts Receivable amount and a future receivable of \$27,790 from repossessed villa 604, which will be realized in 2022. \$26,000 is also outstanding by some owners from the sewer assessment. On the expense side of the budget, it was noted

that raises for the General Manager and Landscape Crew have been approved. The landscape expenses were \$21,000 more than budget in 2021. The landscape budget for 2022 was increased to \$40,000. Pool expenses in 2021 were \$32,700 vs a budget amount of \$15,000. After one-time expenditures in 2021 the 2022 pool budget was set at \$20,000. The 2022 contingency line item was set at \$10,000. Susan stated the contingency will most likely be spent on inflation. On reserves the board previously has targeted an amount of \$250,000 for capital/operating reserves. \$30,000 is the reserve line item in the 2022 budget. Susan also stated that essential services have not be paid by BVOA since Hurricane Dorian. Most of those funds have been assigned and paid to infrastructure. Trash removal has not been paid by BVOA since Hurricane Dorian. The board is addressing the issue of replacing liners and receptacles within the BVOA. Selisha Thompson added roads, sidewalks and lighting was budgeted at \$50,000. A question from an owner regarding replacement of garbage bins was asked. Board is discussing this issue.

Susan Goodall stated a profit of \$18,000 exists in the current budget. Will funds need to be moved between line items and will the reserve come into play. Susan Slaff responded that the board is not planning to access the reserve. Susan Goodall also inquired if the new dues structure was factored in. Susan Slaff responded in the affirmative. Foster Tenant asked if the trash removal cost, once reinstated, will be in the same range as prior service. Response was we will have to wait until the service is provided by the new owner of TCL. Susan Goodall inquired about VAT on the sewer funds collected last year. Selisha Thompson reported the government has required payment. A formal request was made to the government to eliminate the VAT payment for 2021. This request was denied.

Judy LaBarge asked if the \$100,000 reserve was required. Bill McLean responded, yes and more. The board goal is to build the reserve account to \$250,000.

Vic Pfeiffer inquired about the proceeds from repossessed villas 604 and 536. Bill Mclean responded the funds from 604 will be received at some point in 2022. Villa 536 is in the preliminary steps of repossession. The hope is that those funds will also be received in late 2022.

David Baird discussed VAT issues. It is David's opinion that VAT should be returned to BVOA by the contractors that perform the sewer project. Selisha Thompson responded that the PPP (Public Private Partnership) did not send BVOA a VAT invoice. BVOA will continue to petition the government for a VAT refund. Selisha also stated that many of the BVOA hired contractors do not charge VAT as their gross revenue is under the government threshold for VAT charges.

David Baird also inquired about the reserve. His question, after Dorian what should BVOA have for a reserve amount. Bill McLean and Susan Slaff reiterated the board goal is \$250,000. Sharon McCann added it is incumbent on the board to have emergency funds available. Sharon discussed the formation of an advisory committee to make suggestions to the board regarding reserve amounts. Susan Wright stated reserves are required and items should be identified with a replacement cycle for infrastructure.

Susan Goodall inquired about the challenges of dues collection. Selisha Thompson responded that the two-year window prior to repossession is taken advantage of by some owners. Stuart Lombard stated it is his opinion that a larger reserve is required. The larger reserve will allow BVOA to remain a great place to spend time.

Following a lengthy discussion of the budget, the Chair called for the vote. The motion to approve the 2022 budget as presented was 35 in-person votes and 42 proxies in favor for a total of 89 shares, and 2 in-person votes representing 2 shares opposed. The motion was approved.

- 6) **Report of the Nominating Committee:** The Chair reviewed the process set by the Board and followed by the Nominating Committee and presented the recommendation of the Nominating Committee that Bill McLean and Joni Manz be elected to the Board for 3-year terms. Motion was made by Bill Chew and seconded by Diane Marquis Monaghan that the slate be approved as presented. There was no discussion. Vote was 30 in-person and 42 proxies in favor for a total of 84 shares. Votes opposed were 5 in- person votes representing 8.25 shares. The motion was approved.

The Chair then reviewed the remaining terms of the other Board members as follows: Derek Russell-Murray with 1 year remaining on his first term, ending in 2023; Bill Chew with 1 year remaining on his first term ending in 2023; Steve Wainwright with 2 years remaining in his first term ending in 2024; Susan Slaff with 2 years remaining in her first term ending in 2024; and Allen Butts with 2 years remaining in his first term ending in 2024.

The Chair thanked Doug Young for his more than a decade of service to the Board and the BVOA, commenting on Doug's contributions in the areas of the pool, pool heaters, irrigation system and his mentoring of staff.

Appreciation was also expressed to Selisha Thompson, who is leaving as General Manager and a welcome was extended to the new General Manager, Shantell Brutus.

- 7) **Authorization for the Board of Directors to nominate, approve and elect officers:** A motion was made by Diane Marquis Monaghan and seconded by Bill Chew that the Board of Directors be authorized to nominate, appoint and elect officers. There was no discussion. Vote was 32 in-person and 42 proxies for a total of 89 shares in favor and 2 in-person votes representing 3.25 shares opposed. The motion was approved.
- 8) **Appointment of Legal Counsel:** A motion was made by Derek Russell-Murray and seconded by Doug Young that the BVOA board be authorized to appoint Graham Thompson & Company, or other law firm acceptable to the Board, as legal counsel for the coming year. There was no discussion. Voting in favor were 35 in-person and 42 proxies for a total of 93.25 shares. There were no opposing votes. The motion was approved.
- 9) **Appointment of the Auditor:** A motion was made by Bill Chew and seconded by Derek Russell-Murray that the BVOA board be authorized to appoint Ronald Atkins and Company, or other

auditor of its choice, for the coming year. There was no discussion. Voting in favor were 34 in-person votes and 42 proxies for a total 92.25 shares. There were no opposing votes. The motion was approved.

- 10) **Ratification, approval and confirmation of acts of the directors and officers:** A motion was made by Steve Wainwright and seconded by Susie Chew that the acts of the directors and officers over the past year be ratified, approved and confirmed. Pam Martinson spoke in opposition. Her objection was noted. Voting in favor of the motion were 27 in-person votes and 42 proxies for a total of 81 shares. Voting in opposition were 7 in-person votes representing 11.25 shares. The motion was approved.

11) **Other Business:**

Three resolutions were proposed by David Baird, Villa 573.

a) Be it resolved that BVOA open the road gates from at least November 1 to May 31. David Baird spoke to his resolution and a wide-ranging discussion followed. Currently, the gates at Fox Lane and Beach Road are closed and locked at 9 PM and the gate at Cabot Road is closed and locked at 11 PM. There was discussion about on-going security concerns, on the one hand, and the convenience of owners to come and go as they pleased on the other. Some recognized the deterrent effect of the gates, while others questioned the notion of the BVOA being a “gated” community. What conditions would be necessary to remove the gates? Couldn’t fencing be installed around active job sites, reducing the need for gates? Golf cart access can be had to most areas of the BVOA without having to use the 3 roads. Voting in favor were 9 in-person votes representing 14.25 shares. Those voting in opposition were 26 in-person votes and 42 proxies representing 76 shares. The resolution failed.

b) Be it resolved that BVOA install appropriate resort-style pool, road and pathway solar lights to replace the temporary emergency lighting on 4X4 poles. David Baird spoke to his resolution and a wide-ranging discussion followed. The Chair noted that the current lighting was not installed as either “temporary” or “emergency” and that its usefulness would be evaluated over time. The previous low voltage lighting system was ruined by the storm. It was also noted that the Board is open to considering alternatives to the current lighting as part of a larger landscaping and lighting plan. Voting in favor were 17 in-person votes representing 24 shares. Those opposed included 16 in-person votes and 42 proxies representing 63 shares. The resolution failed.

c) Be it resolved that BVOA remove security cameras except at main vehicle entries. David Baird spoke to his resolutions, stating that the cameras are intrusive. Others agreed. Those in opposition noted that the cameras, in combination with the gates and lighting, are an effective deterrent. Voting in favor were 13 in-person votes representing 20 shares. Those opposed included 24 in-person votes and 42 proxies representing a total of 72.25 shares. The resolution failed.

12. President's Report: Due to time constraints, Bill McLean indicated he would forgo presenting the President's Report stating that it would be sent to all owners via email.

13. Questions and Answers: Vic Pfeiffer inquired about building regulations now in place in the BVOA. Are they on the web site? Bill Mclean responded that the regulations are available on the BVOA web site.

Bill Martinson inquired about community wi-fi and is it the responsibility of each owner. Bill McLean responded that BVOA is not providing community wi-fi and each owner is responsible for that service.

Suzanne Swan discussed the minutes from the 2021 meeting, specifically the mention of storm water removal. Bill McLean stated no work has been done by the board in this area, as an engineering report would be required. John Monaghan responded to water drainage stating water cannot be drained from the low-lying areas in the BVOA. Water would need to be pumped to some other property.

Carolyn Mackenzie mentioned the importance of BVOA documents and inquired if the building documents located on the web site are the current up to date documents. It was noted that Miami Dade requirements are appropriately included in portions of the BVOA regulations. Carolyn also requested that the Board address the need for regulations relative to construction of fences.

14. Adjournment: A motion to adjourn the meeting was made, seconded and voted in the affirmative at 1:11 PM

Respectfully submitted,
Steve Wainwright, Secretary BVOA