

Betz Landing
Homeowner's Association
P.O. Box 422
Heathsville, VA 22473



<http://betzlanding.org/>

Betzlanding@outlook.com

2023 Annual Members Meeting October 14th

1. Meeting was called to order at 2:12 PM by President Church

President Church introduced the HOA legal council Stan Murphy and thanked him for attending our meeting at no additional charge to the association.

2. Verification of Quorum. Secretary Harvey verified 31 members present and 26 by proxy.

In attendance were Lauren Church President, Jerry Harvey Secretary
Members: Lien Groenwold, David Dustin, Jeff Geis, Nannette Smith, Elain Yoder, Garland and Joanne Gills, Geary and Edna Matthews, Jim and Donna Keeney, Debbie Harvey, Joseph and Alice Stevie, Joseph Thompson, Patricia Mrzyglod, Kurt Bulger, Mark and Teresa Neil, Matt Church, Mike and Cathy Sarmento, Paschal and Sherry Sheffield Jr, Ralph and Cynthia Ivestor, Richard and Sandi Bustle, Bob and Annette Morgan, Robert Silva, Sam and Janice Frye, Scott and Kim Laurer, Ted and Jerry Jenkins, Cindy Reymer.

3. Volunteers to process ballots: Director Dustin, Sam Frye, Lien Groenwold and Scott and Kim Laurer

4. Approval of the minutes from the last annual meeting conducted on October 15, 2022 @ 2:08pm and concluded on December 10 2022 @ 9:30am.

Motion by Garland Gills to wave reading of last years minutes and approve last years minutes, 2nd by Bob Morgan all ayes 2 opposed motion carries.

5. Treasurers Report: Donna Keeney **see Attachment A:**

6. Update on old business, other standing committee reports

a. ACC: Jerry Harvey see report **Attachment B:**

b. Maintenance committee: Cathy Sarmento

No changes since Sept BOD meeting. Testing being done on materials to repair roads. No money specifically set aside for maintenance. Can't do much with what's is left over at end of year. Bathrooms to be closed before first frost.

Nannette Smith asked that the following volunteers be thanked:

Matt Church and Jim Keeney for cleanup of downed trees on Steamboat Lane. Also thank you Mark and Teresa Neil, Jim Keeney and Matt for trimming of crape Myrtles along Steamboat Lane.

Matt Church, Garland Gills and Mark Neil for removing the logs blocking access to the boat ramp.

7. New Business:

- BOD Appointment of 2024 Nominating Committee. Director Smith, Lien Groenwold and Jeff Geis

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8. Comment Period for Members:

Cathy Sarmento: Open to discussion

- policy to bid for contract work in excess of \$500 with at least 3 contractors.
- Policy for spending in excess of \$200
- No more than one family member per lot can be a director or officer.
- Term limits for officers and directors.

Matt Church:

- Regarding term limits, very hard to get volunteers and to keep good officers in place.

Joe Thompson:

- 30 year resident, helped write the bylaws, served on board at least 10 times. This is a beautiful community almost all volunteer run.
- Respect all members. A few people cause most of the problems, be conscious of all peoples feelings. Very important to talk and respect each other.
- Have faith in your board and back them up. Don't participate in the negative focus on the positive.

Geary Mathews:

- Have worked in hospitals over the years with a closely knit and trusted group of people, I am a people person. I get along with everyone. Over the years I've seen this subdivision and the trust they have with neighbors. Sure there are problems, if you have an issue you should feel free to send it to the board, but I want the board to listen to what I have to say and try to work with me. That's what I think of what should be and that's WHY I'm speaking in now and that's WHY I Feel like I'm pretty sure my wife has to say I don't know you but I'm willing to know you and you do the same.

Matt Church:

- Its very important obligation to membership to seek and follow legal counsel.

Cindy Reymer:

- Problems with drainage system, clogs up during heavy rain we have to constantly clear out ourselves. Last September lots of copperhead snakes, fox den with babies. VDOT may help with clearing drains.
- Sam Frye: online site to take care of pest.
- Alice Stevie: can't kill all the snakes.

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- Sam Frye: illegal to kill snakes in Virginia.

Tricia Mrzyglod: Can dues be more for homeowners than lot owners?

Sam Frye: Index dues over years to keep up with inflation.

9. Announce newly elected Directors and ACC member: Dave Dustin

- ACC: Mark Neil
- Directors: Debbie Harvey, Ralph Ivester and Nannette Smith.

10. Closing comments from Stan Murphy: Mr. Murphy prepared a handout in response to recent anonymous emails sent to some members see attachment C.

I am fighting a problem with my back so I'll do the best thing, and this will keep it short. A significant part of my practice involves representing homeowner's associations it's an area that I specialized in for a number of years and I have the honor to represent, gosh at 1 point I represented about 3000 organizations like this. It is so wonderful to come to this meeting and hear it's sort of comments that Joe made. Because in my experience particularly Over the course of the last 2 presidents This organization works at a very high level you're led by wonderful people who are concerned about following the law and concerned about the principles of the HOA world which are transparency openness and responsiveness to the members and I've worked I think now with 4 presidents and have all been just absolutely terrific and whenever I have a conversation with the President from this group there's a statement of how the owners feel what is best for the owners what the opinion from the owner's is and I just I wanted to congratulate you all because I think you do operate on a very high level and you've got a great set of leaders in this. what we're doing with the bylaws I heard you say you helped write these. There is a fundamental tension between certain things the parliamentary practice of organizations and in the way corporations are required to work and there are several conflicts in the bylaws that seem to form the basis for complaints one right after another year after year but just so you know where I come from I'm inclined to believe that organizations work best when they organize the least and if you trust each other and work with each other things just go better and my first foray into organizational life was with a church but it in the diocese the customer Diocese of Virginia and I said where are your constitutional bylaws we simply don't have those we just have these practices that we do and they say oh no you need constitutional bylaws. So we wrote constitutional bylaws that summarize the way we sort of informally made decisions and I encourage that in a group of neighbors because if you understand each other and you are motivated by ideas of fairness and openness and responsibility things just go better so always wonderful comments here this afternoon just reinforce what I already feel about this group is great privilege for me to representative you. So, thank you.

Dave Dustin (BOD), Marshall Ticer (BOD) and Theresa Neal (ACC), the 3 volunteers whose terms expire this year were thanked for their service.

Motion to a adjourn by Garland Gill's second Sam Frye All ayes

The meeting was adjourned at 3:14pm



Attachment A: Treasurers Report

BLHOA Board Meeting

Treasurer Report 10/14/23

FINANCIALS

| | |
|-------------|----------------------|
| Primis Bank | \$ 7,956.00 |
| CD (Primis) | \$ 6,692.66 |
| Vanguard | <u>\$ 182,520.96</u> |

- All bank, cd and investment accounts are reconciled thru 9/30/23 Bank balances as of 9/30/23 are:

NOTES:

Comparison of budget to actual thru 9/30/23

- We have collected \$19,200 of the budgeted 2023 HOA dues of \$20,100, equaling to 95.5%
- We have paid expenses of \$15,700.39 of the budgeted amount of \$23,339, equaling to 67.3%
- All expenses received thru 9/30/23 have been paid in full.
- Estimated known expenses from 10/1/23 thru 12/31/23 are

| | |
|------------------------------|---------|
| Mowing est. 4 times x@ \$700 | \$2,800 |
| Capital Reserve 3 x \$371 | \$1,113 |
| Fiduciary bond | \$ 325 |
| Legal fixed fee for 23/24 | \$ 500 |
| Electric | \$ 110 |

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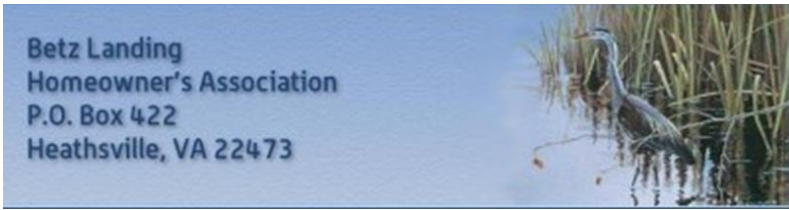
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Estimated total known expenses thru 12/31/23 \$4,848

- Note, we have not had any expenses related to maintenance/repairs to the dock/ramp or restroom facilities this year, nor have we had storm damage. Let's keep our fingers crossed on these items thru the end of the year. Cash in Primis is \$7,956 less estimated expenses of \$4,848 = \$3,108 estimated cash balance at 12/31/23.
- Note: CD at Primis expired on 10/4/23. I was able to renew the CD for 12 month term for 3.25% - previous CD was for 12 month at 1.1%.

DELINQUENCIES

- Since 8/31/23 I have collected outstanding 2023 dues and late fees of \$656.29.
- Total outstanding due is \$15,028.20 as of 9/30/23, including late fees
 - 4 lots owes for 2023 dues only
 - 1 lots owes for 2022 and 2023 dues
 - 1 lot owes for 2020, 2021, 2022 and 2023
 - 1 lot owes for 2021 and prior years
- Note: Please contact betzlanding@outlook.com with any changes in ownership to your properties so that we may invoice the correct lot owner.



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Attachment B: ACC Report

ACC report for 2023

| Date | Owner(s) | Address | Lot # | Plans | Plat | Project | Approved | Est start | Est finish | Fee | Notes | Invoice Created | Fee Paid |
|----------|-------------------------|---|----------|-------|------|---------------------|--------------------------------|-----------|------------|-----|---|-----------------|----------|
| 03/06/23 | Jim and Donna Keeney | 132 Heron Ct | 61 | no | no | n/a | no need for approval See Notes | | | N/A | After discussing with the committee we do not feel there is any need for approval since this is just adding a stamped concrete patio beneath an existing deck and no additional ground disturbance or tree removal is required Summary of Maintenance Plans and 4/6/2023 Telephone Conversation between Jerry Harvey (ACC Chair) and Scott Laurer ("homeowner") Background for property at 1143 Steamboat Lane (Betz Landing Lot 90) Modular home is about 20 years old Some of the original builder-grade materials need maintenance or replacement Maintenance Plans ALD, LLC ("Contractor") will perform work; Contractor's address is 5190 Jessie Dupont Memorial Highway, Heathsville VA 22473, Contractor POC is Anthony Christophers, (804)724-3173; Contractor won't place a business sign on the property before, during or after work Contractor will remove existing siding, trim, front door, windows, sliding glass doors, shutters, and loose parging and properly dispose of the materials outside of Betz Landing property Existing vinyl siding will be replaced with HardiePlank Lap Siding Select CedarMill siding prefinished in Boothbay Blue color and HardieShingle Siding Straight Edge Panel prefinished in Boothbay Blue color on the front of the house and Evening Blue color on the upper gable of the left side of the house facing Steamboat Lane, Hardie colors: http://advancedroofingga.com/wp-content/uploads/2017/05/Hardie-color-choices.jpg Existing exterior trim will be replaced with white trim and the caulk used will match trim or siding colors Existing windows will be replaced with white framed double hung replacement windows with internal grids; sliding glass doors facing river will be replaced with white framed sliding glass doors Existing front door will be replaced with a fiberglass exterior door (color TBD) Existing shutters will be replaced with board and batten shutters (likely black color) Loose and cracked foundation parging will be repaired and painted (likely matching siding color) | n/a | n/a |
| 04/08/23 | Scott and Kim Laurer | 1143 Steamboat Ln | 90 | no | no | N/A | no need for approval See Notes | | | | | n/a | n/a |
| 05/18/23 | Jerry and Debbie Harvey | 135 Heron Ct 1360 Steamboat Ln Heathsville, VA 22473 | 65,67,68 | yes | yes | | yes 5/22/23 | 6/1/2023 | 08/30/23 | | Fence around pool | yes | yes |
| 07/24/23 | Cathy Sarmiento | | 70 | yes | no | fence for dog pines | yes 7/24/23 | 7/20/2023 | 07/30/23 | 25 | | yes | yes |

DRAFT

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Attachment C: 2023 Annual Meeting Issues

MURPHY LAW OFFICES, PLC

TRIAL AND APPELLATE REPRESENTATION

E. STANLEY MURPHY
ATTORNEY AT LAW

(804) 493-4075
stan@murphylawplc.com

October 13, 2023

Ms. Lauren Church
President
BETZ LANDING HOMEOWNERS'
ASSOCIATION, INC.
P.O. Box 97
Heathsville, Virginia 22473

Re: 2023 Annual Meeting Issues

Dear Ms. Church:

Apparently, a few vocal members of the Betz Landing Property Association continue to disrupt the ordinary conduct of your association's business. We agreed that I would provide a brief topical summary of legal points relative to the latest complaint.

I have done so in this letter that is available for distribution at tomorrow's annual meeting.

Rehash of Disrupted 2022 Meeting. I attach another copy of my letter to you from a year ago. It describes the procedural point that disrupted your annual meeting and advised you how to handle the question at a reconvened meeting, which the Association did. Importantly, the opinion was based upon the prepared remarks of the individual who disrupted that meeting and caused the association to incur additional the expense of reconvening it.

Nothing is to be gained from rehashing that dispute. I am particularly confused about claims that my letter to you last year was based upon incomplete information when my entire opinion was premised upon the exact words of, and motions made by this individual.

Bylaw Amendments. I have recommended changes in the bylaws in order to simplify several aspects of association business. I have finished a draft of recommended changes and anticipate presenting them to the board for review, comment and suggestions at your next meeting. Some of the changes are intended to address that constant criticism of association governance, many of which are the product of bylaws that were adopted many years ago but which your board is still obligated to follow.

Please plan a special meeting of the membership to review and hopefully to approve these changes and any suggestions that the board may have. I apologize for my delay in getting this work

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product to you, but I have been struggling with a serious health issue this year that has disrupted my work.

This Year's Election. You have used the proxy from that was prepared by the association's former counsel and that has been used for many years. I have reviewed the proxy and concur that it is appropriate. Complaints about the proxy not preserving the ballot as secret are not correct for the reasons, I pointed out a year ago. Essentially, your association must correlate specific ballots with specific proxies in the event there is a challenge to the election so absolute secrecy is impossible for voters who elect to vote by proxy. The problem results from bylaws that do not correlate well with state law and therefore are partly unenforceable. As an aside, proxy voting is anathema to Roberts Rules of Order, but it is required under state HOA law unless prohibited by the bylaws.¹

Voting results are not announced in a way that associates voters with election results and if you instruct voting officials to tally votes and then preserve proxies and ballots in a sealed envelope without discussing voting information, you have accomplished a secret ballot. This is the procedure that has been followed for several years.

Insofar as write-in ballots are concerned, the association is within its rights to disallow votes for persons not on the ballot. Your elections have not been improper, as claimed in a recent email. Other claims about alleged deficiencies in the proxies are insignificant and factually incorrect.

Board Training. A recent email alleges that your association has no plan or program for board training. This is incorrect. I have presented a 90-minute program to your board regarding HOA governance under Virginia law and am prepared to present it again, although I understand that my handout material has been used by directors since the time of that presentation.

As for mandatory board training and/or licenses required by some states, allow me to note that all real estate law is local and that requirements of other states are not requirements of Virginia law. The two states most insistent about board training (Florida and California) have HOA laws that are significantly broader and more rigorous than Virginia HOA law and impose significantly harsher penalties on board members and HOA for failure to comply with the HOA law.

¹ In general, there is a fundamental tension between Roberts Rule of Order, which were crafted for use by *deliberative bodies* and Homeowners' Associations, which function as corporations and are not deliberative bodies. I have addressed this conflict in my recommendations for amended bylaws.

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I took a quick look at the average HOA fee for these two states. Among other things, the fees reflect the increased cost of statutory compliance. HOA property owners in California pay \$4,649.00 annually in HOA membership dues. Florida HOA property owners pay \$4,669.

Betz Landing owners should compare those annual costs to your annual assessment before requiring something akin to mandatory training that would be required for board membership. In general, governing law is relatively easy to understand and cooperation rather than confrontation reduces the need for board members to be legal and parliamentary experts.

I encourage board training and am more than willing to provide board members with a more lengthy and elaborate training course, but the question for your association is whether the increased cost is justified by any significant benefit in the absence of a harsh regulatory environment.

Betz Landing HOA Governance Generally. For the last four to five years, your board and your association presidents have been particularly sensitive to running your association transparently and in strict accordance with Virginia HOA law. As a result of this work, you are among the best functioning local associations with which I am familiar.

I represent your association for a modest and greatly reduced annual fee, which allows you to contact me whenever you desire without incurring additional legal fees. I congratulate you for making maximum use of that resource. This year alone, you have called or emailed me on about three dozen occasions, and I welcome the opportunity to help you.

Dissatisfaction of Individual Owners Does Not Equate to Impropriety by the Board of Directors. Under your organizational documents and under Virginia law, your board of directors has the sole authority to manage virtually all association business. You have broad discretion in most matters and as long as you conduct association business fairly and transparently based upon specific authority in your governing documents, you have done your job. Not everyone will agree with your decisions but that does not mean that you have done anything wrong.

You have always encouraged anyone interested in serving on the board to run for election and to the extent individual members criticize your policy decisions, getting themselves elected to the board is a democratic way to influence board actions. Constant carping and allegations of impropriety are corrosive to your organization and do nothing but drain away the energy of persons good enough to volunteer for board service.

You will permit me to observe that the most recent anonymous email actually defamed a serving board member. In other words, certain statements in that email were so harsh, so untrue and so legally out of bounds that the board member in question would be within his or her rights

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to sue the anonymous complainant in a court of law for money damages. Thank goodness for this director's common-sense restraint.

Robert Rules of Order. Much anonymous criticism seems to be built around the supposed failure of the board to follow Roberts Rules of Order. This criticism is invariably incorrect.

As I pointed out last year, these rules are complicated (there are about 750 pages of them) and hard to understand. In practice, the people criticizing the association's use of Roberts Rule have a poor understanding of those rules themselves and have attempted to use the rules as a bludgeon rather than the aid to order that they were intended to be.

More fundamentally, as I have pointed out earlier in this letter, Roberts Rules were never intended to govern the substance of corporation business which is controlled not only by association documents but also several hundred state laws and regulation, which frequently supplant or displace corporate governing documents. This concern has also been addressed in my suggested amendments to your bylaws.

I hope we will get to bylaw amendments shortly but, in the meantime, however, I observe that, to my knowledge, your association has not violated these rules in any substantive or unfair manner.

I will be available to answer other questions that may arise at your annual meeting. My attendance is included in the modest annual fee that your HOA pays me.

Very truly yours,

E. Stanley Murphy