

LAKE RIDGE PARKS AND RECREATION ASSOCIATION, INC. (LRPRA)
SPECIAL MEETING OF THE BOARD
June 29, 2021 Minutes

The Board of Directors held a special board meeting to consider the FY2021-2022 Budget. This meeting was conducted as an in-person/virtual hybrid meeting at Tall Oaks Community Center and via ZOOM video conferencing software. The meeting included five board members physically present with the two board members attending virtually. Members of the community were offered the ability to join in, virtually using ZOOM. They were given notice of how to receive instructions for login a week in advance.

PRESENT: Board Members: Janet Foote (President), Ron Yoho (Treasurer), Tina Herndon (Secretary via ZOOM), Christopher Berry, Jason Devers (via ZOOM), Jean Lohier, Bill Milne. **Staff:** Ike Mutlu (Chief Operating Officer/General Manager), Brodie Freer (Assistant Facilities Director via ZOOM), Rebecca Hale (Assistant Finance Director), Kimberly Huh (Accounts Payable Administrator/Finance Analyst via ZOOM), Laura Krauss (Recreation Director via ZOOM), Doug Milburn (Director of Administration and Human Resources), Stephanie Pomier (Payroll Administrator/Staff Accountant via ZOOM), Mike Yuenger (Director of Finance and IT) **Other Attendees:** Homeowners

ABSENT: Board Members: Michael Butler (Vice President), Michael Stephens **Staff:** Mark Brooks (Facilities director), Thomas Weldon (Covenants Director)

A. MEETING CALLED TO ORDER: Ms. Foote called the meeting to order at 7:00pm. She advised that this Board meeting was a special Board meeting specifically to discuss and vote on the FY21/22 Budget. A Town Hall was held June, 9 2021 for all homeowners to ask questions and learn about the budget. Ms. Foote commended the Finance Director and Assistance Finance Director for the most efficient, transparent budget in many years. She further emphasized that the budget process is a zero-based budget, starting with each department's requirements for the next fiscal year. This year, Treasurer, Ron Yoho, briefed the Budget Town Hall and provided specific analysis of cost and revenues for the Operating and Reserve Budgets for further transparency and resident understanding.

B. OPEN FORUM: A homeowner stated she received the Lake Ridge Today magazine and that it hinted towards an assessment increase in the FY22 Budget. She suggested that Board approval of the budget before publication in the Lake Ridge Today magazine.

C. TREASURER'S REPORT/FINANCE COMMITTEE RECOMMENDATIONS - ANNUAL BUDGET FOR FY2022: Mr. Yoho presented the information that the Finance Committee had prepared for the Board of Directors. The presentation focused on the following items:

- Assessment Structure
- Major Operating and Reserves Budget Factors
- Operating and Reserves Budget Summaries
- Comparison of Proposed Baseline Assessment to Other Local Associations
- Proposed Quarterly Assessments
- Finance Committee Recommendations

D. PROPOSED FISCAL YEAR 2022 - OPERATING AND RESERVES BUDGETS AND ASSESSMENTS DISCUSSION AND VOTE: Mr. Yoho made the following motion(s):

- Resolved, the Board of Directors approves the proposed FY2022 Operating Budget based on an Annual Base Assessment of \$597.20 (5% increase) for Class A, Class B, Class C and Class E members. The proposed FY2022 Operating budget (attached) reflects income of \$6,166,891 and expenses of \$6,166,891.
- Resolved, the Board of Directors approves the FY2022 Operating and Reserves budgets based on:
 - i. No change to the annual trash rate of \$152.52 for single family homes and \$97.04 for townhomes;

ii. No change to the Reserve Contribution at transfer of a lot of \$1,000.

Mr. Lohier seconded the motion, and it was approved unanimously. **(Resolution 2021/6-1)**

Mr. Yoho made the following motion:

Resolved, the Board of Directors approves the proposed FY2022 Reserves Budget (attached) with income of \$1,500,806 and expenses of \$2,063,072 based on the proposed subdivision Reserves Assessment rates for members in certain Class E and Class A subdivisions.

Mr. Milne seconded the motion and it was approved unanimously. **(Resolution 2021/6-2)**

E. PROPOSED FISCAL YEAR 2022 - MAXIMUM ANNUAL BASE ASSESSMENT DISCUSSION AND

VOTE: Mr. Yoho made the following motion:

Be it resolved; the Board of Directors approves the FY2022 increase in the maximum annual base assessment by 5% to a new maximum total for the year of \$917.38 for Membership Classes A, B, C and E. Mr. Milne seconded the motion. Discussion was had by Mr. Berry in a statement that he understands we have legal counsel approval, but in his reading of the covenants he cannot see justification to vote in favor. The vote carried 6-1. **(Resolution 2021/6-3)**

F. PROPOSED FISCAL YEAR 2022 - ESTABLISH MAXIMUM ANNUAL RESERVE ASSESSMENTS

DISCUSSION AND VOTE: Ms. Foote discussed that the Finance Committee recommended that our reserves budget is insufficient and that a maximum annual reserve assessment increase at 5% be proposed. Mr. Yoho made the following motion:

Be it resolved; the Board of Directors approves the establishment of the Class E accumulated maximum allowable Subdivision Reserve Assessment per the attached schedule (schedule listed on website for the public).

Mr. Lohier seconded the motion and discussed that he is in agreement with the motion and that this can help the association. The vote carried 6-1. **(Resolution 2021/6-4)**

G. OPEN FORUM: There was no discussion at this time.

H. ADJOURNMENT: Mr. Lohier made a motion to adjourn the meeting. Mr. Yoho seconded the motion, and it was approved unanimously. Ms. Foote adjourned the meeting at 7:28pm.

Tina Herndon, Board Secretary: _____

Douglas Milburn, Recording Secretary: _____