

Habitat 1 Section A
Board Meeting Minutes
June 19, 2025

The June Board of Directors meeting for Habitat 1 Section A was held on Thursday, June 19, 2025 at 7:00 PM via Zoom conference call.

Present:

Dick Olney	President
Larry Thomasson	Vice President
Patrick Schmitt	Treasurer
Andrea Merchant	Brodie Management
Brittany Stoltzfus	Transcriber

- I. **Call to Order:** Mr. Olney called the meeting to order at 6:43 PM. A quorum of the Board was established.
- II. **Minutes:**
 - Mr. Schmitt made a motion to approve the May 15, 2025 Board meeting minutes as presented. Mr. Olney seconded the motion. All in favor/none opposed. Motion carried.
 - Mr. Schmitt made a motion to approve the May 15, 2025 Closed session minutes as presented. Mr. Thomasson seconded the motion. All in favor/none opposed. Motion carried.
 - The Board agreed to defer approval of the Show Cause Hearing minutes for 2071 Happy Lane until the next Board meeting.
- III. **Financials:**
 - \$100,000 was transferred from the Shore United Bank reserves account to the operating account to cover the roof replacement and repairs to 2032 AD/1709 LW. The remaining balance after the transfer, as of 6/4/25, was \$71,399.77.
 - The CD at 1st Internet Bank renewed on 5/10/25 for a 12-month term with a rate of 4.12%. The balance as of 5/31/25 was \$221,717.96. The CD will mature on 5/5/26.
 - The Live Oak CD renewed on 6/1/25 at 5.00% for a balance as of 5/31/25 of \$219,923.69.
 - A Live Oak Savings account was opened as a requirement to purchase a CD at that bank. There is \$0.58 of residual interest in the account which will remain open to cash out the current CD.
 - Edward Jones has a \$0.03 balance, for the same purposes as the Live Oak account. As of 5/31/25, the Money Market account with Edward Jones had a balance of \$182,609.68 with a current rate of 4.77%. Mr. Schmitt will continue to monitor the rate monthly.
 - The ledger showed a balance in the operating account of \$14,928 after the \$100,000 expenditure. The balance sheet shows some budget lines on budget/positive and others negative.
 - Money is transferred to reserves monthly.

- The Shore United Money Market account is currently only paying .25% on the current \$71,000 balance. Mr. Schmitt will request another option with a better rate at Shore United and if they do not have anything to offer, Mr. Schmitt will look into another institution (possibly Edward Jones with a good rate currently). The goal is to keep the funds in a liquid account to prevent penalties from having to withdraw funds from a CD.
- The Edward Jones statements were not being sent to Brodie. Mr. Schmitt has downloaded all statements and will send them to Chris Giles at Brodie. Mr. Olney will confirm that Edward Jones has the correct mailing address for future statements.

IV. Management Report:

- A breakdown of the invoices and chargeback totals for 1709 LW and 2032 AD were included in the Board package.
- The termite inspection policy and notification letter were mailed. The only response Brodie received was an owner calling to schedule their appointment; Brodie directed the owner to call Economy directly for scheduling. Ms. Merchant was asked to confirm how many appointments have been scheduled with Economy. If there are several owners who have not scheduled, another notice will be sent.
- Mr. Giles sent an email with a breakdown of the 2024 taxable income expense (~\$20,000). The taxable income is profit from investments/reserves. The attorney confirmed the Board can choose how to apply the investment income; MD law does not require investment income to be reserve funds. The Board agreed to keep the 2024 \$20,000 income in reserves, but the money can be used for operating expenses if necessary. Any money taken from reserves to pay operating expenses will have to be returned at some point. The next reserve study due in 2027 or 2028 will review what work was done and if any funds were used from the reserves that should not have been. It would be best to show an effort was made to replace those funds when possible. If the Board chooses to hold the \$20,000 in 2024 investment income and likely another \$20,000 in 2025 investment income in the reserve account, \$40,000 of the borrowed funds will be paid back before the next study.
- Roger McGraw provided a proposal to remove/relocate plants and remove rotten wooden borders at 2059, 2066, 2072, and 2063 Happy for \$3,250. The proposal also included a price of \$750 to replace the wooden edging and required paver work at 1719 Aberdeen Ct. Mr. Olney already asked Ruppert for a proposal to address 2059/2063 Happy and 1719 AC. The Board could choose not to replace the wood. Mr. Schmitt noted the sidewalk at 1719 AC still needs to be addressed. Mr. Schmitt is not pleased with the McGraw proposal and would like to see Ruppert's proposal, also Eli and possibly other company proposals. Ms. Merchant was already asked to contact Eli, Mr. Olney will ask Carl tomorrow for pricing on all. The 1719 AC sidewalk area near the garage door out to the path needs to have the brick removed and the area sloped to direct water away from the sidewalk to prevent water puddling like it does currently. There was discussion about potentially using the crushed stone material as an alternative to concrete. Mr. Olney will also ask the concrete contractor for a proposal for the sidewalk.
- Electrical Inventory/Calvert – Calvert recommends the next replacement be 1725 AC, then 1717 AC.

- 2 New Meter Stacks - Ms. Merchant was asked to follow up on the contract for the next 2 meter stacks. Mr. Olney believes the price was \$23,000. Mr. Schmitt will forward the email with Calvert's proposal from June 6th. Calvert requires a 1/3 deposit. The Board agreed to move forward with this as there was previously a 53- or 54-week lead time.
- Ms. Merchant will send the Board the owner's request to add fresh stones at 1720 LW.
- Retention pond/drain near 1703 AC – The Board discussed how to address the water in the area that does not drain properly, which could be a safety hazard. Ron with GMC recommended a "rain garden" be installed with holes in the bottom to better drain. The plants/soil also absorb the water. This proposal addresses the drainage issue, but not the safety concern. The Board discussed a fence. The Board agreed the rain garden is likely not the best solution. Mr. Thomasson agreed with GMC's recommendation to put holes under the stone for better drainage. The Board liked the idea of using vertical PVC in 3-foot holes for draining rather than evaporating. The Board will consider further options to protect the area and prevent a safety hazard.
- Building 13 roof replacement – Katchmark and the engineer have been notified that the Board approved the replacement; the work will be completed soon contingent on the weather.
- Maintenance Items:
 - i. Down tree limbs from recent storm – Mr. Olney will do a walkthrough tonight to create a list of all down tree limbs that need to be removed which will be sent to Ms. Merchant to provide via phone call to Ruppert tomorrow. There is one tree limb down on a property gate that likely belongs to the Association. Ms. Merchant was asked to contact Eli to address the limb on the gate.
 - ii. 2048 Friendly BGE account is back in the Association's name. Kenisha is negotiating a price with the engineer to inspect the ceiling; the current proposal is \$4,800. The Board agreed that ~\$4,000 sounds appropriate.
 - iii. 2059 Happy – Roger McGraw will provide a price for the wood by the downspouts. Drew was also asked for a proposal. The cracked gutter will be replaced with the next gutter project.
 - iv. The settlement sheet with the new owner's information for 2060 Happy is included in the Board package. Ms. Merchant was asked to ensure the new owner's contact information is added to the Brodie system for future communication. Ms. Merchant was asked to confirm if the same information was provided by the new owner of 2051 Happy (with the current floor issue).
 - v. 2063 Happy stacked windows – The Board is still looking at replacement options for the stacked windows throughout the community. Maintaining the windows (caulking every few years) is the owner's responsibility. 2063 Aberdeen submitted an architectural request to replace all windows; Management was directed to notify the owner the Association is responsible for replacing windows. The owner should be adding new caulk every few years to prevent any leaks.
 - vi. Economy's report for rodents at 1734/1736 LW was sent to the Board on 6/9/25. Economy did not provide any feedback on how the rodents would still be in the area considering the traps existing throughout the community. Economy's report only included that entrances to the unit should be sealed and more traps will be added in the area. There was extensive discussion about the

current services provided by Economy (separate contracts for termites vs. rodent control) and asking the previous pest control company (Novex) for a solution recommendation to rid the community of rodents. The Board will decide later if the termite contract should also be moved to Novex or another company. For now, Management was asked to ask Novex about rodent control. There was additional discussion about aggressive geese in the area that are likely contributing to the rodent issue; Mr. Olney will send a letter to the Umbrella Association regarding the geese.

- V. **Adjournment:** With no further business to discuss, Mr. Thomasson made a motion to adjourn the meeting at 8:43 pm. Mr. Schmitt seconded the motion. All in favor/none opposed. Motion carried.

The next Board meeting of Habitat 1 Section A will be held on Thursday, July 17, 2025 at 7:00 PM via Zoom conference call.

These minutes were recorded and transcribed according to accepted business practice and were read/edited for accuracy by the Board prior to distribution.
Habitat 1 Section A, June 19, 2025

Approved as written: Richard B. Olney Date: 07-17-2025
Approved as amended: _____ Date: _____

Minutes respectfully submitted by Brittany Stoltzfus