



The Commons A Condominium Association

Board Meeting Minutes – August 25, 2009

Location

The Commons Cabana
1400 Pebblebrook Way
Virginia Beach, Virginia 23464

Members Present

Diane Standridge, President
Tom Pelech, Vice President
Robert Chapin, Treasurer
Mike D'Ambra, Secretary
Dave Grant, Member-at-Large

Members Absent

None

Others Present

Jill Albright, The Select Group Association Manager

1. CALL TO ORDER

With the establishment of a quorum, the President called the meeting to order at 6:32 PM.

2. UNIT OWNERS' FORUM (30 Minutes)

There were no Unit Owners present.

3. APPROVAL OF MINUTES FROM JULY 28, 2009

After reviewing the Minutes, no changes were identified. Dave made a motion to approve the minutes from the July 28, 2009, BOD Meeting as written. Robert seconded the motion. By a vote of 4-0 the motion was accepted and adopted.

4. FINANCIAL REPORT

Treasurer's Report, 8/25/09, as of 7/31/09

BALANCE SHEET:	
ASSETS	
Operating Accounts	\$ 46,220.23
Accounts Receivable	\$ 62,247.17
Other Assets:Prepays	\$ 3,900.93
Petty Cash	\$ 750.00
Operating Reserve	\$ 24,411.49
Replacement Reserve	\$ 355,941.58
TOTAL ASSETS	\$ 493,471.40
LIABILITIES & EQUITY	
Accounts Payable	\$ 31,055.85
Loan from Replacement Resv	\$ 29,597.50
Prepaid Owner Assessments	\$ 14,128.51
Accelerated Owner Assessments	\$ 5,084.08
Total Liabilities	\$ 79,865.94
Reserves	
Accum Operating Reserve	\$ 24,411.49
Accum Repl Resrv Interest	\$ 17,735.49
Accum Gate Loan Reserves	\$ 12,611.35
Accum. Replacement Reserve	\$ 349,089.88
Total Reserves	\$ 403,848.21
Retained Earnings	\$ -24,171.32
Current Earnings	\$ 33,928.57
Net Worth	\$ 413,605.46
TOTAL EQUITY & LIABILITIES	\$ 493,471.40

INCOME STATEMENT	VARIANCES		
	JULY	YEAR TO DATE	YEAR TO DATE
Total Assoc. Income	\$ 30,100.73	\$ 228,926.21	\$ 11,735.53
Gen'l & Admin Expenses	\$ -4,182.14	\$ -40,423.33	\$ 10,630.91
Maint. Expenses	\$ -16,628.32	\$ -64,065.54	\$ -4,128.74
Operating Income	\$ 9,290.27	\$ 124,437.37	\$ 18,237.70
Xfer Interest Earned on Reserves	\$ -65.73	\$ -6,169.65	\$ 412.03
Transferred to Operating Reserves	\$ 0.00	\$ -16.66	\$ -16.66
Transferred to Gate Loan Reserves	\$ -2,522.27	\$ -17,655.89	\$ 0.00
Transferred to Replacement Resvs	\$ -8,625.25	\$ -60,376.75	\$ 0.00
Net Ordinary Income	\$ -1,922.98	\$ 40,218.42	\$ 18,633.07

"Water Company"			
Income from Water Sales (July)	\$ 9,252.74	\$ 38,366.22	\$ 9,199.53
Cost of Water	\$ -8,101.39	\$ -30,869.32	\$ -14,202.68
Meter Fees	\$ -532.25	\$ -2,219.00	\$ -52.36
Sewer Fees	\$ -2,009.11	\$ -8,564.79	\$ 8,101.85
Storm Water Fees	\$ 0.00	\$ -3,019.62	\$ 1,080.38
Net Water Income	\$ -1,390.01	\$ -6,306.51	\$ 4,126.72
Net Income	\$ -3,312.99	\$ 33,911.91	\$ 22,759.79

Notes:

1. This report is based entirely on The Select Group figures except for the variances. The combination of my lack of data covering UPA deposits and checks for the first two weeks on June and the two week crash of my computer this month has prevented my verification of The Select Group figures. I have reviewed The Select Group figures and except for a few differences in classification of expenses, I find no discrepancies in the accounts.

2. So far, the mistakes we made in budgeting for the Water Company do not threaten our end-of-year bottom line.

3. Our maintenance funds are under heavy pressure. We have already spent more that I projected for this time of year and we have more, high priority repairs to be made. I do not expect the large positive variance in our net income to last long. Half of that variance comes from the fact that our trash removal expenses did not increase as forecast.

With the effects of Notes 1 through 3 considered, this report is a fair and accurate representation of the financial condition of the Association as of July 31, 2009.

Robert W. Chapin, Jr., Treasurer

Dave made a motion to accept the Treasurer's Report as written. Tom seconded the motion. By a vote of 4-0, the motion was accepted and adopted.

Diane asked Robert if he has seen the original certificates for the Association's CDs. He indicated has sighted them in the Select Group Offices. Additionally, Diane, Dave, Mike asked various questions to clarify their understanding of The Select Group's financial report.

5. OFFICER REPORTS

A. PRESIDENT

- Diane thanked Dave for keeping up with the website and successfully transferring the site to a new host. She requested all Members to help Dave by reviewing the site content for accuracy and clarity.
- Additionally, she asked each committee liaison to review their respective committee meeting minutes on the website and provide updates to Dave so that he can place them on the site.
- For the September BOD meeting, Diane asked the Members to provide pertinent Board documents to Jill by noon of September 14th.

- Diane thanked Tom for installing the border to contain the mulch in front of The Commons entrance sign flower bed.
- Diane will be out of town for a week beginning next Monday. In her stead, Tom will be the Acting President.
- For the Labor Day pool closing by the BOD, Diane requested the Members bring rags to facilitate cleaning the chairs and other pool furniture. She also noted that this was the quietest pool season to date.

B. VICE PRESIDENT

- As noted previously, Tom installed the mulch edging this past Sunday.
- Additionally, he was able to purchase and install a fire extinguisher in the Cabana.

C. TREASURER

- Nothing to report.

D. SECRETARY

- Nothing to report.

E. MEMBER-at-LARGE

- Nothing to report.

6. COMMITTEE REPORTS

A. COMMUNICATIONS COMMITTEE

- Minutes of the August 11th meeting were reviewed prior to the BOD Meeting.
- Dave made a motion to pursue upgrading the software used to maintain the website since the current software is no longer supported by Microsoft, not to exceed \$110.00. Robert seconded the motion. By a vote of 3-0, with 1 in abstention, the motion was accepted and adopted.
- The next meeting will be held on September 8th at 8:00 PM in the Cabana.

B. GROUNDS COMMITTEE

- Minutes of the August 10th meeting were reviewed prior to the BOD Meeting.
- The next meeting will be September 5th at 7:00 PM in the Cabana.

C. MAINTENANCE COMMITTEE

- Minutes of the August 6th meeting were not available for review.
- During the meeting, the committee reviewed the state of various projects.
- Robert understands he is late in developing a Statement of Work (SOW) to repair the damaged trellises. Additionally, he has to work on a SOW to repair the damage to the front entrance fence due to lawn trimmers. Robert has sent out a SOW for the trim replacement on Units to be painted this year.
- Robert made a motion to approve The Select Group letting a contract for the replacement of rotten/damaged trim on the Units to be painted this year, plus one additional Unit, for a total of 25 Units not to exceed \$2500.00. Dave seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
- Robert made a motion to table the address addition issue for the A and B Units to February 2010. Dave seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
- Tom indicated that he and Mark S have completed the repainting of the sign post. He also said that Mark has completed painting one fire hydrant and will continue with the others.
- The next meeting will be held on September 10th beginning at 7:30 PM in The Cabana.

D. SOCIAL COMMITTEE

- The Labor Day party is scheduled for Sunday, September 6th starting at 4 PM.

- The new Cabana checklist developed by Mike was reviewed prior to the Board Meeting. Mike asked that the document be maintained as a single page document and placed on The Common's website on the Forms page. Additionally, Mike requested that a statement is added to the Cabana Reservation request form on the website indicating that a \$100 deposit is now required.

7. MANAGEMENT REPORT

Jill presented the Management report from The Select Group. The report was reviewed and the following comments are noted:

- Jill presented the Get-Um Pest Control monthly reports. Based on the lack of any definitive control of pest, Dave made a motion to terminate the Get-Um contract. Mike seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
- Tom inquired into the need to obtain a termite control contract for the Common area structures. Tom made a motion to obtain quotes for termite protective services for the Cabana, trellises (25), and the post box station. Robert seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
- Jill advised the Board that the Virginia Condominium Act (VCA) requires that the Association is responsible to repair damages to a Unit caused by a common element. Diane stated she reviewed her notes from February '04 when the then President requested the Management company ask for a legal opinion concerning the responsibility of the Association with respect to internal Unit damage caused by common elements. At that time the opinion was that the Unit Owners were responsible for internal damages. Diane could not find a written legal opinion from that time. She asked if the rules have changed by the VCA.
 - Dave asked Jill to contact the lawyers to obtain an opinion concerning the ruling on the VCA which indicates that the Association is responsible to repair water damage from common elements.
- It is management's opinion based on the VCA that the Board is handling matters in Executive Session that are not allowed to be addressed in a closed session. Jill indicated that the proposed budget discussions and leasing request needs to be moved to the New Business section.

8. UNFINISHED BUSINESS

A. Action Items from 28 July 2009 BOD Meeting

- Diane indicated the Action Item list will be moved to the Management Report for future Board Meetings.
- The BOD reviewed the Action Item list provided by Jill from the last meeting.
- Diane requested that Jill purchase and log additional gate tags.

B. BOD and Annual Meeting Dates

- The December Board Meeting will be held on Dec 15th.
- At the Annual Meeting in November, three positions will be up for re-election. Robert indicated he will not run for his position.

9. NEW BUSINESS

A. Applications for Architectural Review

- 1513 PBW submitted an AAR to add a shed to their enclosed area. Dave made a motion to deny the shed addition. Robert seconded the motion. By a vote of 4-0, the motion was accepted and adopted.

- Diane asked Jill to send a letter to the Unit Owner to remove the existing shed, ensuring all Common Elements are maintained and/or returned to their undamaged form.
- B. Purchase Orders
 - Robert made a motion to approve a purchase order from Tom in the amount of \$20.30 for reimbursement for various pieces of lumber and a fire extinguisher. Mike seconded the motion. By a vote of 3-0, with 1 in abstention, the motion was accepted and adopted.
- C. Pool Contract
 - Diane asked Dave and Jill to review the Pool Maintenance Request for Proposal draft. She also asked the Board Members to review and provide comments by September 1st.
- D. Leasing Request
 - Dave made a motion to reject a Lease Request based on the lack of information provided within the request. Robert seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
 - Diane indicated that in the future we will not automatically place the rejected lease request on the Wait List. Rejection letters will indicate to call or write the President or Management Company to be placed on the Wait List.
- E. Proposed Budget for 2010
 - The Board Members reviewed two proposed budgets; one from management and one from the Treasurer. Diane asked the Members to provide comments on recommended changes prior to the next Board Meeting.
 - The Board also reviewed the Communication Committee proposed budget.

Robert made a motion to enter Executive Session. Tom seconded the motion. By a vote of 4-0, the motion was accepted and adopted.

10. EXECUTIVE SESSION

- A. Violations
- B. Delinquency Report
- C. Bids

Mike made a motion to leave Executive Session. Robert seconded the motion. By a vote of 4-0, the motion was accepted and adopted.

11. MOTIONS FROM EXECUTIVE SESSION

- A. Violations:
 - Dave made a motion to send a second violation letter to a Unit Owner to replace the front door hardware and repair the doorbell pushbutton. Robert seconded the motion. By a vote of 4-0, the motion was accepted and adopted.
- B. Delinquency Report
 - No Action taken.
- C. Bids
 - No Action taken.

12. ADJOURNMENT

Robert made the motion to adjourn. Dave seconded the motion. By a vote of 4-0, the motion was accepted and adopted. The meeting adjourned at 8:51 PM.

Respectfully submitted by Mike D'Ambra, Secretary.

Approved

Date