



THE COMMONS CONDOMINIUM ASSOCIATION

**BOARD OF DIRECTORS MEETING
TUESDAY, 16 OCTOBER 2007, 6:30 P.M.
TALLWOOD H.S. SCHOLA, 1668 KEMPSVILLE ROAD**

MEETING MINUTES

1. Meeting Called to Order/Establishment of Quorum

With the establishment of a quorum, The Commons Condominium Association's Board of Directors Meeting and Unit Owners' Forum were called to order by the President at 6: 42 PM.

The following members of the Board of Directors were in attendance:

Diane Standridge, President

Tom Pelech, Vice President

Robert Chapin, Treasurer

Dave Grant, Secretary

Member-at-Large, Vacant

Also attending was Mr. Mike Minor, UPA Association Manager.

2. Unit Owners' Forum (60 minutes)

A. Approximately 34 Unit Owners were in attendance regarding The Commons 2008 Budget.

- i. Robert presented the Budget process to the audience.
 1. Robert answered questions posed to him in an email from a Unit Owner.
 - a. There was a discussion regarding budgeted amounts for Committees.
 - b. There was a discussion regarding delinquencies and erroneous late notices.
 - c. There was a discussion regarding uncollectible fees.

3. Approval of Minutes from 18 September 2007

Robert made the motion to approve the written Minutes as written. Tom seconded the motion. The motion was accepted and adopted.

4. Financial Report

Treasurer's Report, 10/16/07, as of 9/30/07

BALANCE SHEET:		UPA Figs.
ASSETS		
Operating Account	\$ 20,023.51	
Petty Cash	\$ 750.00	
Operating Reserve	\$ 13,923.10	
Replacement Reserve	\$ 185,691.61	
TOTAL ASSETS	\$ 220,638.22	
CAPITAL & EQUITY		
Accum Operating Reserve	\$ 42,642.96	\$ 23,694.81
Accum. Replacement Reserve	\$ 189,174.59	\$ 192,827.09
RR Loan to Expenses	\$ 10,285.00	\$ (10,285.00)
Retained Earnings	\$ (4,641.95)	\$ 7,072.72
Current Earnings	\$ (6,787.38)	\$ 7,078.60
TOTAL EQUITY	\$ 220,388.22	\$ 220,388.22

<u>INCOME STATEMENT</u>			\$ OVER BUDGET
	SEPTEMBER	YEAR TO DATE	YEAR TO DATE
Total Assoc. Income	\$ 15,397.78	\$ 199,573.42	\$ 6,883.42
Gen'l & Admin Expenses	\$ 8,461.73	\$ 51,955.90	\$ 5,819.92
<u>Maint. Expenses</u>	<u>\$ 6,245.17</u>	<u>\$ 100,763.82</u>	<u>\$ 529.20</u>
Operating Income	\$ 690.88	\$ 46,853.70	\$ 534.30
Transferred to Operating Reserves	\$ 865.19	6,921.52	\$ (865.19)
Transferred to Replacement Resvs	\$ 4,024.92	\$ 32,199.36	\$ (4,024.83)
Interest Earned on Replace. Resvs	\$ 93.38	\$ 3,580.98	3,580.98
Net Ordinary Income	\$ (4,292.61)	\$ 4,151.84	\$ 1,843.34
Income from Water Sales (Sept.)	\$ 8,310.64	\$ 34,288.34	\$ (7,561.66)
Cost of Water	\$ 7,536.67	\$ 37,302.16	\$ 2,802.19
Meter Fees	\$ 532.25	\$ 2,657.86	\$ 349.36
Sewer Fees	\$ 0.00	\$ 5,267.54	\$ (2,082.49)
Net Water Income	\$ 241.72	\$ (10,939.22)	\$ (8,630.72)
Net Income	\$ (4,050.89)	\$ (6,787.38)	\$ (6,787.38)

Notes:

1. There continue to be differences between the Treasurer's and UPA's statement of the Capital & Equity side of the Balance Sheet. The bottom lines are the same but there are two versions of how to state this half of the Balance Sheet. The differences revolve around how to account for the transfer of \$10,000 from the Operating Reserve to the Operating Account and the payment of \$10,285 for the painting from the Replacement Reserves. UPA's version is shown above. The check for the painting also causes differences in the Income Statement that are easily understood and resolved. These differences do not have implications affecting the financial health of the community. (This note is the same as last Month's note.)

2. Now that we have finished the ninth month of the year, other issues are surfacing in the Income Statement that are not apparent in this report. 1) We seem to have under budgeted for both Insurance and Storm Water Fees by about a total of \$5,255. 2) The changes that we made in the pool maintenance contract were anticipated but not budgeted. These variances will be carefully considered as the draft budget is prepared. 3) The large variance in the Water Sales income is a surprise and is being researched.

3. We are still behind one month in transferring \$4,024.81 to the Replacement Reserve. This shortfall will be made up as soon possible. By the end of the year, we expect to reimburse the \$10,285.00 to the Replacement Reserves that was used to pay the final painting bill.

With the effects of Notes 1 through 3 considered, this report is a fair and accurate representation of the condition of the Association as of September 30, 2007.

Robert W. Chapin, Jr., Treasurer.

Dave made the motion to approve the Financial Report as written. Tom seconded the motion. The motion was accepted and adopted.

5. Officer Reports

Secretary

No Report

Treasurer

No Report

VP

No report

President

A. Reviewed Units for Sale spreadsheet.

B. Reminded BOD that the "Grandfather Clause" in the Association's Leasing

Amendment will expire on 8 December of this year.

Member-at-Large (vacant)

No Report

6. Committee Reports:

Communications Committee

- A. Dave presented the 8 October 2008 draft meeting minutes
 - An electronic copy of the Committee meeting minutes template has been provided to both Maintenance and Grounds Committee liaisons.
 - Letter regarding openings on BOD and Committees - postponed
- B. Confirmation of Committee Meeting recurrences (for inclusion in monthly events calendar) verified
 - Communications Committee: 1st Monday of every month at 8:00 PM in the Cabana
 - Grounds Committee 1st Tuesday of every month at 7:00 PM in the Cabana
 - Maintenance Committee: 1st Thursday of every month at 6:30 PM in the Cabana
 - Social Committee: TBD
 - BOD Meeting: 3rd Tuesday of every month at 6:30 PM (Unit Owners' forum), 7:00 PM (BOD mtg) in the Cabana (except for annual meeting and/or special meetings).
- C. The newsletter has been published and distributed as of 12 October.
 - Articles include:
 - a. Termite pest and inspection education
 - b. Where does it all go
 - c. Reminders of Budget and Annual meeting
 - The next newsletter publication is scheduled for December 2007.
- D. The next Communications Committee meeting will be on 12 November 2007 at 8:00 PM in the Cabana.

Grounds Committee

- A. Last clean-up included a new Unit Owner to the neighborhood.
- B. Purchased new bulbs to be planted.
- C. Next meeting is scheduled for 6 November in the Cabana at 7:00 PM.
- D. The next community clean-up is 3 September at 9:00 AM at the Cabana

Maintenance Committee

- A. Robert presented the approved Maintenance Committee meeting minutes from 9 October.
 - It was agreed that future Maintenance Committee meeting minutes will only

contain new information and not repeat old information.

- B. The next Maintenance Committee meeting will occur on 1 November in the Cabana at 6:30 PM.

Social Committee

No meeting since last BOD meeting.

7. Management Report:

Robert made the motion to approve the Management Report as presented. Dave seconded the motion. The motion was accepted and adopted.

8. Unfinished Business:

A. 2008 Budget

- Robert pointed out that the Operating Reserves should to be built up to an industry standard of 3 months in reserves through future budgets.

Robert made the motion to approve the 2008 Budget for The Commons as presented. Tom seconded the motion. The motion was accepted and adopted.

B. Board of Directors Code of Conduct

- Discussed review by attorney and UPA.

Dave made the motion to approve the Board of Directors Code of Conduct as amended with the suggested addition regarding contractor contract. Robert seconded the motion. The motion was accepted and adopted.

9. New Business:

A. Applications for Architectural Review

- Reviewed AAR to replace door knob and deadbolt at 5253 SCW.

Tom made the motion to approve the Architectural Review as presented. Dave seconded the motion. The motion was accepted and adopted. Robert abstained from vote since this was his AAR.

B. CAI Training.

- Reviewed the enrollment for the Essentials of Community Association Volunteer Leadership class on 20 October 2007 presented by SEVA -CAI

Tom made the motion to approve attendance by Robert. Dave seconded the motion. The motion was accepted and adopted. Robert abstained from vote.

C. Petty Cash Procedures

- Board has tabled this issue until December 07 BOD meeting.

D. Website Hosting

- The Communications Committee requested formal approval by BOD to move the website hosting from a LINUX-based platform server to a Windows-based platform server with Hostway to allow for planned expansion and increased functionality. There will be an increase of \$48.00 annually (from \$143.40 to \$191.40). In addition there is a one-time \$19.95 transfer charge. The next billing cycle begins on 27 October 2007 and will go through 26 October 2008.
 - i. Official transfer to and Initial Operational Capability occurred late 14 October 2007.
 - Initial Flash page has been deleted from Web site
 - New Meeting minutes page is in place with archived meeting minutes links separated by Year, Committee, and Month (A data call to fill remaining minutes for 2007 was emailed by Communications committee.)

Dave made the motion to approve the additional cost for moving The Commons website to a Windows-based platform server with Hostway. Robert seconded the motion. The motion was accepted and adopted.

E. Purchase Orders

- Robert presented a purchase order in the amount of \$49.33 for purchase of computer connection cables for use in Tallwood SCHOLA/remote locations.

Dave made the motion to approve the purchase order in the amount of \$49.33. Tom seconded the motion. The motion was accepted and adopted. Robert abstained from vote.

Robert made the motion to enter Executive Session. Dave seconded the motion. The motion was accepted and adopted.

10. Executive Session:

- A. Request for Pet Exception
- B. Bids

- C. Delinquency Report
- D. Violations
- E. Procedures

Robert made the motion to leave Executive Session. Tom seconded the motion. The motion was accepted and adopted.

11. Motions from Executive Session:

- A. Robert made the motion to accept the proposed Pet Exemption with the following caveats: 1) The exemption will apply to this individual family only; 2) The exemption will be for the named pets (no additions: a dog that is lost may not be replaced) ; 3) The exemption will be null and void should the named purchasers not purchase said Unit; and 4) that the prospective Unit Owners must also comply with all other pet rules and regulations provided in documentation for The Commons. Tom seconded the motion. The motion was accepted and adopted.
- B. Robert made the motion to approve the Waste Management bid for trash pickup in the amount of \$1146.85 per month. Tom seconded the motion. The motion was accepted and adopted.
- C. Robert made the motion to table the Mac’s Electric bid decision until December BOD meeting for further clarification and with the hopes of other bid submissions. Tom seconded the motion. The motion was accepted and adopted.
- D. Tom made the motion to approve the ARM bid for the Lake Maintenance contract in the amount of \$165.00 per month. Dave seconded the motion. The motion was accepted and adopted.
- E. Dave made the motion to approve the SWIMCO bid for 5 months of winter treatment of pool in the amount of \$775.00. Tom seconded the motion. The motion was accepted and adopted.

12. Adjournment:

At 9:43 PM, Dave made the motion to adjourn the BOD meeting. Robert seconded the motion. The motion was accepted and adopted.

Approved

Date