

**Kempton Park Homeowner's Association Board of Directors Meeting**  
**October 15, 2008**  
**Glebe Episcopal Church, 4400 Nansemond Parkway, Suffolk, VA**

Members Attending: President: Raymond Laffoon  
 Vice President: Cheryl Hendricks  
 Secretary: Raymond Bailey  
 Treasurer: Shirley McGill  
 Member-At-Large: Steve Dorman

Members Absent: None

United Properties: Tiffani Lucas

**1800 – Architectural Review Board (ARB) Meeting:** Applications and results follow.

<u>Last Name</u>	<u>Address</u>	<u>Project</u>	<u>Result</u>
Prosper	3044KR	Planting 5 trees.	Approved

**1832 – Board of Directors Meeting:** The meeting was called to order.

**1832 - Homeowners Forum:** No residents attended.

**1833 –** The minutes from the September 17, 2008 Board of Directors meeting and September 25, 2008 Budget meeting were approved.

**1835 - Committee Reports:**

- Treasurers Report – Ms. McGill presented the September report:

<u>INCOME AND EXPENSES</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
TOTAL INCOME	\$11,027.41	\$11,271.33	(\$243.92)
EXPENSES			
Administrative	\$3,069.89	\$3,215.51	\$145.62
Utilities	\$8,595.43	\$579.17	(\$8,016.26)
Maintenance	\$7,640.76	\$6,376.67	(\$1,264.09)
Replacement Reserves	\$628.74	\$583.33	(\$45.41)
Operating Reserves	\$516.67	\$516.67	\$0.00
TOTAL EXPENSES	\$20,451.49	\$11,271.35	(\$9,180.14)
NET INCOME	<b>(\$9,424.08)</b>	<b>(\$0.02)</b>	<b>(\$9,424.06)</b>
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<u>INCOME &amp; EXPENSES YEAR TO DATE</u>			
INCOME	\$104,049.17	\$101,442.00	\$2,607.17
EXPENSES			
Administrative	\$31,256.43	\$28,939.50	(\$2,316.93)
Utilities	\$21,327.12	\$5,212.50	(\$16,114.62)
Maintenance	\$64,959.59	\$57,390.00	(\$7,569.59)

Replacement Reserves	\$6,666.82	\$5,250.00	(\$1,416.82)
Operating Reserves	(\$10,349.97)	\$4,650.00	\$14,999.97
TOTAL EXPENSES	\$113,859.99	\$101,442.00	(\$12,417.99)
NET INCOME	<b>(\$9,810.82)</b>	<b>\$0.00</b>	<b>(\$9,810.82)</b>

**BALANCE SHEET**

		Maturity Date	APR
OPERATING ACCOUNT	\$4,117.43		
OPERATING RESERVES	\$24,706.16		
REPLACEMENT RESERVES	\$17,417.36		
REPL RES / CD / TOWNE BANK	\$48,143.15	2/18/2010	4.35%
<b>TOTAL</b>	<b>\$94,384.10</b>		

- Towne Bank CD was renewed on 09/18/2008 for 4.35% APY; maturity date of 2/18/2010.
  - Motion made and passed to accept the Treasurer’s Report.
  - Review of current expenditures revealed that the amount remaining in the Operating Account will not be sufficient to pay expenses until the end of the year. Discussed the issue and decided to move \$10,000 from Operating Reserves to the Operating Account.
- Manager’s Report – Ms. Lucas presented the following:
    - Pond #2 Aerator: Continued pursuing the solar option as follows.
      - Solar Services: Richard Goode stated he would come out for a consultation at \$100 per hour. He said a previous project on a 5000 sq ft pond revealed many problems that would need to be evaluated. Estimated equipment cost: \$5,000-6,000.
      - Advanced Energy Solutions: Ross Cirrincione said he would consult for \$150 per hour and will need to check out the pond before preparing an estimate.
      - Virginia Lake Management: Discussing the issue with our new pond maintenance contractor reveals that they have some experience dealing with solar units. They will gather some information on possible costs.
    - Pond #1 Aerator: Notified BOD that the aerator has no timer and runs constantly. The light has a timer. The unit is fully functional.
    - Pool Security Lights: The lamp post at the south end of the parking lot is still out. Will continue to follow-up with Dominion Power.
    - Financials: See Treasurer’s Report.
    - Grounds Maintenance:
      - Mr. Dorman notified the Board via email that a large tree near the play park was split and leaning against another tree. Due to the position of the tree, the Board requested estimates for removal. Received estimates from three vendors who assessed the play park for trees that should be removed. They identified four other trees besides the split one that should be removed. [See New Business.]
      - Received proposals from four vendors; included in the Board packet for consideration. With the Board’s approval, scheduled Dale McCarthy from Professional Grounds Maintenance to present his contract at the meeting.
    - Pool: A proposal from AAA for the 2009 season is include in the Board packet.
    - Budget Mailing Notice: Included in the Board packet for review.
    - Audit: Received a proposal from DesRoches & Company. Both proposals that were received are included in the Board packet for consideration.

- Complaint Procedure Resolution: A resolution as required by House Bill 516 was prepared by legal counsel and was forwarded to the Board for consideration.
- Email/Correspondence Issues: None.
- Violations/Inspections: Included a copy of the two most recent violation logs in the Board Packet. Two residents are scheduled for tribunal at this meeting.
- Contract Status:

<u>Service</u>	<u>Company</u>	<u>Expiration</u>	<u>Notice Requirement</u>	<u>Action Month</u>
<b>Insurance</b>	Nationwide	2/13/09	None	2/09
<b>Pool</b>	AAA – Winter Maint.	4/15/09	None	2/09
<b>Landscaping</b>	Basnight	2/15/09	60-day or automatic	<b>In Progress</b>
<b>Pond Maintenance</b>	Virginia Lake Mgmt.	9/30/09	30-day or automatic	7/09
<b>Website</b>	Web Technologies	None	Ongoing	N/A
<b>Management</b>	UPA	2/2011	Renews for 5 years unless challenged.	9/10

### **1900 – Unfinished Business:**

- Pond Aerators: [Board Issue] Status as noted in the Manager’s Report.
  - Pond #2: Will continue to pursue solar options and estimates.
  - Pond #1: Functional. Issue Closed
- Pool Issues: [Resident Issue]
  - Security Lights: As noted in the Manager’s Report. Ms. Lucas will continue to follow-up until the last light is functional.
  - Season Contract: AAA proposal is \$27,300 for the 2009 season. However, it was noted that the proposed contract starts in January and our winter maintenance contract runs until April. Asked Ms. Lucas to contact AAA and clarify the coverage time frame before deciding.
- Grounds Maintenance Contract: The contract with Basnight is up on February 15 but will be automatically renewed if we do not formally notify them to terminate 60 days prior. Have received four proposals with annual costs as follows:
  - Basnight Land & Lawn, Inc. - \$40,859.20 [2008 contract was \$39,669]
  - Western Branch Lawn & Garden - \$38,500.00
  - Nansemond Lawn & Garden, Inc. - \$ 38,408.90
  - Professional Grounds Management (PGM) - \$33,562.56

Discussed the services provided under each contract. All had the same basic elements with minor variations. The Board was impressed by the presentation by Mr. McCarthy of PGM. The only shortcoming of his contract was that he would provide 350 flowers per year and the other companies would provide 350 per planting or 700 per year. Ms Lucas contacted Mr. McCarthy and he agreed to add 350 flowers for \$1,400; making the contract \$34,962.56. Additionally, the High Fuel Cost Clause will be adjusted to reflect that if fuel costs rise 10% above \$4.50 per gallon, the additional cost will be added to monthly invoices. It was decided to contract with PGM under the revised amount.
- Pond Maintenance Contract: During the 25 September Budget meeting, it was decided to contract with Virginia Lake Management for \$3,576 (\$298/month). Issue Closed

- Audit Proposal: Considered proposals from Merritt Yockey CPAs and Desroches & Company.
  - Merritt Yockey offered 3 levels of review: Audit - \$3,250 / Review - \$1,800 / Compilation - \$1,200. Additionally, the cost of \$495 for tax preparation.
  - DesRoches described the services they would provide and an estimate between \$2,650 and \$2,850; depending on the amount of time required for review. Additionally, a cost of \$225 for tax preparation.

Discussed the proposals with consideration that the Association has never had an audit and a comprehensive review was advisable. Decided to accept the proposal from DesRoches & Company and schedule an audit for the beginning of 2009. [The 2009 budget included \$2,500 for auditing.]
- 2009 Budget: Passed during the 25 September budget meeting. Reviewed the UPA cover letter and made several minor changes. Ms. Lucas will ensure that the budget packet is mailed to all owners prior to the November meeting.
- House Bill 516: As discussed in August minutes, requires development of a formal procedure for problem resolution. UPA received legal guidance and a proposed procedure. Ms. Lucas forwarded the proposal to Board members via email. Reviewed and discussed the resolution and decided to accept the document without change. Ms. Lucas will include a copy in the budget mailing packet.
- Yard of the Month Program: [Board Issue] Discussed ideas to increase awareness of standards and attempt to bring the community closer together. A suggestion was made to have an event much like the ice cream socials held in past years. *[See New Business.]*

**1925 – New Business:**

- Damaged Trees at Play Park: As noted in the Manager’s Report, the Board received three estimates for removal of the split tree and four other dead trees. After discussion of options, a vote was conducted via email and Colonial Tree Care was contracted to do the work at a cost of \$1,345. Work will include downing of 5 trees, removal of trunks falling toward the front of the park and grinding of one stump.
- Spring Fling: The idea of a spring community party was raised. Suggestions included scheduling a spring ice cream social with activities for children. Also discussed inviting attendees that could provide information and services such as: Police, Fire, Hurricane Preparedness, Insurance, Heating/Cooling, Landscaping, etc. We would need residents to be involved as committee members. Will discuss further.

**1944 - Executive Session:** Motion made and approved to move to Executive Session for Tribunals.

**1952 -** Motion made and approved to come out of Executive Session.

• **Issue Decisions:**

- Operating Account: Motion was made and passed to move \$10,000 from Operating Reserves to Operating Account.
- Grounds Maintenance: Motion was made and passed to contract with PGM for an adjusted amount of \$34,962.56. [Contract will be signed when revised version is received.]
- Damaged Trees at Play Park: Motion made and passed via email to contract with Colonial Tree Care for removal of 5 trees at a cost of \$1,345. Contract signed by Mr. Bailey on 10/18/08.

- Audit Proposal: Motion was made and passed to contract with Desroches & Company for an audit in 2009. Contract signed by Mr. Laffoon.
- House Bill 516 / Problem Resolution Procedure: Motion was made and passed to accept the procedure prepared by legal counsel for UPA.
- **Action Pending for Next Meeting:**
  - Pond #2 Aerator: Ms. Lucas will continue to pursue solar options.
  - Security Lights: Ms. Lucas will follow-up with Dominion Power.
  - Pool Maintenance Contract: Ms. Lucas will contact AAA to clarify the contract.
  - Grounds Maintenance Contract: Lucas will follow-up with PGM on the contract adjustment and obtain a Board member signature when received. When complete, Ms. Lucas will prepare a letter terminating Basnight's services.
  - Damaged Trees at Play Park: Ms. Lucas will track completion.
  - Audit Proposal: Ms. Lucas will deliver the contract to Desroches & Company and schedule an audit for early 2009.
  - 2009 Budget: Ms. Lucas will ensure that budget packets are forwarded to all owners prior to the November meeting.
  - House Bill 516 / Problem Resolution Procedure: Ms. Lucas will include the resolution in the budget packet mailing.

**1959** –The next monthly Board meeting will be held on Wednesday, November 19, 2008 at Glebe Church.

**1959** – Meeting adjourned.

Submitted By: R. E. Bailey