

LANDMARK MEWS COMMUNITY ASSOCIATION

Board Meeting

April 9, 2015

6271 Chaucer View Circle

7:00 p.m.

Board Members in Attendance

Jerry Putman (President)
Noreen Hagerty-Ford (VP)
Charles Cureton
Chris Dale
Bill Gaffney

Board Members not in Attendance

Joel Kaplan
Vicky Gaston

HOA Staff in Attendance

Roger Casalengo (Property Manager), Loren Sciorba (Covenants' Chair), Jason Short (Secretary)

Homeowners in Attendance

Rita Hare, Simon Bennett, Tim & Annie Foster, Linda Carter

Call to Order

Noting the presence of a quorum, Mr. Putman called the meeting to order at 7:03 p.m. This was seconded by Charles Cureton.

Approval of the Agenda

"I move to approve the April agenda".

(Jerry Putman, Charles Cureton, **Approved 5-0, Absent 2**)

Approval of Minutes

"I move to approve the March minutes as presented".

(Jerry Putman, Bill Gaffney, **Approved 5-0, Absent 2**)

Treasurer's Report

Chris Dale presented her findings on the \$200,266 that is accruing minimal interest (0.25%) in a Washington First Bank savings account. After discussion options with our accountant (SCS) they came up with two options for dispersing these funds to a series of higher yield accounts which mature at different times.

The options are presented below:

Option 1:

- \$101,000 in Washington First 2-year CD @ 0.70% (rate only available for amounts over \$100k)
- \$99,000 in Mutual of Omaha Bank 2.5-year CD @ 0.75%
- **Total Interest = \$3285**

Option 2:

- \$101,000 in Washington First 2-year CD @ 0.70% (rate only available for amounts over \$100k)
- \$49,000 in Mutual of Omaha Bank 2.5-year CD @ 0.75%
- \$50,000 in Pacific Premier Bank 3-year CD @ 1.0%
- **Total Interest = \$3857**

Chris and SCS are recommending that LMCA choose Option 2. This option offers a higher return on investment and provides greater flexibility to reallocate money over 2, 2.5, and 3 year intervals if needed. After discussion, several board members agreed that this seemed like the logical choice; however, they requested that the terms and conditions be reviewed prior to making a final decision.

Covenants Report

Loren reported that there were two requests to modify during the month of March (siding and landscaping), both of which were approved. There was also one new rental property lease in the neighbourhood last month. Rocky mentioned that a homeowner had approached him about LMCA architectural paint standards. If any resident is in doubt as to the approval required, they should contact Loren after consulting the LMCA Architectural Standards posted on the LMCA website.

Loren also noted that the Covenants Committee will begin the spring home inspections around the last week of April.

Additionally Loren will be working on an update to the community directory.

Regarding his request to the board to purchase a new printer, Loren stated he was able to secure the old printer from the previous covenants chair. He will see if it is operational and report back on its status.

Property Manager's Report

Roger reported that Valley Crest has completed mulching operations throughout the community and that mowing will begin next week.

Roger also provided an update on the crack in the wall along Stevenson Ave. The claim was denied by VDOT. Additionally he noted that the crack could be repaired for around \$800. Recognizing any legal action taken by LMCA against VDOT could far exceed the \$800 repair cost, the board agreed to hire a contractor to repair the crack.

Additionally, Roger reported that he had contacted Mike Hutchison of Pro-Pave Road & Construction Repair. They will coordinate in early June to select the date for road repairs and curb re-staining. Mike will visit Landmark Mews in May to determine how to section off the roads to accomplish this project with minimal disruption.

Finally he noted that he had fallen behind on greeting four new residents within the community. He has received positive feedback from residents on this effort and plans to resume this task moving forward.

President's Report

Jerry reiterated our financial standings noting that we have a current shortfall of around \$11,700. Most of the items contributing this are unforeseen expenses such as higher than expected snow fall removal costs, foreclosure litigation, and costs associated with sound wall landscaping.

Jerry then gave an update on the financial audit. During the period 1 January – 30 April 2013, LMCA was self-managed financially. At the February 2013 Board Meeting a decision was made to select a financial management company to ensure proper accounting procedures were adopted.

On 1 May 2013, Select Community Services (SCS) assumed responsibility for our financial management. At the same time, the decision was made to hire an auditor to replace the auditor LMCA had had for over 20 years.

The new audit company, Goldklang Group, specializes in homeowner and condominium audit responsibilities. The initial requirement was to conduct an audit for the period 1 January – 30 April 2013. The intent of this audit is explain and/or correct and problems that may be uncovered. It's worth noting that LMCA exceeded expectations in providing accurate and timely feedback to the auditor.

There were three sections to the audit report: Significant Deficiencies and Material Weakness, Management Letter, and the third section contains a form letter to be signed by LMCA President or Treasurer that needs to be returned to the auditor. The letter states that we have been honest in answering all their questions and presented all information as it relates to financials to the best of our knowledge.

There were several discrepancies noted and corrective action has been taken by the Association. As noted in the previous meeting, the audit presented three significant problems: 1) a board approved transaction of \$38,161 was not recorded 2) a contribution of \$17,056 to the replacement reserve was recorded twice and 3) there were no contracts for recurring salary expenses of Covenant's Chair, Property Manager, and Secretary.

Jerry had our attorney draw up contracts that covered the responsibilities and the monthly pay for the Covenants' Chairman, the Secretary, and the Property Manager and had them signed by the respective individuals. These contracts (pending final board approval by email) will be posted to the website.

There was a brief conversation regarding work being done by handyman Alfredo Izara. The board agreed that any non-emergency work be presented to the board for approval.

The board reviewed the findings and agreed to accept the recommendations of the auditor and have Jerry sign the form letter. The final report will be concluded and posted on the website presently.

Next, Jerry provided an update on the pending foreclosure. An ad will be placed in the Washington Post five weeks prior to the sale date to be held late May. At this time we don't have any details on rules, sale prices, etc.

The Social Committee, based on the Community Survey input, recommended that LMCA sponsor a future community-wide yard sale. The current Landmark Mews policy authorizes yard sales, but the homeowner responsibilities section lacks detail. Issues such as parking, disposal of materials at the conclusion of the sale, methods of advertising, and ensuring that other homeowners are not inconvenienced must be provided to all interested parties. In this regard, the Board has requested that the Social Committee provide a comprehensive written policy for the Board's review at the next meeting before authorization is provided.

Lastly, at our next Board meeting, our VP Noreen will offer recommendations and chair a discussion on how we can encourage interest and support for community activities.

Questions/Comments

- No Questions

Board Decisions

"I move that the board select option 2 [*\$101,000 in Washington First 2-year CD @ 0.70%, \$49,000 in Mutual of Omaha Bank 2.5-year CD @ 0.75%, \$50,000 in Pacific Premier Bank 3-year CD @ 1.0%*] pending review of the terms and conditions of CD's." Jerry Putman / Bill Gaffney

(Approved 4, Absent 2, Abstain 1 – Noreen Hagerty-Ford)

"I move that the board approve funds NTE \$800 to repair the crack in the wall along Stevenson Avenue." Bill Gaffney / Charles Cureton

(Approved 5, Absent 2)

"I move that the board accept the recommendation of the Goldklang Group audit to correct a board approved transfer of funds error by moving \$38,161 from member equity to the reserve fund." Jerry Putman / Bill Gaffney

(Approved 4, Absent 2, Abstain 1 – Noreen Hagerty-Ford)

"I move that the board accept the recommendation of the Goldklang Group audit to correct a transaction error that was recorded twice by reducing the reserve fund and increasing the cash account in the amount of \$17,056." Jerry Putman / Charles Cureton

(Approved 4, Absent 2, Abstain 1 – Noreen Hagerty-Ford)

“I move that the board accept the findings and recommendations of the Goldklang Group audit and authorize me [President LMCA] to sign the acceptance form.” Jerry Putman / Charles Cureton

(Approved 4, Absent 2, Abstain 1 – Noreen Hagerty-Ford)

I move that the board approve the three contracts (Property Manager, Covenants Chair, and Secretary) as presented.

PENDING: contracts will be resent via email to board members for review who will then reply with their vote

“I move that any non-emergency work provided by LMCA handyman Alfredo Izara, be preceded by an itemized proposal to be presented to the board prior to start of work.” Jerry Putman / Bill Gaffney

(Approved 5, Absent 2)

“I move that the board confirm Noreen Hagerty-Ford as LMCA Vice President as replacement to outgoing Tom Craig.” Jerry Putman

(Approved 6-0) *via email to be reflected as April decision

Next Meeting(s)

May:

7:00 p.m. on Wednesday, May 13th, 2015

At the home of Jerry Putman, 6271 Masefield Ct.

June:

7:00 p.m. on Wednesday, May 10th, 2015

At the home of Charles Cureton, 6303 Chaucer View Circle

July:

7:00 p.m. on Wednesday, July 8th, 2015

At the home of Joel Kaplan, 6309 Chaucer View Circle

Adjournment

The Board agreed by **Unanimous Consent** to adjourn the meeting at 8:35 p.m.

Jason Short
Secretary