

Cascades Park Homeowners Association, Inc.
Board of Directors
Meeting Minutes

January 14, 2013

BOARD MEMBERS PRESENT

Kelly Glessner	Treasurer
Kevin Weltens	Secretary
Marcia Rugen	Member at Large

BOARD MEMBERS ABSENT

Keith Shoates	President
Laura Monahan	Vice-President

MANAGEMENT ATTENDEES

George Ellis	Property Manager, SFMC, Inc.
Tricia Morton	Recording Secretary, Minute-by-Minute

VERIFICATION OF QUORUM AND CALL TO ORDER

Ms. Glessner verified the presence of a quorum and called the meeting to order at 7:09 p.m.

OPEN FORUM

There was a lot of discussion regarding the removal of the four-way stop on Victoria Station. Management and the Board discussed the latest information regarding the roads that will be coming off of bond shortly and updating the residents on the VDOT meeting which occurred last Monday.

COMMITTEE REPORTS

- 1) Covenants Committee – Gary Griffin – Chairperson – The committee met and reviewed one (1) application.
 - a. 45640 Livingstone Station Street– re: replace shingles – **APPROVED AS IS**
- 2) Parking Rules and Regulations –Community Enforcement Services (CES) continues to inspect the community and tag those vehicles in violation of Association rules. No vehicles were towed during the last reporting cycle. Daryl has been instructed to tag only those vehicles parked in the drive lane of Blossom Drive at Magnolia. Cones and signs have been placed in this area to discourage people from parking in this section of roadway.
- 3) Website Committee – The website is now live. Frankie has scheduled a webinar for 10:00 a.m. Wednesday, January 16th for management.

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to authorize the purchase of magnet mailers to announce the new website for a cost not to exceed \$900. The motion passed unanimously (3-0-0).

- 4) Grounds Committee – There was nothing to report.
- 5) Recreation/Facilities Committee – The facility has been winterized.
- 6) Newsletter Committee – The current newsletter edition has been posted on the community website.

APPROVAL OF THE NOVEMBER MEETING MINUTES

MOTION: Ms. Rugen moved, Ms. Glessner seconded, to approve the November 12, 2012 meeting minutes as amended. The motion passed unanimously (3-0-0).

JANUARY FINANCIAL REPORT

Mr. Ellis reported to the Board that Total Operating Cash was \$37,935 against payables of \$39,627. Of the payable amount, \$35,627 represents Prepaid Owner Assessments. Homeowner Assessment Receivables total \$28,843. The Allowance for Bad Debt has been reversed and reset to \$22,236, leaving a net receivable of \$6,607. Association Investments total \$896,323 in one money market account and six CDs. Reserves are booked and fully funded at \$661,462. Total Operating Expenses year-to-date is \$69,396 under budget. Significant variances exist in:

- Landscape Architect Fees (<\$1,347> - insufficient budget)
- Legal Fees (\$3,200 – not needed)
- Net General and Administrative (\$3,383 – Postage, Printing & Reproduction and Miscellaneous Administrative Expenses are currently under budget. New website info to be mailed/distributed in 2013)
- Pool Repairs (\$2,458 – not needed this past season)
- Net Snow Removal Expense (\$24,390 – Only minor weather treatments during winter season, no activity in December against a net-budget of \$3,000)
- Prior Year Deficit (\$50,000 – planned deficit. Did not occur as a result of irrigation improvement delays)
- Water and Sewer (\$3,726 – under budget due to delays in irrigation improvements, scheduled for higher consumption in 2012)
- Grounds Improvements (\$33,200 – delays in roadscape and other improvements related to delays in irrigation improvements. The December budget for this account was \$10,000)
- Grounds Upkeep (<\$6,163> expenses related to two (2) significant storms)
- Irrigation Improvements (\$32,451 – delays related to high cost of water tap/water availability. The Association is investigating the benefits and risks of drilling an irrigation well to resolve water availability needs, at a lower cost than paying the expensive tap fee. The December budget was \$13,000)

The Total Operating Income is <\$2,767> under budget. Significant variances exist in:

- Legal Fees Reimbursement (\$4,527 – successful collections of past due assessments and the associated legal fees. Reimbursements in December totaled \$695)
- ARC Violation Income (<\$6,480> – adjustments and waivers of sanctions previously charged)
- Interest Income (<\$2,328> – interest rates are down significantly. December activity includes Interest Income accruals for those investments not yet reported)

As of December 31, 2012 the Association had an un-audited year end surplus of \$66,630.

STATUS OF OPERATIONS – DECEMBER 31, 2012

Management has provided the Board with an updated recordation schedule for the Cascades Place Condominium. There have been fifty (50) recorded units in four (4) buildings. The next building to be recorded is Phase 7, which will trigger the payment of \$100,000 in accordance with the Amenities Agreement.

INVESTMENTS – WashFirst CD, 12/20/12, 1.25%, \$103,276.08

The WashFirst CD was closed with a final balance of \$104,566. Management has added \$43,000 to the balance from the CAB MMF and will open a CD for approximately \$150,000 at a bank with the best available rate. The next investment to consider will be the Acacia CD, which matures on February 24, 2013.

AUDIT – FY2012

Goldklang Group will likely begin the FY2012 audit in March. Management has asked the accounting department to help us get the audit done and adopted by the June meeting.

DELINQUENCIES

Legal Counsel and management's collections status reports are included for Board review and consideration.

CONTRACT SERVICES

- 1) Grounds Maintenance – Mr. Ellis' inspections of the common areas in December/January found the following:
 - a. Loudoun Water and Dominion VA Power have disturbed the common areas at Shagbark and Victoria Station. Stabilization has been attempted, although will require additional work by the easement holder/subcontractors.
 - b. HLS proposes an application of lime at \$1,560. The pH testing shows results at 5.6 (slightly acidic) and mid-level quantities of 25 lbs. per 1,000 square feet over 12 acres is recommended.

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to accept management's recommendation to approve the proposal from HLS for lime application at a cost of \$1,560. The motion passed unanimously (3-0-0).

- c. HLS proposes a "Not to Exceed" \$1,500 to relocate and or replant the grasses and trees, dug up for the above noted easement work.
 - d. HLS will have crews on-site January 21st for winter clean up, weather permitting.
 - e. HLS has scheduled spring clean up and mulching to start on March 12th.
- 2) Grounds Improvements – Management has provided the Board with a scope of work and associated bids for review. Premium is the most competitive cost at \$30,140. The Board had previously authorized management to execute an agreement at \$25,000.

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to accept management's recommendation to amend the previous "not to exceed" motion to approve Premium Lawn and Landscape for a cost of \$30,140 for work done in Sections #2 and #3 Cascades Park. The motion passed unanimously (3-0-0).

- 3) Irrigation Improvements – Management has provided the Board with a copy of the Well/Water Permit #T20429480001. The Board of Directors authorized management to schedule the drilling of irrigation well by NOVA Drilling. NOVA Drilling reports to have reviewed the agreement provided by SFMC and had some minor changes. It has been two (2) weeks since we've heard from NOVA and are concerned about no response to numerous inquiries. Hopefully they will contact management to schedule and drill the well. In the event that management is not able to get NOVA to respond, Mr. Ellis will consider other vendors to drill this well.
- 4) Pet Waste Station Services – Doody Calls continues to provide pet station and tot lot trashcan service. Management has reported the leaning pet station at the tennis court. All other pet waste stations were in good observable condition.
- 5) Snow Plowing and Sanding – Management has provided a copy of the HLS snow service agreement for Board information.
- 6) Tot Lot Mulch and Maintenance – All Rec will be correcting the tot lot deficiencies as approved in their audit repair proposal. They have swing chains on back order and are waiting for delivery. Additionally, they are scheduled to repair any loose or missing bolts on the clubhouse tot lot as well. Management has solicited proposals to replace both tennis court nets. One net is frayed along the bottom of the net. The second net; however, was vandalized and repairs to the net posts, crank handle and cabling will now be needed. Management will put the signs back up at the top of the court and will now lock the entrance door.

- 7) Electric Services – CP Electric continues to repair non-functioning street lights. They have replaced the wall heaters in the men's and women's bathrooms, as per the agreement.
- 8) Pool Management Services – The ball-valve that controls the water supply to the pool fill spout and the foot wash was repaired by KiddCo Plumbing.
- 9) Trash Removal Services – Trash collection on Christmas and New Year's days was affected by the holiday pick-up schedule. Web postings and sign placements helped notify the owners of these conditions.
- 10) Legal Services – There was nothing to report.
- 11) General Maintenance and Capital Repair Projects – Camacho Construction repaired the damaged common fencing in the woods behind Paddington Station Terrace. A section had been crushed by a falling tree.

OLD BUSINESS

- 1) Bond Release – Sections 2 & 3 – Landwright LLC (Mountain Pine Square, Smoketree Terrace, and Cypress Valley) and Victoria Station/Asphalt Trails – Landwright has completed all punch-out work and has requested a re-inspection with VDOT. It is beginning to appear that road acceptance may be imminent.
- 2) Section 4 – Loudoun Kline, LLC (Blossom Drive ROW) – Loudoun Kline, LLC has striped the roadway in accordance with their VDOT approved plan. The asphalt trail along the south side of Victoria Station Drive is the subject of repairs/relocation. Loudoun Kline has provided a document and asked that the Association complete it. It is a land use and perpetual maintenance agreement to maintain trees in the public right of way.

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to accept management's recommendation to adopt the covenant of perpetual maintenance agreement provided by Loudoun Kline. The motion passed unanimously (3-0-0).

- 3) Section 8 & 9 –Representatives of the county and VDOT met on site to identify punch items for Sections 8 & 9.
- 4) Cascades Place Condominium –Ryland Homes – They currently have 43 settlements. Phase 8 was recorded on December 13th. Phase 7 is scheduled for recordation in March 2013, triggering the 2nd and final payment of \$100,000 to Cascades Park (Amenities Agreement).

NEW BUSINESS

There was nothing new to discuss.

EXECUTIVE SESSION

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to recess the Regular Session and move into an Executive Session at 8:21 p.m. to discuss delinquencies and legal matters. The motion passed unanimously (3-0-0).

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to adjourn the Executive Session and reconvene the Regular Session at 8:31 p.m. The motion passed unanimously (3-0-0).

ACTIONS TAKEN FOLLOWING EXECUTIVE SESSION

MOTION: Ms. Glessner moved, Ms. Rugen seconded, to accept Legal Counsel's recommendation to perform a full asset search for a cost of \$650 on RB account #1655109. The motion passed unanimously (3-0-0).

ADJOURNMENT

MOTION: Ms. Rugen moved, Ms. Glessner seconded, to adjourn the meeting at 8:32 p.m. The motion passed unanimously (3-0-0).