

**LDHOA Board Meeting**

**Saturday, January 9, 2008, 10 AM**

**Bowman Library, 871 Tasker Rd., Stephens City, Va.**

**Present:** Nick Cornwall (presiding), Tony Varda, Chris Bean, Ron Wible, Sam Daywalt, Joanne Claycome, Melissa Corder (recording), Frances Coddington, Adrienne Harris, Jane Ellis, Mark Stivers (legal counsel) and Barney Stine.

**Call to order:** Nick called the meeting to order at 10:21 am

**Reading of Previous Meeting Minutes:** Chris read the minutes from the October 29, 2008 Board meeting. Nick asked for a motion to accept the minutes. Tony motioned to accept the minutes and Melissa seconded. Nick asked for a vote. All voted aye, no nays cast. The minutes were accepted as read.

**Treasurer's report:** Tony presented the Treasurer's report. The checking account has a balance of \$29, 983.96, and the savings account balance (including CDs), stands at \$74,974.05, for a total of \$104,958.01. Tony acknowledged that we are making good money on our CDs. In addition, there was \$41,735.78 in accounts receivable last year. Expenditures were \$40,868.23 for the year, with a net income total of \$1,496.75.

Nick asked for a motion to accept the Treasurer's report. Chris motioned to accept the Treasurer's report, which was seconded by Ron. Nick asked for a vote. All voted aye, no nays cast. The acceptance of the Treasurer's report passed unanimously.

**Old Business**

**Disclosure Packet/Insurance:** Nick brought to everyone's attention that Chris Bean scanned the notebooks worth of deeds of dedication for the LDHOA to create a master copy on CD and thanked him for completing this so quickly. Mark Stivers asked about the format and software. Chris stated that they are stored as PDF files and he will put them on the web site.

Mark Stivers spoke about the Code of Virginia Section 55.509.5 that passed last July imposing new requirements on Homeowners Associations. There is a mandatory provision of the statute requiring 1 million dollars in Directors & Officers insurance and 100 thousand dollars in surety bond for the Treasurer and President.

Mark continued with explaining more about the requirements of the statute and that he has prepared a draft memorandum to accompany the Association disclosure packet when a written request is received from a prospective property purchaser or their authorized representative.

The comments made by Mark on this topic are in curt form as follows: The Seller must produce the packet if requested in writing by the Purchaser or the contract could be released. The Association has a responsibility to provide the packet within 14 days upon

receipt of a written request. LDHOA was cautioned that because of the new statute Homeowner Associations need to be cognizant of their image as how it handles its business, common areas, etc., however the LDHOA is doing so thus far. Code Section 55.509.5 is operative for LDHOA, because LDHOA manages itself. Recommendation made that LDHOA include all Deeds of Dedication (DOD) in the packet and in the event LDHOA is asked to provide a hard copy, we would need to provide all of the deeds of dedication in the packet. The statute requires limits in the amount charged for the packet. With all of the DOD under a single plat recorded with Frederick County, LDHOA can claim it is clearly one entity. The LDHOA disclosure packet can be provided on a CD to include of all the DOD.

Tony stated there is confusion as the homeowners do not readily know who to call for a packet. Mark asked if Sareen was handling providing the packets when requested and Tony confirmed they were.

Mark continued: Each Association that affects a particular property can charge a fee for a packet where the home is located within more than one Association.

Barney asked if the Code Section requires a specific format for the packet.

Mark recommended LDHOA include everything on a CD and print the DOD pertaining to the property in question. LDHOA should also provide covenant updates and outstanding LDHOA fee/lien information that affects the property in the request or the association could lose the funds owed. The fee/lien information and the Architectural review also have time limits for delivery. Recommendation made that LDHOA notify the Blue Ridge Board of Realtors of changes to the disclosure packet when complete.

Mark then verbally reviewed the draft memorandum by paragraph and commented with his thoughts and reasoning for the verbiage used.

As Mark reviewed, Tony interjected that the fee for a packet is currently \$50.00. Tony was unaware of the current fee for an updates of the covenants or fee/lien information. Barney suggested that LDHOA charge \$50.00 for the updates too.

Mark continued that often the update fees are part of the settlement fees and also advised that LDHOA is required to physically inspect the property for violations of the covenants if requested in writing by a prospective purchaser and may charge \$50.00 for the inspection. The closing agent is required to provide the LDHOA with specific information regarding the transaction.

Mark continued to verbally review the draft memorandum by paragraph offer comments thoughts and reasoning for the verbiage used.

**100 Sugar Creek:** Tony had called the County again to come back out, and to keep after the trash in the yard, as there was still trash left from the last time that they came out.

Tony reported that the County had again come out to cleanup the yard, Tony said the property looks better.

**121 Cascade:** Tony reported that cleanup has been handled.

**Street Lights:** Tony reported that lights at 305 Chinkapin Drive and 109 Crystal Lake Court will be installed next week, which brings the street light total to 25. Barney stated 30 were to be our total. Tony reported that last year there were \$7,836.00 in streetlight installation costs and \$3,700.00 in utility costs.

It was suggested by Jane that a street light be installed on Fairlawn Drive and Moss Ct.. There is a t-box there. Tony will look into it and asked for suggestions of other locations.

**Unregistered vehicles:** Tony reported that there is a black Nissan on Equestrian Drive that he will put a notice on from the County on for removal.

Francis Coddington asked about what could be done about a vehicle that's been sitting in the Appleton Downs common parking area that had not been moved for months. The general opinion of several present was that since the tags are current little could be done if the car was not visually immobile. Ron recommended Francis call the County about derelict vehicle laws.

**Bank Accounts:** Tony has checked with the Bank of Clarke County to verify when our CDs come up for renewal. There are 3 with a maturity date of next week that need to be rolled over.

Melissa asked - Could we add another CD from the funds we have in the checking account? Barney reiterated the question because of her laryngitis. Tony said that the current funds in checking will be utilized soon for various expenditures, so it would not be a good idea for us to do so at this time.

Barney recommended that Tony look into locking in renewed CDs for a longer term with higher rates and with maturity dates that stagger so funds, if needed could be available without any penalties being paid. Barney motioned the Treasurer be authorized to look into this. Chris seconded the motion. Nick asked for a vote for acceptance of the motion. All voted aye, no nays cast.

### **New Business:**

Jane Ellis brought up the issue of vehicles being parked on front lawns. She provided pictures of several properties where this was the case. She asked if LDHOA has any rules about this? Nick said we have no rules on this subject. Jane asked if that means the LDHOA approves of parking on front lawns?

Barney suggested someone make a proposal to look into this and present a plan for suggestion.

Nick stated there are many eyesores around the community and many agreed. Jane said we need to have rules for these types of things. Ron said the reason he bought a home here was because there was no HOA at the time and joined the Board to insure it did not interfere with his use of his property.

Chris asked Jane to draft a proposal for consideration by the Board. She agreed.

**Next meeting date:** Nick announced the next meeting date will be at 10 AM on Saturday, February 21, 2009, at the library. Tony stated that if you call the library and connect to ext. 222 you can check for library closure information due to inclement weather.

**Adjournment:** Nick asked for a motion to adjourn the meeting. Barney motioned to adjourn. Tony seconded the motion. Nick adjourned the meeting at 12:38 PM.