

Wellington Commons Homeowners Association
Minutes of April 2008 Meeting
Lee District Government Center
April 22, 2008

Minutes prepared by Dana Madsen

The meeting was called to order at 7:34 PM with a quorum composed of the following Wellington Commons Homeowners Association (WCHA) Board members: John Tomko (president), Asfawossen Tsegay (vice president), Dick Schimkus (member at large), and Dana Madsen (treasurer). Also present was Olivia Dixon-Powers, who is ProCAM's management agent for WCHA. The meeting adjourned at 10:45 PM. There was no executive session. On a side note, the secretary position on the Board remains vacant.

Residents' Forum

The following topics came up during an extended residents' forum, which began at 7:35 PM and extended until 9:05 PM. Approximately 20 residents listened and/or participated in a wide-ranging and fast-paced discussion. Portions of the forum were videotaped by one attendee.

- **Quarterly Assessments:** Participants in the forum sought clarification from the Board on quarterly assessments. As noted in previous minutes, the Board had approved \$262.50, but payment coupons issued by ProCAM in January listed the amount as \$263. The Board president reaffirmed that the correct assessment is \$262.50. The Board is working with ProCAM to resolve the discrepancy.
- **Board Meetings – Rules of Order:** Some residents preferred allowing homeowner input throughout Board meetings, rather than restricting participation to a residents' forum. Use of email as a means of communicating with the Board outside of the residents' forum was also viewed as ineffective. In response, the Board president acknowledged the value of dialog but noted that the Board has a set time period during its monthly meetings to handle the Association's business. This does not allow for extended discussions during the meetings. However, the Board is happy to receive homeowner inputs in written form during the residents' forum or via email. The Board may not act on such inputs immediately because addressing them may require further research. On a related note, the Board has adopted the approach of having the president respond to emails sent to the Board in order to ensure clear and consistent communication with residents.
- **Rentals:** Concern was raised twice during the forum about a motion passed by the Board during its March meeting to consider a change to the Declaration of Covenants, Conditions, and Restrictions (CC&R) to limit the number of rental units within the community. The Board president explained that the motion responded to input received via email from a resident during February. The Board researched the issue and began considering it during the March meeting. He stressed that the Board had not made any decisions about restricting rentals.
- **Parking:** The issue of parking policies also came up in connection with rentals, which can place increased demand on the Association's limited parking. In response to questions from participants in the residents' forum, the Board president noted that requiring owners to register their vehicles with the Association's management company has enforcement and security advantages.
- **Roles of Committees:** One resident expressed the view that the Board was attempting to run the Association on its own, without the help of committees. The resident, who serves on the Architectural Control Committee (ACC), questioned why the Board had not obtained the committee's input before adopting a new ACC charter. She also questioned whether

the ACC should continue to exist. The resident stated that the ACC had sent “numerous” emails asking for a meeting with the Board. She suggested that longstanding volunteers had ceased providing support to the Association for the newsletter and parking enforcement. In response, the Board president explained that he had sent an email to the presumed ACC chairperson in December asking for the day and location of the next ACC meeting, but he never received a response. The email had requested a list of ACC members as well as minutes of ACC meetings held during 2007. That said, a Board member has attended recent ACC meetings as an observer. The Board president also explained that the Association's declarations provide for an ACC. However, the committee's original charter, written in 1986, did not outline roles and responsibilities. One resident interjected that the Association's handbook addresses this issue. The Board president clarified that the charter has legal standing, not the handbook.

- **Priorities:** Discussion turned to the Board's priorities for running the Association. A former Board member questioned why changing the ACC's charter was one of the first actions of the current Board. He also inquired about the Board's approach of receiving input from homeowners during the residents' forum or via email. The former Board member opined that this modus operandi was not reflected in the Association's charter. He also suggested instituting a new meeting, separate from the monthly Board meeting, where ideas could be shared among residents. In response, the Board president noted that the Board—including the former member—had agreed to the new ACC charter last December via unanimous vote. The modus operandi for running Board meetings was established so that the Board could accomplish the Association's business during the meetings. This approach was also based on advice from the Association's attorney, because the Board in some cases may require time to research and deliberate on resident inputs. However, because of concerns raised during the residents' forum, the Board will discuss options for improving communication with homeowners during its next meeting.
- **Attorney:** The former Board member also inquired about the current Board's interaction with the attorney retained by the Association. A second resident questioned the Board's “hangup with legality”. The Board president explained that the Board had consulted the attorney to understand its legal responsibilities in running the Association. The consultations also gave the Board insight into established practices for running monthly Board meetings to conduct the business of the Association. They also highlighted the role of the residents' forum as a structured mechanism for receiving homeowner inputs.
- **Expectations:** The former Board member also commented on expectations held by him and an unspecified segment of the community. In connection with his comments on the Board's priorities (see above), he expressed a desire for the Board to operate as it had in past years. In response, the Board president acknowledged the need for clear communication on expectations, so that the Board understands the expectations of the community it serves, in addition to the legal requirements under which it operates. Another resident opined that the Board no longer operates in a “neighborly” or “friendly” manner. The resident explained that she had been placed on “a list” because her lawn required mowing but had not been informed with a hang tag on her door. The Board president responded that no action had been taken as of yet against homeowners whose lawns required attention. Continuing the discussion of expectations, a third resident offered that the Association's common areas and individual residences should be held to the same standards of upkeep. The Board president responded that portions of the common area had not been properly maintained for several years. The Board has been looking at how to address these deficiencies in a manner consistent with available funding.
- **Online Forum:** One unidentified participant in the residents' forum suggested establishing an online forum to improve transparency and communications. In response, the Board president indicated that the treasurer was developing options to fix the Association's current Web site. He opined that the updated site should post useful

information, such as minutes and resolutions, and also allow for paying assessments online.

- ***Delinquent Accounts:*** Two homeowners solicited the Board's thoughts on additional measures—beyond placing property liens—could be taken to address homeowners with delinquent accounts. In response, the Board president explained that the Association's attorney was taking legal action against delinquent homeowners. He also noted that the Board has discussed the need for resolutions covering due process and covenant enforcement, which might provide additional options for handling delinquencies. Draft resolutions have been reviewed by the attorney from a legal standpoint and will be sent to residents for review and comment.
- ***Asphalt Replacement:*** In the course of discussing expectations and common area upkeep (see above), the Board president mentioned that the Board was considering options to conduct asphalt replacement in the common area—to include the streets and trails—during the current year. The Mason & Mason reserve study from 2007 had recommended replacement in 2010. The accelerated schedule was motivated in large part by rising oil prices. The Board has received four bids, all of which were in line with estimated costs in the Mason & Mason study.
- ***Fifth Board Member:*** In response to a resident's question, the Board president stated that the Board would be happy to consider volunteers for a fifth Board member. Resident Catherine Fitts expressed interest in serving, subject to the condition that there was “more interchange” with the community. Ms. Fitts expressed the view that she had received no feedback from the Board and did not like some of the Board's email responses.
- ***Resale Packets:*** As an aside, one homeowner inquired whether resale packets included the ACC's charter. The homeowner explained that the handbook is included in the packet, and that it is a “crystalized” version of the bylaws and charters. The Board president reiterated that the handbook is not a document that can be used in a court of law. The resale packet should include the declarations, bylaws, and resolutions. One of the Board's roles is to ensure that the Association's resolutions are in line with Commonwealth law. Many of the resolutions may require updating because they were written in prior decades. However, changes to the declarations and bylaws must be approved by a homeowner vote.
- ***Skateboarding:*** As another aside in discussion, a homeowner requested that signs prohibiting skateboarding be posted on the mail kiosks. The resident stated that she could identify children who are skateboarding on Parenham Way. She noted that the Association handbook addresses skateboarding in Article VII, Section One. In response, the Board president stated that the Association's declarations and covenants do not prohibit skateboarding, although another resident made reference to a letter on this topic during the March Board meeting. The president did indicate that residents could provide the Board with names of parents whose children are skateboarding in the community.
- ***Lights Behind Talavera Court:*** An unidentified resident asked for more lighting behind homes on Talavera Court. He explained that his children's bicycles had been stolen from his backyard. The resident has reported the thefts to the police. The Board president indicated that the Board would look into lighting in the area. He noted that lighting was also a monetary issue that would be prioritized along with other upkeep items in the community.
- ***Newsletter:*** One resident asked whether anyone had volunteered to manage the Association's newsletter. In response, the Board president stated that he had received no volunteers after posting a sign seeking help.

Approval of Minutes from Previous Meeting

The Board deferred voting to approve minutes of the March 2008 meeting because of the unexpected length of the residents' forum.

Agenda Approval

The Board abbreviated the proposed agenda because of the unexpected length of the residents' forum. Topics addressed are outlined below.

Management Agent's Report

The management agent's report was provided in written form as part of the Board packet. There was no discussion on this topic during the meeting.

Treasurer's Report

The following is the treasurer's written report, based on information provided in the Board packet. There was no discussion on this topic during the meeting.

- **Assets:** As of 31/MAR/2008, the Association's total assets (\$243,309.25) consisted of a cash operating account (\$90,745.02), a money market account (\$142,021.70), and accounts receivable from owners (\$10,542.53). Our total assets increased by \$4073.72 during the month of March. This includes a \$641.24 reduction in owner accounts receivable.
- **Monthly Expenses:** As of 31/MAR/2008, expenses for the current year totaled \$4,201.10, compared to a budgeted figure of \$9,699.16. The variance of \$5498.06 has arisen in part because the budgeted March grounds expense of \$3,083.33 apparently has not been charged to the Association as of 31/MAR/2008.
- **Monthly Expenses (con't):** The Association incurred no costs during the month of February for maintenance services. Salient contributors to our monthly expense of \$4,201.10 include trash removal (\$1668.65), management fees (\$1664.58), legal fees (\$343.61), electricity for the common area (236.69), and secretarial charges (\$224). Actual legal fees (\$343.16) were less than the budgeted amount for the month (\$416.66). Secretarial costs (\$244) exceeded the budgeted amount (\$166.66). Common area electricity costs (\$236.69) covered lighting for gazebos on Apsley House Court (\$133.76), Talavera Court (\$36.64), and Wellington Commons (two gazebos -- \$43.46 and \$22.83).
- **Year to Date:** The Association's total income of \$44,152.38 exceeds the anticipated amount of \$39,449.97 by \$4702.41. The salient driver for this difference is \$5,500 in "miscellaneous income". Those funds—consisting largely of fines imposed on residents last November for unaddressed architectural violations—was not reflected in the annual budget. This figure does not reflect the Board's vote to discontinue legal action against two residents and forgive their total of \$1,800 in fines. Additional background on this issue is included in the March minutes.
- **Maintenance Funds:** In the WCHA CY 2008 budget, funds allocated to maintenance (\$7,000 total) are distributed among the common area (\$5,000), landscaping (\$1,500), and

the pond (\$500). The Association has incurred no charges under these line items for CY 2008, with the exception of \$258 for pond maintenance. However, the cost of repairs in March to light pole RK-61, located on Apsley House Court, were deducted from the common area electricity line item in the budget. In addition to funds allocated to maintenance in the annual budget, the Association also has a “maintenance reserve” with a “theoretical” balance of \$21,196.35. The balance is theoretical because budget deficits in recent years have resulted in an unappropriated members' equity of \$53,313.70. The reasons for the large balance are unclear, given the likelihood that large-expense repairs would be associated with capital assets covered in the replacement reserve. The Board should consider reprogramming most funds in the maintenance reserve to the replacement reserve.

- **Comment:** The General Ledger Trial Balance reflects zero-balances for accounts at Merrill Lynch and Country-Wide Financial.

Deferred Business

- **Reserve Study Implementation (Paving):** The Board voted unanimously on a motion to accept a bid submitted by Colonial Paving and Concrete Company on 14/APR/2008 to conduct asphalt repair and overlay—and associated work—on the pathways, throughways, and parking bays.
- **Annual Inspection and Covenant Enforcement:** The Board voted unanimously on a motion to accept a bid submitted by Community Inspection Services on 28/MAR/2008 to conduct architectural and maintenance inspections in the community. The Board also voted unanimously on a motion to fund this effort by reprogramming a total of \$2,400 from existing budget line items, to include \$400 from snow removal and \$2,000 from “covenant enforcement”.

New Business

- **Architectural Application – 6114 Wellington Commons:** The Board voted unanimously to disapprove a request submitted by the owners of 6114 Wellington Commons to plant a cherry tree where a dogwood tree previously grew. The request was disapproved because it lacked sufficient information for a Board decision, to include the proposed tree's width, height, and drip line at maturity.
- **Architectural Application – 5832 Apsley House:** The Board voted unanimously to accept an application submitted by the owners of 5832 Apsley House for windows replacement, with specific provisions annotated by the Board on the approved application. Board member Dick Schimkus, who owns the residence in question, recused himself from the vote.

Adjournment

- The meeting adjourned at 2245 hours. There was no executive session.