

HOLLEYBROOKE HOMEOWNERS ASSOCIATION, INC.

December 17, 2019

Meeting was called to order at 7:03 pm by Sharon Jeter at Snow Library. The members present: Sharon Jeter, President; Judy Lamberth, Vice President; Lenora Brothers, Secretary; Eric Lowe and Michelle Gordon; Irene Davidson, Contract Employee.

Prior to the meeting, Lenora emailed the Board members the minutes for November 2019 for review. Judy motioned to accept the minutes for November 2019; Michelle seconded the motion. The minutes were accepted with no objections.

Irene read the Treasury Report. As of November 30, 2019, the checking balance was \$60,606.13 and the money market fund was \$159,253.10. In addition, the balance on the two CD' are as follows: CD#1 at \$18,646.50; CD#2 at \$12,520.48. As of December 17, 2019 the check book balance was \$35,853.84. Irene provided an ACC update for November 20, 2019 through December 17, 2019. According to Irene, remedied violations are overflowing trash, remove scaffolding and rope (or finish project), portable tent, clogged gutters, blue tarp on vehicle. New violations are installed fence without approval, illegal vehicles, letter to owner in reference to yard upkeep, general condition of home. Irene also stated that letters regarding leaves will be mailed out as soon as the weather permits residents to address the issue, and she indicated an additional problem with the leaves is residents are raking or blowing them into the ditch and not clearing them out. Lenora motioned to accept the Treasury Report; Sharon seconded the motion. The Treasury Report was accepted with no objections.

OLD BUSINESS:

Update on Audit ~ Judy stated that the audit had been completed and the opinion of the auditor is as follows: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Holleybrooke Homeowners' Association, Inc. as of December 31, 2018 and 2017, and the results of its operation and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America."

Judy mentioned that the auditor provided suggestions to improve our financial practices and procedure, as is standard practice with a first audit, and the Board will be putting a plan in place according to these suggestions. Judy also stated anyone who would like a copy of the audit would need to submit a request in writing, and Lenora mentioned that a fee for copies may apply (see March 2019 minutes).

Update on Reserve Study ~ Irene discussed an overview from the reserve study that was completed. Irene mentioned that the reserve account is in place for emergency repairs and not to be used for day to day expenses, and that we will need to continue to add to the reserve account each year to meet the projected recommendations. Irene mentioned that the report will not be posted online, but anyone wishing to review the report may do so.

NEW BUSINESS:

Holiday at the Park ~ Irene mentioned that the date was changed to December 21, 6:00 pm to 8:00 pm. Special guest will be Santa, and residents are asked to bring cookies to share.

Open Forum for Members ~ Judy opened the floor for members to address the Board with questions or suggestions.

Lee Brothers asked according to the reserve study, the conclusion is that we are on track? Irene confirmed this. Mr. Brothers asked if any action is anticipated to be taken starting in January to make adjustments to the recommendations, or are we on track with the recommendations according to how everything has been budgeted so far? Irene mentioned that she is recommending the budgeted amount set aside for the reserve account be increased to \$20,000.00 (for the 2020 budget), with incremental increases the following years to meet the recommended financial goal. Eric mentioned that according to the reserve study, the recommendations include a reserve contribution for 2019 with phased increases and inflationary increases through the years.

Kelly Rucker asked if that means the homeowners will be “gouged” with an increase? Eric indicated that the Board is not currently looking to increase the dues for 2020.

Ray Gemma asked if it is possible to get an electronic copy of the audit without having to pay the fees? Mr. Gemma asked if the audit is a lot of pages? Eric indicated the Board would discuss his request during Executive Session.

Jennifer Snyder asked, as an incoming Board member, is she allowed to have a copy of the audit? Judy mentioned that she would be able to see it when she is on the Board, and Eric stated she would receive a copy. Ms. Snyder asked if she could make a copy at the library. As a courtesy to Ms. Snyder being newly elected (but not yet installed) as a Board member, she was allowed to make a copy of the audit.

Lenora reminded the members present there is a process for requesting documents per the Virginia Code, and per the fee scale that was adopted (see March 2019 minutes).

Ms. Rucker asked why all documents are not on the website? Lenora mentioned that all documents are not on the website because some documents are sensitive. Mr. Gemma acknowledged he would not expect the audit to be published, and that he does not fully understand the “ends and outs” of the Code section, but seemed to question the fee scale being applied (even though technically the audit is an HOA document).

Lenora mentioned that she had been in contact with DPOR to confirm that members are allowed access to the audit and reserve study, and that DPOR confirmed that members may request a copy of the documents or request to review documents by following proper procedures.

Michelle indicated there were ten new residents welcomed to Holleybrooke for the month of November, and there are two new residents to be welcomed for the month of December.

Mr. Gemma asked if there is anything in the Covenants or Bylaws indicated a certain percentage of home that can be rented out? Irene indicated there is nothing stated in the Covenants or Bylaws. Mr. Gemma asked if the renter or the homeowner receives a violation letter? Irene indicated they both receive letters, depending on the violation. Irene also indicated that the final responsibility is that of the homeowner.

Ms. Rucker asked who is responsible for the ditch line? According to Irene, ultimately that is the responsibility of VDOT.

7:37 pm ~ Sharon motioned that the Board go into Executive Session to discuss ACC violations, contract renewals and the budget for 2020. Michelle seconded the motion with no objections.

8:30 pm ~ Judy motioned to come out of Executive Session to vote on contracts and the 2020 budget. Eric seconded the motion with no objections. Members were invited back to open session.

Contracts:

Pool ~ Lenora motioned to approve the two-year (2020-2021) contract with Commonwealth Aquatics, pending final check on references; Judy seconded the motion. Motion carried with no objections.

Landscaping ~ Eric motioned to approve the three-year contract (2020-2022) with Shenandoah Landscape Service; Michelle seconded the motion. Motion carried with no objections.

Irene's Contract ~ Eric motioned to approve Irene's contract for one-year at the current rate (Administrative Assistant and Pool Manager); Judy seconded the motion. Motion carried with no objections.

Fence ~ Judy motioned to approve the fence repair to the wading pool, estimated at \$1,350.00, with Fredericksburg Fence, pending verification; Sharon seconded the motion. Motion carried with no objections.

2020 Budget ~ Lenora motioned to keep the dues at the current rate of \$402.00 for 2020; Eric seconded the motion. The motion carried with no objections.

Lenora motioned to approve the proposed 2020 budget; Judy seconded the motion. Motion carried with no objections.

8:35 pm ~ Judy motioned to adjourn; Lenora seconded the motion. All agreed.

Holleybrooke Homeowners' Association, Inc.
Board of Directors Meeting
December 17, 2019
Monthly report submitted by
Irene Davidson
Administrative Assistant

Financial Report:

Balance as November 30, 2019 statement
Checking: \$60,606.13
Reserve Account: \$159,253.10 (includes interest
\$24.78)
CD#1 \$18,646.50
CD#2 \$12,520.48
Total reserves as of December 17, 2019 \$190,420.08

Balance checking as of 12/17/19: \$35,853.84

ACC UPDATE: 11/20/19 through 12/17/19

Violations that have been remedied:

overflowing trash, remove scaffolding & rope or finish project,
portable tent, clogged gutters, blue tarp on vehicle.

New Violations:

Installed fence without approval, illegal vehicles, letter to owner in
reference to yard upkeep, general condition of home.

Letters regarding leaves will be mailed out as soon as the weather
permits residents to address the issue.

Problems with the leaves in addition to not being cleared is residents
are raking/blowing them into the ditch and not clearing them out.