

Mosby Mountain Community Association

MEETING OF THE MEMBERSHIP

Draft Minutes

Date and time: Wednesday, June 4, 2008, 6:30 pm

**Meeting location: Albemarle County Office Building
5th Street Extended, Charlottesville, Virginia**

Note: Copies of the draft minutes of the December 4, 2007, annual meeting of the membership had been mailed to all members on February 19, 2008, and then posted on the Mosby Mountain web site on May 20, 2008; notification of the June 4, 2008, meeting, along with instructions as to how to retrieve the December 4, 2007, membership meeting minutes from the mosbymountain.org website were e-mailed to the membership on May 20, 2008, and copies hand-delivered to households without e-mail.

Attending:

Members from 39 households

Officers Preston Miller, President; Michael Hightower, Vice President; James Peterson, Secretary; Brian Roy, Director and Chair of the Common Areas Committee; Barbara Strain, Director and Chair of the Architectural Review Board; and Todd Pullen, Director.

I. Call to order and declaration of quorum

The meeting was called to order by the president, Preston Miller. He asked the secretary, James Peterson, to report on the quorum. With 119 households, representation from 18 households would be required to achieve the 15 percent threshold necessary for action. Twenty-nine households were represented at the time of the call to order attendance (with other members arriving later bringing the total number of households represented to 39). A quorum was declared.

II. Welcome and introductions

Mr. Miller welcomed everyone and introduced the board members.

III. Adoption of agenda

Mr. Miller asked if there were any suggested changes to the published agenda. On a motion by Pat Campbell, seconded by Dave Stebbins, it was voted unanimously to adopt the agenda as distributed.

IV. Approval of minutes from December 4, 2008, annual meeting of the membership

On a motion by Dave Stebbins, seconded by Pat Campbell, it was voted unanimously to approve the minutes as distributed.

V. Review of items discussed at the March 4, 2008, membership meeting

Because a quorum was not in attendance for the regular quarterly meeting of the membership scheduled for March 4, 2008, it was not possible to hold a legal meeting. However, because guest presenters from Albemarle County and the Fredericksburg area had traveled to attend this meeting, they had been asked to give their reports. Brief reports on other operational aspects of the Association had also been made by the board members.

- A. Bears: Mr. Miller reported that Mike Dye, district wildlife biologist with the Virginia Department of Game and Inland Fisheries, had provided information and recommendations on how to deal with the bears, and that these recommendations were subsequently posted on the Mosby Mountain website. Mr. Miller suggested that if anyone had further question they should contact Mr. Dye directly (540-899-4169; Mike.Dye@dgif.virginia.gov).
- B. Neighborhood safety
 - 1) Neighborhood Watch Program: Diana Edwards, community relations coordinator with the Albemarle County Police Department, made a presentation at the March 4 meeting on the requirements to implement a program. Mr. Miller said that the program would require a neighborhood coordinator and representatives for each street and cul-de-sac. Association member Beverly Glascock, 1347 Singleton lane (971-8999), has indicated her willingness to serve as the coordinator. Volunteers are now being sought to represent all areas of Mosby Mountain.
 - 2) Installation of "No solicitation" signs: Mr. Miller reported that the signs have been installed at the entrances to Mosby Mountain.
 - 3) Redfields break-ins: Mr. Miller noted that the example of the recent break-ins in Redfields would be the kind of issue coming under the purview of a neighborhood watch program.
- C. Ice and snow removal

There were two ice and snow incidents last winter and the contractor promptly removed the snow and applied ice melt. The previous contractor did not have the capability to apply ice melt, but this is an important safety factor for the intersections and on the steeper slopes.
- D. Community-wide trash collection service

The community-wide program has now been in operation for five months (the service represents an aggregate annual savings to the neighborhood of \$10,000). Any concerns about the service have been relayed to the contractor. A question was asked about recycling and Mr. Miller responded that all vendors would offer it but at a significant upcharge.
- E. Implementation of the MosbyMountain.org website

Mr. Peterson reported that Association member Jeff Gunther captured the MosbyMountain.org domain, programmed the site, and launched it on March 23. The site currently has the Association's basic documents, information and announcements, but the site has the capability for many bells and whistles.

VI. Architectural Review Board report

Ms. Strain reported that the ARB form is on the website, and as the instructions indicate, completed requests should be sent to her.

The ARB currently has one vacancy, and so anyone interested should contact Ms. Strain for information on the duties and time requirements, and then the board will make the appointment.

The ARB has reviewed the Covenants and established a revised set of guidelines which now include mailbox maintenance. These revised guidelines will be posted on the web site. The ARB will also review all property files and get back to neighbors if violations remain. A question was raised suggesting that the guidelines may be too detailed (such as the requirement for house numbers on both sides of the box). Ms. Strain asked that any comments be forwarded to her for the ARB's consideration. Concerns about the mailboxes

were raised, but it was the responsibility of the builders and the developer to apply the required standards at the time the mailboxes were installed.

VII. Property Owners' Disclosure Packets

Mr. Peterson reported that six disclosure packets have been requested and processed so far this year. He described the Virginia code requirements applicable to the packets and showed a copy of the packet.

VIII. Association response to individual property owners issues

Mr. Miller commented on the erosion issues at both entrances and on Singleton Lane, and how a meeting had been arranged with the property owners, board members, the builder and county officials, but the county officials failed to show. A letter was subsequently sent to the county again describing the problems and asking for the meeting to be rescheduled. Mr. John Glenn has discussed the issue with the builder. Ms. Ellen Lubinsky commented that Mr. Tom McGrath had worked long and hard to document the problems and had put together a notebook with photographs detailing the problems. Given Mr. McGrath's travel schedule, Ms. Lubinsky has taken over the process and she met with the developer this morning. She will complete a comprehensive list of the issues by June 16 including timelines for resolution and discuss this with the developer.

IX. Common areas maintenance

Mr. Roy reported that the first task has been to get the lawn maintenance under contract, and this was delayed because two vendors withdrew their interest and so during the early spring, temporary arrangements were secured to mow the grass. Gator Services LLC has now been selected and will provide the maintenance through the remainder of the year including, and with some funds budgeted for overseeding and fertilizing.

Enhancements to the entrances is the top priority. Proposals have been solicited and will be reviewed later this month with the intent of having the work completed within several weeks. More members are being sought for the committee.

X. Yard sale: Friday, June 6 and Saturday, June 7

Mr. Miller announced that the ads are in the newspaper and the signs are going up. He noted that it wasn't necessary to participate in both Friday and Saturday, and also you can choose your own hours.

XI. Community involvement

Mr. Peterson distributed signup sheets asking that members sign up next to one or more of the committees listed: Nominating Committee; Architectural Review Board; and the Common Areas Committee (CAC). He added that by signing up, a member was not committing themselves, only that they would like more information to see if they do wish to participate. Also, although the Neighborhood Watch Committee (NWC) is not listed on the sheets, if persons were interested in this they should give their name to Beverly Glascock or any member of the board. Both the CAC and NWC need representation from every street in Mosby Mountain in order to be effective.

XII. Items from membership

Ms. Lesley Foster distributed copies of a paper entitled "Talking Points" (attached) authored by "Mosby Mountain Neighbors in Favor of Re-Hiring a Property Management Company." She named several residents she said were in favor of this and added that she spoke for others as well. She and other members then spoke to many of the points outlined in the paper. Other members responded to the points indicating that the issue had been studied

over a three month period in the spring of 2007 and that many of the points in the paper reflected inaccurate or incorrect information.

On a motion by Ms. Foster, seconded by Mr. Pullen, it was voted (23 voting yes, 9 opposed) to form an exploratory committee that would outline the costs and benefits of working with and without a management firm; solicit bids from area management firms for review; present their findings to the community within one month's time; and give each household the opportunity to vote whether or not to hire a property management firm, and if they opt for a management company allow the community to vote on the selection.

The "Talking Points" paper also asked about the scope and current funding level for making improvements to the common areas this fall; what funds are available in the 2008 budget for these improvements; and is a special assessment necessary to cover cost.

XIII. Adjourn

The meeting was adjourned at 8:15 p.m.

Respectfully submitted,

James R. Peterson
Secretary

TO: Mosby Mountain Neighbors
FROM: Mosby Mountain Neighbors in Favor of Re-Hiring a Property Management Company
DATE: June 4, 2008
RE: Talking Points

Background

Prior to September 2007, the services outlined in the attached pages were handled by a licensed property management company. Since September 2007, these services have been handled through the coordinated efforts of a paid accounting firm and the unpaid members of the Mosby Mountain Community Association's Board members, Directors, and committee members.

- In 2006, when the community was managed by a licensed property management firm, the management fee per household per year was \$4.42 or \$53.04 per year.
- In 2008-2009 dollars, estimated costs for a management firm would run \$5-6/month per household or \$60-72/year.

Two Points of View

Opinion is divided in the neighborhood about whether a professional property management firm is needed to serve the community. Both sides believe strongly in their point of view. Some of us think it is prudent and affordable to hire a property management firm. The leadership thinks the community can manage operations and the property's physical needs on its own, while using a CPA to handle administrative and accounting needs. We brought our concerns to the board last week, but were unable to reach consensus on how to resolve our different viewpoints.

We have no doubt there is sufficient brainpower within the community for it to be self-run, and we acknowledge that it is less expensive to manage in the do-it-yourself model. We have concerns, however, about whether this is the best choice for the community. The majority of the neighborhood is not aware of this debate and, accordingly, has not weighed in. We think the issue merits discussion and approval by the community as a whole.

Questions and Concerns

1. Should cost savings be the orienting principle on which to base the decision about community management?
2. What is the net savings per household of being self-managed? Aside from cost savings, what are the other benefits of being self-managed?
3. Is it prudent for board members, directors and committee members to assume the inherent risks and liabilities of self-management?

We request that this hand-out including "Talking Points" and "Scope of Services" be included as part of the minutes.

4. As board members, directors and committee members change from year to year, how will the transfer of knowledge be streamlined and what will the learning curve be?
5. Can the officers of the HOA stay abreast of changing laws, rules and regulations concerning HOA management?
6. Do these individuals have sufficient knowledge of local contractors to hire reputable firms, negotiate the best rates, monitor performance and ensure satisfaction and warranty?
7. Are these individuals available during the workday to meet and oversee contractors if necessary?
8. Is there sufficient manpower to juggle the management responsibilities of the neighborhood, when coupled with the demands of day jobs and families?
9. What if one or more individuals commit to serving in an official role, but find themselves unable to continue due to personal reasons related to work, family, health or other concerns? Given the relatively small size of our community, are there enough people in the neighborhood willing to assume the necessary responsibilities of self-management over the long-term?
10. Will volunteers be consistently available to field neighbors' questions on a timely basis (e.g same business day or 24 hour period)?
11. Is there one go-to person whom neighbors can direct all questions and concerns to during working hours?
12. Is it prudent for neighbors to handle disputes and compliance issues with other neighbors one-on-one or are these situations better handled by a management entity serving as liaison?

Objectives

1. To engage the neighborhood in an informed discussion about the management of the community.
2. To make a motion to form an exploratory committee that will:
 - Outline the costs and benefits of working with and without a management firm
 - Solicit bids from area management firms for review
 - Present their findings to the community within one month's time
 - Give each household the opportunity to vote on whether or not to hire a property management firm, and if they opt for a management company allow the community to vote on the selection.

Time is of the essence since it is our understanding that the 2009 budget must be approved this September.

3. Lastly, on a separate matter, what is the scope of and current funding level for making improvements to the common areas this fall? What funds are available in the 2008 budget for these improvements? Is a special assessment necessary to cover costs?

We request that this hand-out including "Talking Points" and "Scope of Services" be included as part of the minutes.

**Scope of Services Previously Provided by
a Licensed Property Management Company
for the Mosby Mountain Community Association**

Prior to September 2007, the services below were handled by a licensed property management company. Since September 2007, these services are being handled through the coordinated efforts of a paid accounting firm and the unpaid members of the Mosby Mountain Community Association's Board members, Directors, and committee members.

Administration & Accounting Management

- Collection of all assessments and other association income
- Payment of all Association expenses
- Bookkeeping
- Tax preparation & filing
- Budgeting
- Professional services
 - Maintain records of the Association's required agent, pay associated fees, and monitor agent services as required by the SCC
 - Facilitate consultations with legal counsel as directed by the Board
 - Coordinate legal retainer agreements as directed by the Board
 - Coordinate, gather information, accompany financial professional through all phases of audits or any other financial review
- Insurance Oversight
 - Audit insurance policies for coverage and price
 - Provide verification of coverage upon request
 - Orchestrate insurance claims and inspections as directed by the Board

Operations & Physical Property Management

The property manager and other staff of the property management company will:

- Routinely inspect all common areas and accessible common elements
- Inspect individual units as necessary to facilitate Association business
- Respond to all inquiries about Association bylaws, covenants, and business from members and related entities
- Respond to all requests for maintenance or attention to common elements in the same business day if practical and no later than 24 hours from receipt of the message
- Evaluate all activities related to service, maintenance, or improvement projects for common elements; non-recurring items are subject to markup per the management agreement
- Coordinate all activities related to service, maintenance, or improvement projects for common elements; non-recurring items are subject to markup per the management agreement

We request that this hand-out including "Talking Points" and Scope of Services" be included as part of the minutes.

- Negotiate and establish all contracts for all activities related to service, maintenance, or improvement projects for common elements; non-recurring items are subject to markup per the management agreement
- Supervise all activities related to service, maintenance, or improvement for the common elements; non-recurring items are subject to markup per the management agreement
- Attend monthly or quarterly meetings of the Board
- Coordinate and attend all annual meetings of the Association
- Prepare and deliver all notices to the general membership
- Prepare and maintain registration of the Association with the Commonwealth of Virginia Department of Professional & Occupational Regulation as required by the Virginia Real Estate Board
- Meet with Association committees when necessary as determined by the property manager
- Function as liaison between the Board and members for all matters subject to architectural control & review
- Enforce covenants, bylaws, and rules as requested by the Board
- Maintain records of correspondence with members and outside entities
- Disseminate disclosure packets upon request from agents and members subsequent to establishment of sales contracts
- Maintain control files for property sales

Fee Structure

Management Fee

2006 – Cost was \$6326 per year or \$4.42 per month per household (\$53.04/year)

2008-2009 – Estimated cost is \$7,140-\$8,688 per year or \$5-6 per month per household (\$60-\$72/year)

Maintenance Supervision

15% markup of received invoice up to \$10,000

10% markup of received invoice greater than \$10,000

Maintenance Charges (if performed by management company staff)

\$31/hour for unskilled labor (ex. painting, grounds, cleaning)

\$39/hour for semi-skilled labor (ex. carpentry, drywall repair, roof repair)

\$46/hour for skilled labor (ex. electrical work, HVAC repairs, plumbing repairs)

15% markup of materials purchased up to \$10,000

10% markup of materials purchased greater than \$10,000

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