

Prosperity Heights Homeowners Association

Meeting Name: Board of Directors Meeting

Date: November 10th, 2020

Time: 7:00pm

Location: Zoom

Attendees: Rich Cober, Keith Fulk, Steve Boveri, Monica Duggal, Andrew Frank, Kaye Lee, Mark Westerfield, Jeff Allen, Miléna Santoro

With nine of nine Directors present, the quorum was achieved.

Other Attendees: Approximately 11 community members. Ami Pape of Chesapeake Law Group, PLC joined no later than 7:55pm.

Attendance taken at 7:00pm

I. Welcome and Opening Remarks

- a. Welcome to **Jeff Allen** and **Miléna Santoro**, new board members.
- b. **Michael Hayes** announced he is recording the meeting. Some Board Members asked Michael not post on a public website and he did not confirm whether he was going to do so.

II. Open Forum - 7:00 - 7:10 PM

a. **Tom Sonnen**

- i. **Tom Sonnen** asked if the wooden pallets will remain in the neighborhood and if the board is going to address these. He expressed concerns with property values decreasing due to the pallets. **Mark Westerfield** clarified the pallets were not approved by the board. This will be added to the agenda of a future board meeting.
- ii. **Levenie Ann Hughes** asked about locating the books and records from July 2020 HOA meeting. **Kaye Lee** communicated that there is a request form on the website to complete. **Levenie Ann Hughes** let the board know she did not get notification of tonight's meeting and expressed concern with the legal fees thus far in the year.
- iii. **Michael Hayes** let the board know he did not get notification of tonight's meeting. He also expressed concern with the fence, specifically its height off the ground, is greater than 6ft in the yard behind his home. The fence was approved by the ACC and panel of the fence is 6ft. He also expressed concern with not replying to his previous emails to the board.
- iv. **Abe Bibizadeh** let the board know he did not get notification of tonight's meeting and asked for an explanation of why we have such high legal fees.
- v. **Ashley Warmeling** expressed confusion related to legal information. She said it would be helpful to hear clarification from the attorney of what is privileged, why, and how those decisions are made. She also would like to know where the legal fees are coming from.
- vi. **Bethany Frank** expressed that she feels the high legal fees are due to fulfilling requests of the homeowners and to ensure the board is moving towards compliance. She agrees it would be beneficial for the homeowners would see the breakdown of the legal fees. She also expressed that board members need to do a better job communicating with each other's instead of being on separate teams. **Mark Westerfield** said he does not hold secrets from the public and his team is the owners, not the board.

III. Administrative Matters - 7:10 - 7:25 PM

- a. Approval of Meeting Minutes
 - i. **Andrew Frank** motioned to approve the September 2nd, 2020 board meeting minutes and add them to the website. **Rich Cober** seconded. Motion adopted.
 - ii. Next Step: **Kaye Lee** will post the meeting minutes from September 2nd, 2020 to the website.
- b. Approval of two resolutions passed via email.
 - i. **Steve Boveri** motioned via email: Due to the current environmental restrictions placed upon public meetings for the extended future, personal health concerns, weather conditions restricting outdoor meetings, and virtual meetings being our only option for the long term, I propose we create a Prosperity Heights HOA zoom account for one year at a cost of \$150.00. Motion adopted unanimously.
 - ii. **Steve Boveri** motioned via email: Whereas an existing fence at 3350 Monarch Lane, lot 147, installed by a previous homeowner without HOA approval, extends into Common Area Parcel F in violation of the Prosperity Heights HOA Declaration of Covenants, Conditions, and Restrictions, Article VI section 1 (m) and, Whereas the same article allows the Prosperity Heights HOA Board of Directors to grant temporary use of Common Area to the current homeowner, Therefore be it resolved that Steven Wegener, current owner of 3350 Monarch Lane, lot 147, is granted temporary use for the portion of fence in Common Area Parcel F until such time the house is sold, or any portion/section of the existing fence on the property is repaired, modified, replaced, painted, adjusted etc. which would then terminate the temporary approval, and require Steven Wegener to remove that portion of the fence from Common Area Parcel F. Motion adopted unanimously.
- c. **Mark Westerfield** suggested that prior to future meetings any motions passed via email are sent to the owners.

IV. Reports - 7:25 - 7:45 PM

- a. Financial Management Report
 - i. Budget Update
 - 1. There are nine homeowners who have not paid their dues as of 11/10/2020.
 - 2. In order to cover the higher than normal legal fees, we will use reserves.
 - ii. Audit Update
 - 1. **Keith Fulk** signed an engagement letter with the audit firm. He will go see the auditor next week so they can begin the audit for the previous two years. The audit will take about a month.
 - iii. Transition of Treasurer
 - 1. **Keith Fulk** said his board term ends at the next annual meeting and he does not plan on running again. He is looking to do whatever is needed to do a smooth transition. The board is grateful for the service of Keith for many years!
 - 2. Next Step: **Jeff Allen, Monica Duggal, and Keith Fulk** will discuss treasurer transition plans between now and the next meeting.
- b. Contracted Services Status

- i. Lawn Service Contract Update
 - 1. **Mark Westerfield** and **Monica Duggal** have started to investigate a new contract but have no updates at this time.
 - 2. Next Step: Board members will email **Mark Westerfield** and **Monica Duggal** with established landscapers to consider for the next contract.
 - c. **Architectural Report**
 - i. **Steve Boveri** presented year to date applications and decisions.
 - ii. **Craig Dellorso** is moving and will need a replacement on the board. **Kaye Lee** can send out an email to ask for volunteers for the ACC position. **Steve Boveri** will put together a blurb to explain the responsibilities.
 - iii. **Mark Westerfield** asked if owners are expected to get a neighbor signature on the form. **Steve Boveri** said it was a recommendation, not requirement, by Counsel. The ACC form has been changed to include neighbor's name, address, and the date they were notified.
- V. **Unfinished/Old Business - 7:45 - 7:55 PM**
 - a. **Present Director voting information from Annual Meeting.**
 - i. Voting at the last annual meeting was conducted via email. According to the count sent by Counsel, there were a total of 43 people that submitted votes. Each person was able to cast up to 5 votes. The count provided by Counsel was inaccurate and missing votes.
 - ii. Next Step: **Mark Westerfield** and **Rich Cober** will take the lead on developing a proposal for voting at the next annual meeting.
 - b. **Update progress on moving documents to the cloud.**
 - i. **Mark Westerfield** reported the box is completely scanned but missing some financial documents. He will start a test program to allow board members to have access. Following, we will decide what is available to owners and how the documents will be organized.
 - ii. **Keith Fulk** has bank statements, insurance policies, etc. He will put these documents in a box for Mark to scan.
 - iii. Next Step: **Mark Westerfield** and **Keith Fulk** will coordinate hand off of the remainder of the documents. **Mark Westerfield** will share the Dropbox account with the board to test access.
 - c. **Update search for meeting minutes from first part of 2020.**
 - i. **Steve Boveri** reported have all the meeting minutes from 2020, 2019, and 2018.
 - ii. Next Step: **Kaye Lee** will post the notes for 2020 and **Mark Westerfield** will give her a link to the 2019 and 2018 minutes to post.
- VI. **New Business - 7:55 - 8:40 PM**
 - a. No discussion occurred on the draft proposed policy resolutions because the resolutions had not been distributed to the owners who had requested to be notified directly regarding Board meetings and the resolutions had not been circulated to the Owners.
 - i. Policy Resolution NO. 2019-05-RCD Regarding the Recordation of Board Meetings.

- ii. Policy Resolution NO. 2016-0915-WEB, Website Blog/Message Board (Establishing Guidelines and Procedures for the Association Website Blog/Message Board).
- iii. Policy Resolution NO. 2020-10-COC-OF, Code of Conduct and Open Forum at Meetings.
- b. **Andrew Frank** motioned to post the resolution on the Prosperity Heights website for neighborhood comment using a Google Form, by referencing specific lines or general comments, until the next meeting. Motion seconded by **Miléna Santoro**. Motion adopted.
- c. Next Step: **Andrew Frank** and **Miléna Santoro** will work to facilitate public comment on three resolutions for discussion at next meeting.

VII. Closing

- a. Next Steps Summarized
 - i. **Kaye Lee** will post the meeting minutes from September 2nd, 2020 to the website.
 - ii. **Jeff Allen, Monica Duggal, and Keith Fulk** will discuss treasurer transition plans between now and the next meeting.
 - iii. Board members will email **Mark Westerfield** and **Monica Duggal** with established landscapers to consider for the next contract.
 - iv. **Mark Westerfield** and **Rich Cober** will take the lead on developing a proposal for voting at the next annual meeting.
 - v. **Mark Westerfield** and **Keith Fulk** will coordinate hand off of the remainder of the documents. **Mark Westerfield** will share the Dropbox account with the board to test access.
 - vi. **Kaye Lee** will post the notes for 2020 and **Mark Westerfield** will give her a link to the 2019 and 2018 minutes to post.
 - vii. **Andrew Frank** and **Miléna Santoro** will work to facilitate public comment on three resolutions for discussion at the next meeting.
- b. Future Meeting Agenda Items
 - i. Signage in Neighborhood

VIII. Adjourn - 8:40 PM

- a. The next meeting date is January 6th, 2020 at 7:00 P.M.
- b. **Steve Boveri** motioned to adjourn the meeting. **Rich Cober** seconded it. Motion adopted.
- c. The meeting adjourned at 8:43 P.M.

Secretary, Andrew Frank

These minutes are from a Board of Directors meeting held virtually during the COVID 19 Phase 3 Emergency, and the type of electronic means for the meeting used was Zoom.

Attachments

- ACC Report
- Profit and Loss Statement

2020 ACC Exterior Alteration Applications Decisions				
Date	Address	Name	Project	Decision
04/06	8477 Ararat Ct	Manarin	Deck & Patio	Approved
04/18	8461 Sevan Ct	Frank	Screening fence	Approved
04/21	3334 Monarch Ln	Boveri	Back lights	Approved
04/30	3339 Monarch Ln	Dellorso	Privacy fence	Approved
05/06	8467 Nicole Ct	Steider	Front walk & shrubs	Approved
05/18	3339 Monarch Ln	Dellorso	Rear retaining wall, steps, patio	Approved
06/07	3336 Happy Heart Ct	Rebar	Fence	Approved
06/09	8475 Ararat Ct	Slocum	Deck	Approved
06/23	8458 Brass Knob Ct	Phu	Driveway widen	Approved
07/02	3341 Monarch Ln	Edwards	Front door, walk, shrubs	Approved
07/03	8477 Ararat Ct	Manarin	Hot tub	Approved
07/03	8477 Nicole Ct	Sonnen	Siding & trim	Approved
07/06	3352 Taleen Ct	Brewer	Back patio	Approved
07/14	3403 Monarch Ln	Walker	Back patio door & window	Approved
07/14	8458 Van Ct	Dresser	Front door	Approved
07/21	8465 Monarch Ct	Lugo	Back patio	Approved
07/30	3348 Monarch Ln	Aslam	Fence	Approved
07/30	3388 Monarch Ln	Weiler	Back play set	Approved
07/30	3399 Monarch Ln	Leuth	Back patio	Approved
09/03	3350 Monarch Lane	Wegener	Fence	Disapproved
09/04	8477 Nicole Ct	Sonnen	Front Door	Approved
09/04	3366 Taleen Ct	Novack	Roof	Approved
09/16	8470 Nicole Ct	Logan	Shutters	Approved
09/17	8459 Brass Knob Ct	O'Conner	Fence & back patio	Approved
09/22	8474 Nicole Ct	Hughes	Roof, siding, shutters, garage door, front door	Approved
09/24	8466 Nicole Ct	Boswell	Roof	Approved
09/29	3390 Monarch Lane	Hue	Siding	Approved
10/12	3372 Monarch Ln	North	Front door	Approved
10/21	8461 Sevan Ct	Frank	Storage unit	Approved
10/30	3351 Monarch Ln	Ray	Backyard landscaping & decorative fence	Approved

PROSPERITY HEIGHTS HOMEOWNERS ASSOCIATION

Annual Dues (208 Homes)

\$ 435

\$ 430

7/1/19-6/30/20

7/1/20-6/30/21

83%

Description	Budget	12 Months	Budget	10 Months	Over (Under)	% of Budget
	2019	2019	2020	2020		
Income:						
Dues Income	90,480	100,781	89,440	85,161	(4,279)	95%
Homeowner Packets	1,000	2,400	1,000	800	(200)	80%
Interest Income	200	200	10	-	(10)	0%
Late Payment Fees	-	1,370	-	258	258	
Legal Processing Fees	-	-	-	-	-	
Other Income	-	-	-	-	-	
Total Income	91,680	104,750	90,450	86,219	(4,231)	95%

Expenses:

Operating Expenses:

Bank Service Charges	-	-	-	-	-	-
Electricity	220	200	200	105	(95)	53%
FCHS Grad Party	500	500	500	-	(500)	0%
HOA Audit	2,100	2,100	-	-	-	
Insurance	4,000	3,970	4,500	4,201	(299)	93%
Landscaping & Grounds Maintenance	9,000	8,444	9,000	9,053	53	101%
Legal & Professional Fees	3,000	3,756	12,000	17,165	5,165	143%
Reserve Study	-	-	-	-	-	
License Fees	100	35	150	140	(10)	93%
Newsletter/Communications	500	658	600	80	(520)	13%
Office Expense	125	140	150	68	(82)	46%
Playground Maintenance	2,500	750	2,500	2,240	(260)	90%
Postage	300	647	500	114	(386)	23%
Prosperity Day & Social Events	4,000	4,702	4,500	700	(3,800)	16%
Reserve Contribution	500	-	500	-	(500)	0%
Trash Removal	66,144	66,631	70,562	58,802	(11,760)	83%
Total Operating Expenses	92,989	92,533	105,662	92,667	(12,995)	88%

Net Income after Operating Expenses

(1,309)

12,217

(15,212)

(6,448)

8,764

Playground Equipment

-

-

-

-

-

Net Income (Loss)

(1,309)

12,217

(15,212)

(6,448)

8,764