

Prosperity Heights Homeowners Association Minutes

Meeting Name: Annual Meeting

Date: May 25, 2021

Time: 7:00pm

Location: Zoom

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

Other Attendees: Ami Pape of Chesapeake Law Group, PLC. See attached attendance list for Owners in attendance. 34 total Owners were in attendance thus meeting quorum. 11 Owners were present via proxy.

At time of voting, 46 Owners were in attendance.

- I. Determination of Quorum (Andrew) – 7:00 – 7:05 P.M.**
 - a. Completion of Attendance Form
 - b. Counting Proxies
- II. Voting Preview (Mark and Rich) – 7:05 – 7:10 P.M.**
 - a. Requirements to Vote
- III. Administrative Matters (Andrew) – 7:10 – 7:15 P.M.**
 - a. Approval of Meeting Minutes
 - i. 2020 Annual Meeting
 1. **Andrew Frank** made a motion to approve the 2020 Annual Meeting minutes. **Kaye Lee** second. Motion adopted.
 - b. Resolutions Passed Via Email
 - i. None
- IV. Welcome and Opening Remarks (Steve) – 7:15 – 7:30 P.M.**
 - a. Preview of Agenda
 - b. Introduction of Board and Committee Members
 - c. Year in Review
- V. Open Forum (All) – 7:30 – 8:00 P.M.**
 - a. **Shannon Turner** wanted to ask what happened to the 10 minute forum before and 10 minute after suggestion. **Steve Boveri** said that we do have 10 minutes before and depending on the length of the meeting there could be 10 minutes at the end. You can always contact the Board at other times.
 - b. **Shannon Turner** asked what the hourly rate for the attorney and what is her presence is needed. **Steve Boveri** responded that due to multiple legal issues on the agenda we needed her there to address it at that time. **Ami Pape** said she bills \$375 per hour.
 - i. **Kaye Lee** added that without a professional management company the attorney has been valuable.
 - ii. **Mark Westerfield** said that the amount we paid for the attorney has made it the second largest line item. In the past four months it has just been procedural issues.
 - iii. **Steve Boveri** said there was an error in the billing that we should be able to see in the financial report.
 - c. **Miléna Santoro** asked if we could consider doing something to celebrate this summer as a modified Prosperity Day.

- i. **Rich Cober** recommended a scaled down version.
- d. **Bethany Frank** mentioned a Property Management firm and asked has there been any thought regarding a Property Management firm. **Steve Boveri** said we did pass a resolution and went and received proposals. He received three proposals. He said that before information was provided to the Board other items came up. A management firm would fulfil functions that Ami is doing for us. Cost per home was \$8-10 per home/per month.
- e. **Mark Westerfield** said that the trash service has missed streets and portions of streets. If someone has trash issues, they should email the Board. Owners need to make sure that we are using the proper receptacle.

VI. Reports – 8:00 – 8:30 P.M.

a. **Architectural Report (Steve)**

i. ACC Report

1. Parina’s 3343 Happy Heart Lane, submitted an Exterior Alteration Application on February 15, 2021 for two rear patios’. It was reviewed by the ACC and disapproved on March 5, 2021 due to lack of sufficient information being provided. The application did not address water mitigation issues, nor compliance with Fairfax County code for land disturbance in a Resource Protected Area. Fairfax County was notified they started construction and sent two inspectors to view the property. The inspectors issued two violations. We are waiting for further updates from the County.

b. **. Financial Management Report (Jeff)**

i. Financial Report and Budget Presentation

1. We decided to change the budget to calendar year, January - December. Previous it was fiscal year, July – June.
2. **Sue Braunstein** asked if the annual meeting date will change. We might slowly move the annual meeting to line up with the new budget calendar.
3. There are many opportunities to engage with the budget; finance committee meetings and board meetings.
4. **Mark Westerfield** shared that there have been many times to provide feedback much more than in previous years.
5. **Michael Hayes** asked how many people are still behind in their dues. **Keith Fulk** said there is one homeowner who owe us three years in dues and there are five who have not gave us dues for the current year.
6. **Eileen Stoyan** asked about the reserve amount and what projects it is for. **Jeff Allen** said the tot lot and the Prosperity Heights sign.
7. **Mark Westerfield** motioned to make **Jeff Allen** Treasurer. **Rich Cober** seconded. Motion adopted.

VII. Unfinished/Old Business

- a. None

VIII. New Business – 8:30 – 9:00 P.M.

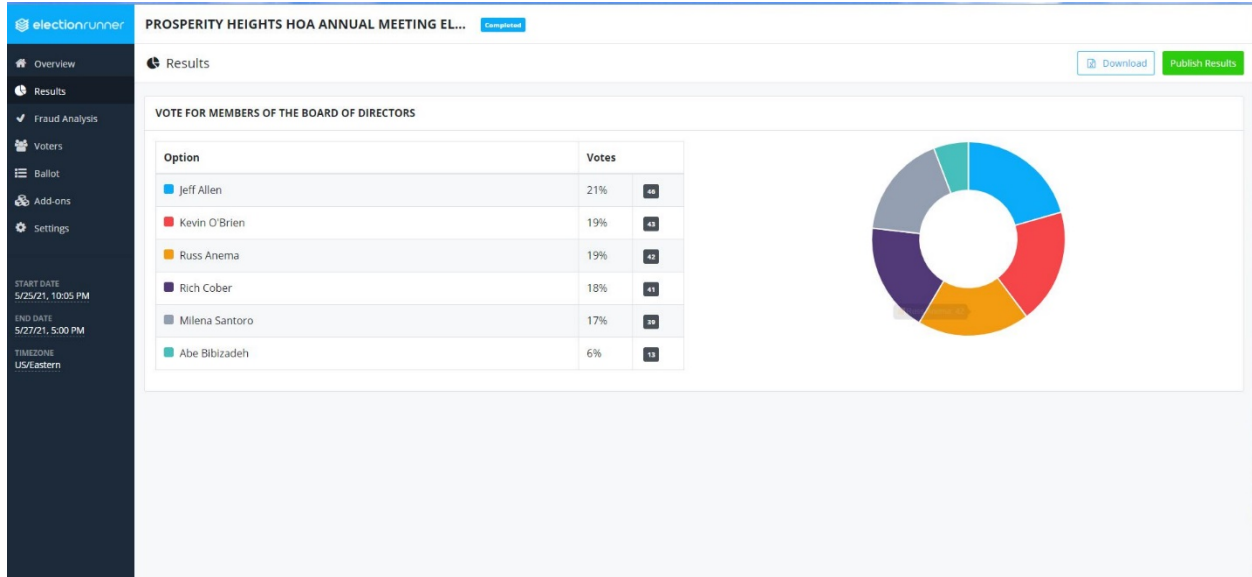
a. **Voting for the Board of Directors (Mark and Rich)**

- i. Explanation of Voting Process.
- ii. Nominations for Board Members from the Floor.

- iii. Brief Presentations by Each Nominee.
- iv. Close of Nominations.
- v. Determination of Owners Present and Eligible to Vote

IX. Voting

- a. **Recess Pending Vote Completion (Steve)**
 - i. **Steve Boveri** motioned to recess. **Mark Westerfield** seconded. **Motion adopted.**
- b. **Recess is Finished**
 - i. Election results were read.



X. Closing and Adjourn

- a. **Steve Boveri** motioned to adjourn. **Mark Westerfield** seconded. **Motion adopted.**

Attachments

- 2020 Annual Meeting Minutes
- ACC Report
- 2021 Budget Update
- HOA Election Information
- HOA Proxy Form 2021
- Proxies – See Dropbox. Files too large.

Prosperity Heights Annual Membership Meeting
July 13, 2020 via Zoom

Board Members in attendance:

Brad Wilhelm - President
Rich Cober - Vice President
Gina North - Secretary
Keith Fulk - Treasurer
Giang Thiet - Director
Levenie Hughes - Director
Kaye Lee - Director

Quorum has been met. 29 households as of 7:00

Edit: 54 households registered for the meeting,

Meeting called to order at 7:00 pm

Reminder to register on the Google Doc to ensure quorum and track voting for election of directors.

1. Introduction of Board members:

Brad Wilhelm
Rich Cober
Gina North
Keith Fulk
Giang Thiet
Kaye Lee
Levenie Hughes

Ami Pape is also in attendance as our legal counsel.

2. Proof of notice of meeting:

Notice posted within time frame via email and hardcopy newsletter as well as the sandwich boards.

Confirmation of quorum:

37 households have registered via the Google Doc

3. Recent Activities:

- High school graduation parade
- New website - special thank you to Kaye Lee for the new website and keeping it updated
 - Notifications come via the website
- 2020 Summer newsletter
- New playground mulch

- Food trucks - special thank you to Andrew Frank for setting these up each week to support local businesses
- Ice Cream Social - hoping to schedule this after school starts, it was postponed due to Covid-19
- Prosperity - still TBD - we do need volunteers, please contact the Board if you are interested in helping or putting together a committee

4. Status Updates/Reminders:

- Board to conduct business electronically
 - Go to website to see communications
 - Emails will be sent via website registration
 - Board email address goes to all Board members
 - Option to opt-out of electronic communications via website or contact Board directly.
- Exterior alteration requests:
 - Steve Boveri from the Architectural Committee reviewed the process
 - Requires cooperation of the homeowner and the HOA
 - Declaration of Covenants and the Architectural Standards address this process
 - Any change to your home that is not original requires an application (example, painting your front door to a different color)
 - Application is on the website - Exterior Alteration link takes you to the Exterior Alteration Application
 - Include as much detail as possible, colors, pictures, your plat diagram, etc.
 - The more detail provided, the faster the approval process
 - You may scan applications and email them to the Architectural Committee email
 - The Committee is allowed 4 weeks to provide approval
 - Projects are not typically denied, but there is an appeals process in the event a denial is given
 - Common areas are not to be used by homeowners and if there is a violation, you can be cited by Fairfax County
- Lawsuit
 - Michael Hayes filed the lawsuit against the HOA
 - The lawsuit was settled and the HOA paid legal fees in the amount of \$6,000
 - Question regarding what the issue was - Brad showed the Covenants Article V, Section 1; plans were not provided in the required detail for an exterior shed
 - The request was not denied, but additional information was requested.
 - The lawsuit is a matter of public record and any homeowner may review it
 - The HOA insurance counsel recommended settling the lawsuit
 - When the ACC receives an alteration request and has additional questions, those are provided to the homeowner and the homeowner has time to respond.
 - The ACC approval letter was displayed for the homeowners in attendance. The form was recently updated to have the word "disapproved". Mr. Hayes did not receive this letter as the process did not get that far.
 - Our insurance covered for the legal counsel, but this does not cover costs as a result of damages from the lawsuit

- HOA Modernization:
 - People
 - Increase capacity and collaboration
 - Processes
 - Improvement in standard operating procedures
 - Technology
 - Increase efficiency and reporting to provide greater transparency
 - Looking at keeping things as is, soliciting more volunteers, or using a third party contractor. Currently doing research on these options and soliciting proposals from 3rd party vendors.
 - Current proposals indicate an anticipated cost of \$10-15 per home per month. Will look at if the management company provides services that are in the current budget.
 - Regular Board Meeting Schedule:
 - September 2, 2020
 - November 4, 2020
 - January 6, 2021
 - March 3, 2021
 - Annual Board Meeting - April 21, 2021
 - All meetings begin at 7:00 pm

5. 2020-2021 Budget:

- Dues will be \$5 less for next year at \$430
- Increase in legal fees due to recent lawsuit
- Reserves were used to cover the costs of the lawsuit
- Question about whether or not to do an audit each year

6. Election of Directors:

3 Directors' terms are expiring:

Giang Thiet
 Gina North
 Levenie Hughes

Nominations from the floor:

Mark Westerfield
 Dave Dresser
 Monica Duggal
 Michael Hayes (nominated by Sachin Telhan)
 Steve Boveri (nominated by Andrea Shore)
 Sachin Telhan
 Andrew Frank

Each nominee said a few words about why they want to be on the Board and what they bring to the Board.

Nominations ceased at 8:40 pm.

Board votes unanimously to fill all 9 allotted slots on the Board. Each homeowner will vote for a max of 5. Votes from 9:00 - 10:30 will be counted to ensure all updated votes are counted. Ami will reach out to any homeowners who submitted their votes before it was decided that the Board would go back to having 9 members and that they are allowed to vote for 5 people.

To vote, homeowners will email apape@chesapeake-law.com

Include first and last name, home address, yes/no homeowner, vote for max of 3. Votes must be in by 9:30 pm.

Ami will inform the Board of results tomorrow by 5:30 pm.

7. Open Forum:

- Question about trash cans - homeowner cannot store in his garage. Trash cans can be on the side of the house, many homeowners use a privacy screen to hide it from view from the street.
- Question about how homeowners will be notified about the management company process. Board will put together a presentation when we have information.
- Question about how long the proposals would be in place. Looking at long-term, but we are still early in the process.
- Question about why we can't have a pool. There is no space for a pool. The playground area is the most space but it is also a floodplain.
- Question about updating the hardcopy directory. No decisions have been made yet, but looking at having a directory as part of the website.

Brad moves to adjourn. Kaye seconds. Meeting adjourned - 9:16 pm

2021 ACC Exterior Alteration Applications Decisions				
Date	Address	Name	Project	Decision
03/5	3343 Happy Heart	Parino	Shed	Approved
03/5	3343 Happy Heart	Parino	Fence	Approved
03/8	3343 Happy Heart	Parino	Rear patio	Disapproved
03/21	3328 Monarch Ln	O'Brien	Rear patio, LED lights	Approved
04/5	8460 Ararat Court	Helou	Rear patio	Approved
04/8	3405 Monarch Lane	Teitz & Gerbig	Fence	Approved

PROSPERITY HEIGHTS HOMEOWNERS ASSOCIATION

Annual Dues (208 Homes)

\$ 240
50% of Calendar
7/1/21-12/31/21

Calendar Year 2021
(1/1/21-12/31/21)

Description	Needed Budget	Revised total annual budget
<u>Income:</u>		
Dues Income	49,920	94,640
Homeowner Packets	500	1,000
Interest Income	-	5
Late Payment Fees	-	-
Legal Processing Fees		
Other Income		
Total Income	50,420	95,645
<u>Expenses:</u>		
<u>Operating Expenses:</u>		
Bank Service Charges		-
Electricity	100	200
FCHS Grad Party	250	500
HOA Audit	6,200	6,200
Insurance	(350)	1,900
Landscaping & Grounds Maintenance	5,545	10,045
Legal & Professional Fees	(1,750)	4,250
Reserve Study	-	-
License Fees	100	175
Newsletter/Communications	-	300
Office Expense	400	475
Playground Maintenance	-	1,250
Postage	-	250
Prosperity Day & Social Events	-	2,250
Reserve Contribution	(250)	-
Trash Removal	38,800	74,081
Total Operating Expenses	49,045	101,876
Net Income after Operating Expenses	1,375	(6,231)
Net Income (Loss)	1,375	(6,231)

ELECTION INFORMATION

At the Annual Meeting, owners will elect 5 Board members. Because the Annual Meeting will be held via Zoom, and to help make the election process run more smoothly, the Board has decided to conduct the election online through ElectionRunner, an online elections application.

We ran a test election in March, to familiarize owners with the system and to ensure that it fits our needs. The actual election will look exactly like the test election, except that we will have the names of actual candidates on the ballot.

The Board passed a set of rules and processes for the election in January 2021. The full resolution is available online, but the information below summarizes the process.

- 1. Who Can Vote in the Election?** All owners are entitled to vote in the election. One vote per lot in the neighborhood. **However, to vote, the owner must be “present in person or represented by proxy” at the Annual Meeting.** This means that an owner must be a participant in the Zoom meeting at the time nominations for the Board positions are being received and when the nominations process closes. At that time, a call of the roll will be made to determine all owners who are present, and ballots will be sent out to those owners only.
- 2. Nominations, Who Are The Candidates?** Any owner can nominate himself or herself to be a candidate. You can submit nominations in advance (which is preferred) by sending an email to board@prosperityheights.org or you can nominate yourself during the Annual Meeting.
- 3. How Will I Receive My Ballot?** Just like the test election, ballots will be sent out by email by the Election Runner system on the night of the Annual Meeting, after the nominations close and all attendees have been determined. **If you attended the Annual Meeting, but did not receive a ballot via email, send an email to Mark Westerfield (mark.westerfield@westerfield.us) and Rich Cober (richcober@cox.net) and they will resolve the issue.**
- 4. What About Co-Owners?** Under the HOA documents, each Lot is entitled to one vote. If the property is jointly owned, the co-owners must decide who to vote for and cast one vote. Each ballot sent out can only be cast one time.
- 5. We Have Multiple Emails, Who Will Receive The Ballot?** When you check in for the Zoom meeting, you will be asked to fill out an attendance form. Designate on this form the email you wish us to use to send the ballot.
- 6. How Long Will I Have To Cast My Vote?** Voting will remain open for 2 days after the Annual Meeting. The exact time will be disclosed in the email when you receive the ballot.
- 7. How Do I Know My Vote Was Received?** The ElectionRunner system will automatically generate a confirmation for you when your vote is submitted. The system also generates a list of all owners who voted.
- 8. When Will The Results Be Announced?** When the election closes, a link is sent out to all owners who voted, which allows them to see the election results immediately. An announcement will be sent out to owners via the email list on Thursday, May 27 around 5:00 PM.
- 9. What If I Do Not Have A Computer or Email?** Due to COVID safety concerns, the Annual Meeting will be by Zoom only this year. If you do not have access to a computer, you will need to make alternative arrangements with a friend or family member. If you do not have an email address, you can have the ballot sent to a friend or family member who can assist you with voting. You can also submit a proxy form and appoint someone to attend and vote on your behalf.
- 10. Designated Election Officials.** Mark Westerfield (mark.westerfield@westerfield.us) and Rich Cober (richcober@cox.net) have been designated by the Board to conduct the election and resolve any issues or concerns. You may email them directly with any additional questions.
- 11. I Am Having Problems Voting.** If all else fails, send an email to Mark Westerfield (mark.westerfield@westerfield.us) and Rich Cober (richcober@cox.net) and explain the problem. They will be in contact with you to resolve the issue.
- 12. Attendance By Proxy, Voting By Proxy.** Under the HOA documents, owners are permitted to attend the Annual Meeting by proxy and can also vote by proxy. To do so, fill out the proxy form on the next page and submit it to the Board at board@prosperityheights.org. The proxy must be received by the Board before the Annual Meeting begins. It can be submitted by email or delivery to a Board member, or you can take a photo of the signed proxy form and submit it via email.

PROSPERITY HEIGHTS HOME OWNERS' ASSOCIATION
DESIGNATION OF PROXY

I, _____, am the owner or co-owner of the property referenced below.

By my signature below, I hereby appoint the person designated below to serve as my proxy for the 2021 Annual Meeting of the Owners/Members of Prosperity Heights Home Owners Association, Inc., including any adjournments of the Annual Meeting.

This proxy is effective as to quorum and all questions and matters on which I would be entitled to vote if personally present at the 2021 Annual Meeting. This proxy is revocable at any time for any reason with written notice to the Board.

I hereby ratify and confirm all acts that my proxy shall lawfully perform by virtue of this designation. By signing this document, I certify that I am the authorized person to sign this proxy on behalf of all individual owners, corporate owners or partnership owners for the above named property.

An electronic signature shall be deemed as a valid signature as if an original.

To be valid, this proxy must be signed by a witness, and the witness must provide his/her address, on the form below.

Person Designated as Proxy: _____

Email for Designated Proxy: _____

Name of Owner: _____

Address of Owner: _____

Signature of Owner: _____

Name of Witness: _____

Address of Witness: _____

Signature of Witness: _____

TO BE EFFECTIVE, THIS FORM MUST BE SIGNED BY THE OWNER AND A WITNESS AND ALL FIELDS ON THIS FORM MUST BE FILLED OUT. THE FORM MUST BE RETURNED TO AND RECEIVED BY THE BOARD OF DIRECTORS ON OR BEFORE THE DATE AND TIME ANNOUNCED FOR THE ANNUAL MEETING. THE FORM MAY BE RETURNED BY EMAIL ADDRESSED TO board@prosperityheights.org.