

Mosby Mountain Community Association
MEETING OF THE BOARD OF DIRECTORS – draft minutes

Date and time: Wednesday, October 13, 2010, 6:30 pm

Meeting location: home of Barbara and Alan Strain, 1635 Hubbard Court

Board members present:

Barbara Strain, President, 1635 Hubbard Court
Jim Peterson, Secretary/Treasurer, 1969 Ridgetop Drive
Matthew Althoff, Community Relations Committee Chair, 1372 Singleton Lane
Todd Jenkins, Architectural Review Board Chair, 1749 Mattox Court

1. Call to order

Ms. Strain called the meeting to order at 6:43 p.m.

2. Adoption of agenda

The agenda was adopted as distributed by consensus.

3. Approval of September 15, 2010, board meeting minutes

On a motion by Mr. Althoff, seconded by Mr. Peterson, the minutes of the September 15, 2010, board meeting were adopted as distributed.

4. Financial Statements and 2011 budget prep planning

Mr. Peterson distributed copies of the September 30, 2010, Budget Report and Balance Sheet (see attached). The cash balance in the operating fund was \$26,168.98, and the reserve balance \$10,358.69.

On a motion by Mr. Althoff, seconded by Mr. Peterson, it was unanimously voted to transfer \$10,000.00 from the operating reserve to the ING reserve fund, provided that current end-of-year budget projections continue to hold.

Planning for the 2011 budget:

(1) Accounting services: subsequent to the September board meeting, a follow up was conducted with Robinson Farmer Cox and the proposed quarterly increase was based on well-documented history. Ms. Strain and Mr. Peterson recommended that the renewal amount of \$600.00 per quarter be approved for next year.

(2) Trash and recycling collection services: Ms. Strain presented the results of the trash and recycling survey. Of the 119 households, responses were received from 44 (37%). Of these, 20 were interested in pursuing single-stream recycling and 16 were not interested. Of those wanting to pursue single-stream recycling, 16 were willing to pay more and 15 were not. Of those willing to pay more, one was willing to pay \$3.00 more per quarter, 2 for \$6.00, 4 for \$24.00, and 1 for \$42.00 per quarter. Based on the responses to the survey, it was the consensus of the board members present that cost should be the deciding factor in selecting a trash collection and recycling vendor for next year. Written proposals had been solicited from three contractors and all provided qualified bids (a guaranteed fix cost for at least one year). Allied Waste Management submitted the lowest bid and also proposed a very modest escalator if the board decided to approve a two or three year contract. It was agreed that the bid from Allied should be accepted, but that the term should be held to just one year (for 2011) to provide flexibility to look at the situation prior to the 2012 budget.

(3) Common areas maintenance and improvement services: Jeff Horsman, Common Areas Committee chair, had communicated that the committee was recommending continuing with Blue Ridge Lawn Care for maintenance services, and that the annual contract would be \$18,000.00. Discussion by the board was given to the need to include an additional \$5,000.00 in the budget for common areas improvements. The board agreed to these recommendations.

(4) All other budget line items were once again reviewed and budget amounts agreed upon. It was also agreed that the budget should include a specific line item to build the reserve fund year-by-year.

On a motion by Mr. Althoff, seconded by Mr. Peterson, it was unanimously voted to approve the budget for 2011 in the total amount of \$57, 596.00 (an increase of less than one percent); dues to be set at \$121.00 per quarter (up from \$120.21); to approve the contracts with Robinson, Farmer Cox, Allied Waste Management, and Blue Ridge Lawn Care; and to include a planned addition to the reserve fund of \$4,394.00 (see attached 2011 budget). Because the increase in the assessment will be less than the trigger 10 percent increase specified in the Covenants and Restrictions, the budget stands approved for 2011.

5. Committee appointments

The election of officers and directors will be conducted at the annual meeting to be held on Tuesday, December 7, 2010. All three officers (president, vice president and secretary/treasurer) serve one-year terms with eligibility for reelection annually for up to four terms in the same office. Ms. Strain would be eligible for re-election as president but has declined consideration due to changing work responsibilities. The vice presidency is currently vacant and so a current or new board member would be needed for nomination to that position. Mr. Peterson has served four terms as secretary/treasurer and so is not eligible for reelection to that office but would be eligible for nomination as president or vice president. With regard to the director positions, Mr. Althoff is eligible for reelection to a second two-year term. Todd Jenkins is also eligible for re-election to a second two-year term but has declined consideration due to changing work responsibilities. A third two-year director's slot is currently vacant.

The second amendment to the Covenants and Restrictions calls for the board to appoint a nominating committee at least 30 days prior to the annual meeting.

On a motion by Mr. Althoff, seconded by Mr. Peterson, it was unanimously voted to appoint the following members to the nominating committee: David Stebbins, Brian Althoff, and David and/or Elizabeth Truslow.

6. Common Areas Committee (CAC) report

There was no report at this time.

7. Architectural Review Board (ARB) report

Mr. Jenkins, ARB chair, reported that the ARB has approved one project in the last month and have received some positive and some negative response to the letter sent by the committee and the board to the community.

8. Neighborhood Watch Program (NWP)

Ms. Strain reported that the NWP committee has requested that an off-duty Albemarle County police officer be engaged for Halloween (Sunday, October 31). The possibility of this had been anticipated and therefore was included in the budget and so the request will be made to the Albemarle County Police Department to see if an officer would be available.

As was reported previously, Mary de Souza will not be available to continue next year as the chair of the NWP. Since it is preferable to have a board member serve as the NWP chair to be a liaison between the committee and the board, Ms. Strain expressed her willingness to chair the NWP for 2011.

9. Community Relations Committee (CRC)

Mr. Althoff, CRC chair, reported that the community-wide yard sale held on Saturday, September 18 was a success. He had also received a recommendation from a resident regarding the signage for the event.

The committee is also working with the organizers of the Halloween bash. Participants individually paid for the cost of the refreshments last year, but this year the refreshments are included in the budget.

10. Reserve Study discussion

This was covered in the discussion of the budget preparation in item 4 above.

11. Comments on items not on the agenda

There were no other items considered.

12. Next meeting

The next meeting of the board will be held on Tuesday, November 2, 2010, 6:30 p.m., at the home of Barbara and Alan Strain, 1635 Hubbard Court.

The meeting was adjourned.

Respectfully submitted,

James R. Peterson
Secretary/Treasurer

MOSBY MOUNTAIN COMMUNITY ASSOCIATION, INC.

BUDGET 2010

Budget Report as of September 30, 2010

BUDGET 2010 Adopted by the board on September 1, 2009 Version 3-3-2010		A BUDGET 2009 \$129.87/qtr	B ACTUAL 2009	C BUDGET 2010 \$120.21/qtr = decrease of \$9.66 per qtr = 7.4% decrease	D August 2010	E August to date 2010	F September 2010	G September to date 2010
INCOME								
1	Regular assessment income	61,818.00	61,720.90	57,220.00		42,914.87		42,914.87
2	Disclosure packets	39.00	150.00	0.00	28.00	42.00		42.00
3	Interest income	0.00	139.47	0.00	8.31	67.04	8.05	75.09
4	From developer for landscaping		10,000.00	0.00		0.00		0.00
5	Total income	61,857.00	72,010.37	57,220.00	36.31	43,023.91	8.05	43,031.96
EXPENSES								
6	Accounting/Management	4,225.00	3,697.19	3,000.00		800.00		800.00
7	Write Off (bad debt expense)					0.56	0.21	0.77
8	Legal	1,000.00	0.00	1,000.00		96.00		96.00
9	Taxes and licenses	50.00	250.00	174.00		110.87	150.00	260.87
10	Meeting expense	250.00	100.00	120.00		0.00		0.00
11	Office expense	1,150.00	595.42	500.00	70.00	198.42	41.49	309.91
12	Website expense	180.00	222.82	180.00		105.72		105.72
13	Other professional services	250.00	355.00	250.00		0.00		0.00
14	Association events		30.00	350.00		30.00	31.00	61.00
15	Liability, D&O, Bonding	897.00	928.00	984.00		0.00		0.00
16	Memberships			100.00		0.00		0.00
17	Common areas maintenance	19,500.00	17,970.94	19,000.00	1,500.00	13,060.64	1,700.00	14,760.64
18	Landscaping improvements	10,950.00	8,993.47	8,000.00		12,386.39		12,386.39
19	Special Assessment landscaping		2,805.00	0.00				
20	Signage/Sign maintenance	450.00	162.92	1,785.00		0.00		0.00
21	Snow removal	2,500.00	905.63	0.00		0.00		0.00
22	Community-wide trash pickup	20,163.00	20,045.44	21,777.00	1,814.75	16,332.75		16,332.75
23	Total expenses	61,565.00	57,062.00	57,220.00	3,384.75	43,121.35	1,922.70	45,114.05
24	Net Income	292.00	14,948.00	0.00	-3,348.44	-97.44	-1,914.65	-2,082.09

Note: the 2009 "Net income" (column "B" line 24) includes the \$10,000.00 contribution from the developer for landscape improvements. The Landscaping improvements expense-to-date for July (column "E" line 18) includes the expenditure of the \$10,000 funded by the developer in the previous year, and so the net income for the year 2010 through September (column "G" line 24) would be +\$7,917.91 factoring out the special landscaping improvements funded by the developer.

11:54 AM
10/08/10
Accrual Basis

Mosby Mountain Community Association
Balance Sheet
As of September 30, 2010

	<u>Sep 30, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
10300 · Cash - VNB - 6409	26,168.98
Total Checking/Savings	<u>26,168.98</u>
Accounts Receivable	
11000 · Accounts Receivable	-259.43
Total Accounts Receivable	<u>-259.43</u>
 Total Current Assets	 25,909.55
Other Assets	
10500 · ING Direct CD	10,358.69
Total Other Assets	<u>10,358.69</u>
 TOTAL ASSETS	 <u><u>36,268.24</u></u>
 LIABILITIES & EQUITY	
Equity	
32000 · CAPITAL CONTRIBUTIONS	2,000.00
3900 · Retained Earnings	14,943.19
39996 · RETAINED EARNING	21,407.14
Net Income	-2,082.09
Total Equity	<u>36,268.24</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>36,268.24</u></u>

MOSBY MOUNTAIN COMMUNITY ASSOCIATION, INC.

BUDGET 2011

BUDGET 2011		A	B	C	D	E	F
Adopted by the board on		BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET
October 13, 2010		2008	2008	2009	2009	2010	2011
		\$97.15/qtr		\$129.87/qtr		\$120.21/qtr = decrease of \$9.66 per qtr = 7.4% decrease	\$121.00/qtr = increase of 79 cents per qtr = 0.07% increase
INCOME							
1	Regular assessment income	46,241	46,243	61,818	61,721	57,220	57,596
2	Disclosure packets	--	83	39	150	0	
3	Interest income	100	121	0	139	0	
4	From developer for landscaping				10,000	0	
5	Total income	46,341	46,447	61,857	72,010	57,220	57,596
EXPENSES							
6	Accounting/Management	4,700	4,217	4,225	3,697	3,000	3,000
7	Write Off (bad debt expense)						
8	Legal	1,000	0	1,000	0	1,000	1,000
9	Taxes and licenses	50	183	50	250	174	150
10	Meeting expense	250	120	250	100	120	120
11	Office expense	1,200	903	1,150	595	500	500
12	Website expense	--	165	180	223	180	180
13	Other professional services	250	255	250	355	250	250
14	Association events				30	350	600
15	Liability, D&O, Bonding	900	809	897	928	984	1,000
16	Memberships					100	125
17	Common areas maintenance	8,500	8,500	19,500	17,971	19,000	19,000
18	Landscaping improvements	5,000	6,237	10,950	8,993	8,000	5,000
19	Special Assessment landscaping				2,805	0	0
20	Signage/Sign maintenance	450	569	450	163	1,785	500
21	Snow removal	2,500	1,403	2,500	906	0	0
22	Community-wide trash pickup	20,163	20,488	20,163	20,045	21,777	21,777
23	Additon to reserve fund						4,394
24	Total expenses	44,963	43,849	61,565	57,062	57,220	57,596
25	Net Income	1,378	2,598	292	14,948	0	0

Note: The \$10,000.00 shown in miscellaneous income in column D was the contribution from the developer for landscaping received at the end of 2009, and so \$10,000.00 of the "Addition to operating reserve" was allocated for landscaping to be expensed in 2010 leaving an actual net "Addition to operating reserve" for 2009 of \$4,948. Because the \$10,000.00 was received at the end of the year after the 2010 budget had been adopted, the \$10,000.00 was not reflected in the 2010 budget but was expensed that year.