

Ashburton Manor HoA
Board of Directors Meeting Minutes
January 6, 2011

A regular meeting of the Board of Directors of the Ashburton Manor Homeowners Association, Inc. (the "HOA") was held on Thursday, January 6, 2011 at Crossfield Elementary School.

The following members of the Board of Directors were present at the meeting: Tom DeFranco, Peter Fish, Don Howell, Keith Jacobson, and Lou Ward. Also in attendance was Terry Gilbert from AAA Property Management Company.

The meeting was called to order at 7:06 p.m. Tom DeFranco, President of the HOA, presided at the meeting. Peter Fish, Secretary of the HOA, took the minutes.

The first order of business was the approval of the minutes for the Board's previous meeting. Upon motion, duly seconded and unanimously approved, the Board approved the minutes of the Board of Directors meeting held September 28, 2010.

Mr. DeFranco then initiated a discussion of the annual audit of the Association's financial records and the status of the HOA reserve accounts. In particular it was suggested that the Board take action to eliminate the "unappropriated members' equity" that has continued to be recorded in the HOA's financial records. It was explained that the auditors had concluded that a portion of the HOA reserves were not fully funded due to the fact that in past years, including 2007 and 2008, it was not possible for the HOA actually make the full amount of the reserve contribution called for by the HOA budget due to the actual financial results achieved by the HOA. As a result, as of December 31, 2009 there was \$8,294 of accumulated deficits in the reserves that were recorded as unappropriated members' equity. Mr. DeFranco also noted that based upon the update of the HOA Reserve Study, the HOA's reserves are more than adequately funded. At that point the discussion was expanded to include a detailed review of the update of the Reserve Study. The members were reminded that an error had been discovered in the original Reserve Study conducted in 2003, namely that the consultant firm preparing the study had erroneously included a storm drain pond that is the responsibility of Fairfax County on the list of HOA items to be reserved for.

Following a lengthy discussion of the matter, it was suggested that the amount of the reserve contribution for 2010 could be adjusted to eliminate the accumulated deficits and that the reserve contribution called for in the HOA budget for 2011 could be adjusted to ensure that there are no more deficits created that have to be accounted for as unappropriated members' equity. It was further suggested that funding the reserves at a lower contribution level was justified by the updated Reserve Study. At the end of this discussion, the Board took the following three actions:

- (1) Upon motion, duly seconded and unanimously approved, the Board resolved to reduce the HOA's contribution to reserves in 2010 to \$3,408.57 and to utilize the resulting surplus of \$8,294 to eliminate the accumulated deficits that had been recorded as unappropriated members' equity.

- (2) Upon motion, duly seconded and unanimously approved, the Board resolved to make the following adjustments in the HOA Budget for 2011: (a) reduce the HOA's contribution to reserves to \$9,000; (b) increase the line item for Legal to \$1,000; and (c) increase the line item for General Repair and Maintenance to \$5,859.
- (3) Upon motion, duly seconded and unanimously approved, the Board resolved to officially adopt the update to HOA Reserve Study, as modified (copy attached).

The Board members also agreed that in the event the HOA has additional surplus following the completion of its 2011 budget year, then (a) such additional surplus would be contributed to reserves and (b) the Board would take the amount of any such surplus into account before making final decisions about the HOA budget and the proper level for HOA assessments in 2012.

The next topic of discussion was the ARB's enforcement of the HOA ARB Guidelines with regard to replacement windows. After some discussion, the consensus of the members was that it would be appropriate to have a separate meeting with the ARB on this issue. It was also suggested that, if it were determined that a change in the ARB Guidelines might be necessary, the topic might be included on the agenda for the HOA Annual Meeting.

The next topic of discussion was the issue of a for-profit fitness company utilizing HOA common area for its exercise classes and using the Internet to list the community as a meeting location for its classes. It was explained that AAA had contacted the company and had requested them to stop using the HOA's neighborhood as a meeting location until the Board had an opportunity to fully consider the matter. After discussion, it was determined that AAA should contact the company to explain that the Board is still considering the matter but that, in the interim, the Board requests them to remove the Ashburton Manor location from the list of class locations listed on their Web site.

The next topic of discussion was the request received from a homeowner who wanted permission to remove certain invasive plants from a portion of the HOA's common area. It was noted that the individual was experienced in this undertaking, having received training on the removal of invasive plant species from the National Park Service. After discussion, it was determined that before approval would be granted, AAA should first arrange for a meeting with the homeowner to walk through the affected area so that the homeowner could specifically identify which plants were being targeted for removal.

The next topic of discussion was a long-standing collection matter that had been turned over to the HOA's attorneys. After discussion, it was determined that AAA should contact the HOA attorneys to obtain a status report and obtain answers to a few specific questions that the Board members had about the matter.

Ms. Gilbert then provided the management report from AAA. Mr. DeFranco reviewed with Ms. Gilbert the status of each open action item, including tree removal, repairs to the HOA walking

paths, warranty repairs to the tennis courts and repairs to certain equipment in the tot lot. Ms. Gilbert also suggested that the HOA should set the date for the Annual Meeting. After discussion, it was determined that the HOA Annual Meeting would be tentatively scheduled for Tuesday, April 12, 2011.

The meeting was adjourned at 8:43 pm.