

**Kingstream Community Council
Minutes of the November 20, 2014 Meeting**

Attendance	
Board Members	Present
Tim Fouche, President	Yes
Frank Shaffer, Vice President	Yes
Jim Talbert, Secretary	No
Morna Ikeda, Treasurer	Yes
Tyrone Yee, Activities Chair	Yes
Jeff Albanus, ARC Chair	Yes
Jared Spigner, Landscape Chair	Yes
Tony DeMattia, Pool Chair	Yes
Kate Keifer, Welcoming Chair, Communications Chair, Activities Committee	Yes
Lisa Cornaire, Management	Yes

A. Call to Order

The meeting was called to order at 7:02 p.m.

B. Approval of Agenda

Minor edits were made and a motion to approve the agenda were made and seconded.

C. Homeowners Open Forum

No homeowners were present. No motions were made at this time.

D. Review and Approval of the Minutes of the Previous Monthly Meeting

The Board will review and vote on the October Meeting Minutes by email. No motions were made at this time.

E. Old Business

a. Frank's Snow and Landscape Contracts. *Landscape Contract.* Current contract reviewed is for one year. The contract includes mulch at pool, flowerbeds and tree rings (perimeter of fencing). The Board has asked for a reassessment of areas covered now that rock is now placed in the gardens near the pool house. Also, the Board asked Lisa to enquire with Frank's: if we extend to a two-year contract, would he entertain \$16,000 even per year? (This is same cost he has given us since 2013.) Lisa will ask. The Board also asked Lisa how she has found working with Frank's. Lisa says he's very available and responsive, and she is comfortable working with Frank's. // *Snow Contract.* The contract will allow KCC to have Frank's on call for snow removal. The KCC Board will make a decision at the time of the snow event as to whether we will elect to have snow removed or not via conference call. The contract is 'pay as you go' terms. KCC is not required by law to clear snow on common grounds/sidewalks. The Board expressed concern about flanking homeowners not shoveling and who is using the cleared walks. No motions were made at this time.

b. Pipestems. The Board asked Lisa to have our Attorney draft a resolution (please see previous discussion in prior meetings). Lisa has received a few calls from some homeowners saying that they are fixing their signs. The Board plan is to pass the resolution and then readdress this issue formally. In our letter to the pipestem homeowners, we said December 1 we would notify the County of the state of the pipestems in the community. We are able to send notification to the county December 1, and the Board has asked Lisa to do so. No motions were made at this time.

F. New Business

a. No new business. No motions were made at this time.

G. Management Report

a. Playground. The new playground (see October Meeting Minutes) has been ordered and will arrive in four to six weeks. The Board has asked Lisa to enquire if it can be installed in March so that the equipment does not endure another weather season. Also, the Board is worried about install because the ground may be frozen. Lisa will ask but storage may be an issue. No motions were made at this time.

b. Pool gutters. These have been cleaned at the pool house (11/21/2014). No motions were made at this time.

H. Treasurer Report

a. Reserve Reimbursement. Morna made a motion to withdraw \$31,327.49 from the M&T account and move to SunTrust Operating account for full reimbursement of Reserve expenses expended in 2014 for the Kingstream Tot Lot replacement. It was seconded. The Board then began a discussion of what this withdrawal means and future implications. 1) The full value of the asset was not put into our Reserve funds. In other words, \$25,000 was allocated for this Reserve item, and we are 90% funded. This means 90% of \$25,000 (\$22,500) is available for replacement of the Kingstream Tot Lot. 2) Another option would be to take the base amount out of Reserves (\$22,500) and have the difference come out of Operating Expenses. 3) How much can we actually take out of Reserves? The Reserve Study is done every five years to readjust for age, cost, and re-evaluation of life expectancy. We can adjust time frame/life expectancy and add/remove items at every Reserve Study. Lisa said that it is not illegal, unethical or improper to remove MORE funds than what is allocated as long as it is for a pre-determined Reserve item. It is common for an item to cost more/less. VOTE: Five for the withdrawal, two opposed, one abstain. // Summary. Pool house repairs ~ \$50,000 (\$10,000 over what we Reserved), Kingstream Tot Lot \$7,000 over what we reserved, and we are underfunding the Reserve by \$11,000 (because we have no money with which to put more away). $\$10,000 + \$7,000 + \$11,000 = \$28,000$ divided by all the homes in KCC means we have overspent by \$72/home. Kate and Jared noted that we have no way to estimate assets that could have more life in them and could be less expensive to replace. // Morna reviewed with the Board the withdrawal procedures for M&T and PNC banks.

- b. 2014/2015 Reserve Allocation. We have \$55,290 to put into Reserves. We are supposed to put into \$64,188. Morna made a motion to move \$40,381.64 +-\$500 from our SunTrust Operating account to the PNC Money Market Account. She will check with Joan (the accountant) before the check is cut. This motion was seconded and approved. // Morna discussed how we can expect the Reserve to perform over the next ten years. (See attached chart ‘State of the Reserves’.) While the Board has been trying to explain this very point for many years, Kate felt that it has not been well communicated despite our efforts to discuss at the Annual Meetings and in community mailings. Tim and Frank have tried to explain this situation to the community at the Annual Meeting, but it still does not remain clear. / Lisa can contribute articles that will help define the Reserve and the context of the state of KCC’s monies. / Frank concluded that our efforts have not realized any significant impact on the community’s awareness of their money, and therefore we must raise dues.
- c. 2015 Budget Finalization. Budget was discussed again. *Water sewer and bank fees* were updated with 2014 costs. *Activities budget*. In 2014, \$2,100 was budgeted, and Kate asked for \$2800 in 2015. Splitting the difference was proposed (\$2,500). *Standard for Activities*. A written standard for Activities needs to be established. For 2015, individual events/items will be approved as they come up. VOTE: for \$2,100 – four votes, \$2,500 –four votes. Because there was no majority vote, the budget remains at \$2,100. *2015 Reserve Allocation*. The Board discussed the implications of allocating \$64,188 as the Reserve Allocation and ending with \$11,000 in the Red. Motion to approve the budget, seven for, one abstain.
- d. Fiduciary Responsibility Training. Defer to another meeting. No motions were made at this time.

I. Committee Reports

- a. Landscaping. The Board asked that Lisa have Frank’s review KCC common lands for any possible clean-ups. Lisa will have them take a look. No motions were made at this time.
- b. Activities/Social. *Holiday Lights Contest*. Motion to pay for \$50 signs. Four for, three opposed, one abstain.
- c. Pool. Furniture is in pool house now that the repairs are complete. Lights need to be adjusted. Trash cans need to be pulled into the pool house. // Jared shared that he broke his ankle in the pool this summer. He slipped on pool lane line (black tiles) coming into the pool. The Board proposed getting a price for ‘roughing up’ the tiles so as to prevent others from slipping. Lisa will ask Rob Dean.
- d. Communications. The current email is still not sending well (slow). *MailChimp* will be used as an alternative. Tim will do a test email about Turkey Frying and trash pick-up over the holiday time. // *Electronic Newsletter*. In the February newsletter – we will have an option for residents to check this box if they do NOT want to receive email communications from KCC. Kate will remove people who are no longer in the neighborhood. // *November letter held up*. Personal email addresses are not be listed. Generic addresses for the remainder of committees need to be made. // No motions were made at this time.

- e. ARC. No motions were made at this time.
- f. Welcoming. No new homeowners to welcome. No motions were made at this time.

J. Closed Session

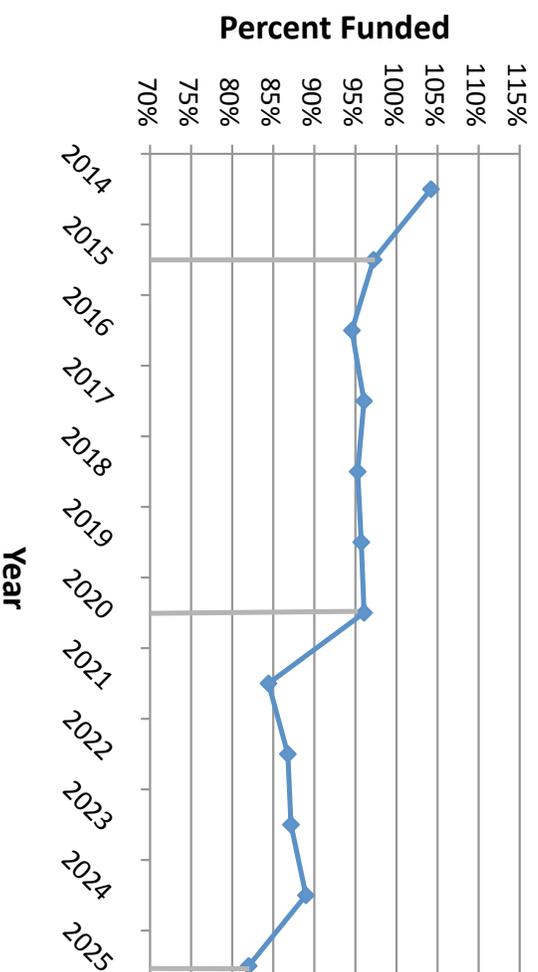
- a. No closed session topics.

K. Adjourn

A motion was made, seconded and approved to adjourn the meeting at 9:03PM. The next meeting will be at 7:00PM on Thursday, January 15, 2015 at the Herndon United Methodist Church, 700 Bennett Street.

Submitted by Morna Ikeda, Treasurer

State of the Reserves (2014-2025)



Asset Update Assumptions

- Assets reset at yr0 determined by Reserve 2011 Study
- When life resets to yr0, shift Reserve fund to \$0 needed for that asset in that year.
- Pool assets updated (age, cost) with Rob Dean's (NV pool) 2014 assessment

How money in the bank was determined.

- START: Use the previous year total
- SUBTRACT: (Reserve replacements for the current year + 25% cost increase)
- ADD: Assumed annual contribution of \$50,000