

Cheshire Forest Homeowners Association
500 Cheshire Forest Drive
Chesapeake, VA 23322

DRAFT
MEETING MINUTES
Annual Membership Meeting
Tuesday, November 21, 2023

Per Article VIII, Section 1 of the Cheshire Forest Homeowners Association By-Laws, a Meeting of the Membership was held on Tuesday, November 21, 2023, at 500 Cheshire Forest Drive, Chesapeake, VA 23322.

The meeting was called to order, and a Quorum was established with 27 homeowners present (27 voting members) and 71 proxies filed with the Secretary. The President, Mrs. Karol, opened the meeting at 7:03 pm. The Secretary, Mrs. McKlveen, was present to record the meeting; Mr. Gold, Vice-President; Mr. Krebs, Treasurer; Directors Mrs. Monnikendam, Mr. Merritt, and Mrs. Nash were present.

United Property Associates: Melissa Arsement

City of Chesapeake Police Department: Office Mark Noble

2022 Annual Meeting Minutes:

The 2022 Annual Membership Meeting Minutes were approved as written by the Membership.

The President made the State of the Association PowerPoint presentation (Appendix A - attached).

Treasurer Report :

Cliff Krebs, Treasurer, gave an overview of the current financials, including the Balance Sheet and the Cheshire Forest Budget for 2024. Mrs. McKlveen motioned to adopt the resolution to adhere to IRS Revenue Ruling 70-604 if the Association had excess taxable income. The motion was seconded by Mrs. Monnikendam and carried with 27 votes from members present and 71 votes via proxies.

Nomination of Candidates to the Board of Directors:

Per the Association's Bylaws, Article X, Section 1, the Nominating Committee was chaired by Board of Director Member Mrs. Casie Nash. Her Committee members are Mrs. Debbie Ybarra and Mrs. Linda Ewald. The Nominations Committee Chair discussed the Association's nominating process and introduced the six nominees. They are Erin Karol, Rebecca Monnikendam, Cliff Krebs, Ryan Orbison, Robert Granata, and Todd Heinecke. After introductions, Mr. Krebs withdrew his nomination. Mrs. Nash accepted his withdrawal, and he was removed from the ballot. Mrs. Nash called for nominations from the floor. With no nominations from the floor, Mrs. Nash asked each nominee to introduce themselves.

Election:

Per Article X, Section 2 of the Association Bylaws, Mrs. Karol called the vote. The vote was taken by secret written ballot as required. Mrs. Melissa Arsement of United Property Associates acted as the election teller. Two homeowners assisted her in counting the votes and preparing the written election report. The results are as follows:

- Mr. Robert Granata
- Mr. Todd Heinecke
- Mrs. Erin Karol
- Mrs. Rebecca Monnikendam
- Mr. Ryan Orbison

These Directors will serve a term from November 2023 until the Annual Membership Meeting in November 2025.

Homeowners Forum :

A homeowner asked, “Can the Association regulate political signs?” Our Declarations prohibited any sign other than a For Sale/Rent sign or a small yard sign with your family name. No other signs, including political ones, are permitted.

A homeowner asked, “Why does it seem that the Governing Documents (rules) differ for different Members? Currently, our Declarations are slightly different for different phases of the community. This does make some things allowable in one phase and not another. The Board would like to set up a Documents Committee to combine all our Declarations into one document and facilitate the required 2/3 vote of the Membership to make this change.

A homeowner offered congratulations and thanks to the Board members for providing their time and talent.

A homeowner asked, “How does the Association look after trees in the common areas?” They have noticed several tree limbs may need to be trimmed. The Board asked that any Member report all maintenance issues to the management company.

A homeowner asked, “Is it the purview of the Association to change yield signs to stop signs on our roads in our community?” Mrs. Karol explained that all the roads in the community are the purview of the City of Chesapeake. Any request to change a yield or stop sign must go through them.

A homeowner asked, “Does the landscaping contractor dump tree limbs behind the entrance sign?” Mrs. Karol explained that as a cost-saving measure, the Association allows the landscaper to leave any tree limbs trimmed in the community on the common area behind the entrance wall. Then, when necessary, the Association has a tree company come and haul the limbs away. The owner expressed concern that this was not happening on a timely enough basis. Mrs. Karol will bring this to the attention of the landscaper.

A homeowner asked, “Is the Association’s Reserve Account fully funded?” The Association’s Reserve Account is fully funded, and the Reserve Report and account information are available to every Member for review.

A homeowner asked those present to remind everyone not to feed the geese as they ruin the grass, leading to erosion around the lakes.

A homeowner asked, “Why can’t we have small congratulatory yard signs?” Mrs. Karol explained that the Board has no authority to make rules that conflict with our Governing Documents. None of our Declarations allow for any sign other than a For Sale/Rent or a small sign displaying the family's name. The Board must enforce our documents, and if our Association wants to allow yard signs, the documents would need to be amended. Until that time, no signs are permitted.

Mrs. Karol thanked everyone for their attendance and invited the Membership to stay for the Executive Board Meeting.

The agenda was completed in totality, and the meeting was adjourned at 8:01 p.m.

Jane McKlveen, Secretary

Erin Karol, President



**CHESHIRE FOREST
HOMEOWNERS
ASSOCIATION
(CFHA)**

**2023 Annual Meeting
21 November 2023**

AGENDA

➤ Establish a Quorum	
➤ Call The Annual Meeting of the Membership to Order	Erin Karol
➤ Introductions	
2022 Annual Meeting Minutes	Jane McKlveen
State of the Association	Erin Karol
Treasurer's Report / IRS-Revenue Ruling 70 -604	Cliff Krebs
Election	Casie Nash
Homeowners' Forum	Erin Karol
Election Results	Melissa Arsement
Adjourn General Meeting	Erin Karol

Current Board Members

* Term expires this evening

President	Erin Karol*
Vice President	Mitch Gold*
Secretary	Jane McKlveen
Treasurer	Cliff Krebs*
Director	Matthew Merritt
Director	Casie Nash*
Director	Rebecca Monnikendam*
Manager	Melissa Arsement

2022 MINUTES

Mrs. Jane McKlveen is presenting the Minutes of the 2022 Annual Meeting for approval by the membership.

THE ASSOCIATION

A Homeowners' Association is a corporation that governs a planned residential development. Once you purchase a home in an area governed by an Association, you are automatically a member, must pay fees, and follow HOA rules

A Homeowners' Association is run by a Board of Directors elected by the homeowners. The Board consists of volunteers elected by their fellow residents to sit on the Board and make decisions on the resident's behalf.

The Association Members and Board of Directors have a fiduciary duty to the corporation, which requires that members act in good faith, with skill and care, and on behalf of the Association.

OUR GOVERNING DOCUMENTS

Covenants and Restrictions
(C&R) of Cheshire Forest

Recorded as deed
restrictions with City of
Chesapeake

By-laws of Association

Explains how the CFHA is
managed

Architectural Control
Guidelines

Governance for
modifications to your
property

Resolutions

Executed by the Board as
addendums to C&R

Forms and Procedures

Complaint, Architectural
submittal, etc.

Board of Directors

What do we do?

- ✓ Rules
- ✓ Meetings
- ✓ Finances
 - Set Annual Assessments– NO Increase for 2024
- ✓ Maintenance

Your Board meets in our clubhouse on the 3rd Tuesday of every month at 7 p.m.

The Meetings are always open to the Membership.

2023 ACCOMPLISHMENTS

- ✓ **Common Area Signage– in progress**
- ✓ **Replaced the Clubhouse Roof**
- ✓ **Replaced Clubhouse Water Heater**
- ✓ **General Maintenance to Common Areas**
 - ❖ **Verified all safety and health requirements**
 - ❖ **Repaired/replaced pool deck grommets**
 - ❖ **Replaced pool house doors**
 - ❖ **Replaced pool house signage**
- ✓ **Changed the bars on the playset**
- ✓ **Liaised with police to curb the drug activity in our Common Areas**
- ✓ **Participating in the Virginia Natural Gas Pressure Measurement Program**

GOALS FOR 2024

- Integration of the CMS -My Green Condo**
- Standing up two new committees**
 - **Landscaping- Refurbish Clubhouse landscaping, additional concrete, and assessment of our lakes.**
 - **Documents – Complete update of all Governing Documents**
- Complete the written Charters for all Committees**
- Refurbish the Clubhouse Bathrooms - ADA Compliance**
- Assessment of the Pool plaster ... a Reserve Study item**
- Contract/Re-Bid Insurance, Landscaping, and Management**

CHESHIRE FOREST COMMITTEES

Architectural Control

Chair: Mitch Gold

- **Committee: Jay Connolly and Paul Corcoran**
- **Processes applications for exterior alterations ... including landscaping.**
- **Review, maintain, and recommend changes to the Architectural Control Guidelines.**
- **Volunteers Welcomed!**

Communications

Chair: Jane McKlveen

- **Committee: Erin Karol & Matthew Merritt**
- **Procurement, implementation, and management of our CMS/My Green Condo**
- **Rebranding of Association logo and signs**
- **Management of our website**
- **Online Communications**
 - **Nextdoor and Facebook**
 - **CheshireForest.org**

Committees ... *cont'd*

Neighborhood Watch/Security

Chair: Cheryl Griner

- **Hosts National Night Out in August**
- **Participates in Chesapeake Crime Prevention Council (CCPC)**
- **Uses Social Media to inform the neighborhood after receiving information from 1st responders**

Newsletter

Chair: Ann Dumeningo

- **The "Cheshire Chat" Newsletter is produced quarterly. Is available on our CMS and via USPS.**
- **Community issues, upcoming social events**
- **Inputs are welcomed**

Committees ... *cont'd*

Nominating

Chair: Casie Nash

- **Committee: Debbie Ybarra and Linda Ewald**
- **The Chairman will be a Member of the Board of Directors**
- **Two Members of the Association**
- **Serves for one year**
- **Gathers and makes nominations to the Board of Directors**

Pool And Tennis

Chair: Rebecca Monnikendam

- **Responsible for all things pool-related.**
- **Point of contact for residents for pool use/issues**
- **Liaison with Pool Management Company**
- **Liaison with the Swim Team for scheduling**
- **Writes Pool Policy to be approved by the Board of Directors**

Committees *Continued*

Social

Chair: Christopher Bowers

- **Arranges activities for the community with the help of volunteers.**
- **Manages in cooperation with the Board of Directors a Ten-Thousand-dollar budget**
- **Halloween, Christmas, Adult Bash, Chili Cookoff, Spring Party, 4th of July Parade, Pizza by the Pool, the annual Triathlon, and many more**

Swim Team

Chair: Courtney VonTersch

- **Manage the Cheshire Forest Swim Team**
- **Coordinate with the Virginia Beach Swim League**
- **Registration: March - May**
- **Swim Team June- August**

Yard of the Month

Chair: Imelda & Ric Barrera

- Selected May – December
- Christmas Yard of the Year, selected in December
- Home Depot gift card awarded to each selectee
- A Garden Flag is placed in the yard for the month.



Treasurer's Report Mr. Cliff Krebs

Balance Sheet - Assets

Assets	Actual 2021	Actual 2022	10/31/2023
Operating Cash	\$139,332.00	\$147,847.00	\$118,628.00
Operating Reserve	\$116,082.00	\$82,839.00	\$113,484.00
Replacement Reserve	\$402,762.00	\$442,132.00	\$441,210.00
Other Assets	--	--	*\$11,901.00
Total	\$658,178.00	\$672,818.00	\$685,223.00

Balance Sheet - Expenditures

Expenditures	Actual 2022	Budget 2023	Actual 10/31/23
General and Administrative	\$ 72,368	\$ 74,394	\$ 69,495.00
Social Committee	\$ 5,837	\$10,700	\$ 4,707.00
Pool	\$ 55,138	\$ 62,500	\$ 68,667.00
Landscaping	\$ 48,969	\$ 54,500	\$ 44,366.00
Utilities	\$ 11,771	\$ 17,340	\$ 12,413.00
Maintenance	\$ 8,755	\$ 13,200	\$ 30,797.00
Replacement Reserve	\$ 48,382	\$ 53,500	\$ 43,750.00
Total	\$ 251,220	\$283,134	\$ 274,195

2022 AUDIT

Our Governing Documents require that we have a full audit every year. This service is performed by DesRoches & Company, Certified Public Accounts. The full audit is always available to the Membership for review

Significant Deficiency Controls Surrounding Swim Team Cash Account.

Board Actions to correct Deficiency

- Required a formal budget to be prepared and attached as an exhibit to the Association Budget.
- Required bank statements and any supporting documentation (i.e., invoices, receipts, etc.) are to be provided to management monthly.
- A Board Member shall be a signatory on the Swim Team account.

Other Recommendations:

NONE

2024 Cheshire Forest Budget \$294,820



IRS REVENUE RULE 70 -604

Our Taxes are filed as an HOA using IRS form 1120. This form allows the Association to exclude exempt function income from its gross income.

Though unlikely, if, for some reason, we were to earn non-exempt income, it may be beneficial to file as a corporation using Form 1120.

- Non-exempt income usually includes non-member income, such as interest and rental income.
- If using this form and facing a large tax liability, we would prefer to transfer this income to the following year and reduce the quarterly assessment for that year.

Though this is unlikely, to do it, we need advance annual records saying the Association agrees with this course of action.

For this reason, we wish to call a vote to approve Revenue Rule 704 in the event of excess income.

This will be done now by show of hands.

BOARD OF DIRECTORS ELECTION

**Nominating Committee Chair Casie Nash
Debbie Ybarra and Linda Ewald**

- Nominations Submitted in advance
- Nominations from the floor

Nominations Closed

Nominee Presentations

Floor Nominee Presentations

Membership, Please mark your ballot
ONLY FIVE of the Nominees.

HOMEOWNERS FORUM

Please limit questions to three minutes, so everyone gets a chance to speak.



THANK
YOU FOR
YOUR TIME!

