

Cuckoo's Nest Association  
Board of Directors' Meeting  
March 10, 2012  
9:11 a.m. (McKenney residence)

Board Members Present:

Pete McKenney, Carl Moellering, Bill Stevens, Tim Coleman, Jessica Escobar,  
Gene Wyatt, Karen Gordon, Felicia McKenney

Guest: Larry Smith, Wake Edger's Gear and Gifts – Cuckoo's Nest lot owner  
(#109)

Pete received a request from Larry Smith to allow him to sponsor an event at the common area where he could demonstrate safe operation of wake boards on the lake. He would like to do a spring show, possibly April 21, 11-4 p.m. He would make it a Cuckoo's Nest "Fun Day" with paddle boat races, an aqua glide for kids, corn hole games, and food. He is promoting his new joint-venture business located by the new Tim's River Shore on Route 522. He is planning to host a school at his business where Adam Fields, a pro-wake boarder of Lake Gaston, would help instruct safe use of boards.

The Board advised Mr. Smith that per Dominion's regulation, no commercial activity could be set up in the Cuckoo's Nest common areas. Pete McKenney will check with Dominion (via letter) to see what could be arranged so we could include at least a presentation on wake boarding safety by Mr. Smith. Mr. Smith would like to set up a table top display and have some tee-shirts available. The Board also stipulated that no advertisement for his event could be done outside of our community. Tim Coleman reminded all that the wear and tear on the private areas is one of the biggest concerns. Mr. Smith understands that CNA cannot receive a donation or profit from the activity; however, offers that common areas would be raked and cleaned by anyone he invites if a wake boarding show is permitted. He does not need to bring a boat in (has a cable system that can be used from the shoreline); however, he would prefer to include 2 of his boats for a show, if approved by Dominion. USA Wake Boarders insures the team showing proper wake boarding skills. Tim Coleman suggested that we consult Dominion to see if Mr. Smith can be included in the Annual Meeting festivities for our Association. Gene Wyatt reviewed the issues the Association has been involved in over alleged sponsorship of fishing tournaments. While all the Association permitted was the launch of boats, we heard a lot of grief. Bill Stevens said that we should focus on safety and pursue approval from Dominion. Pete will send a letter to Peery Agee, the Reservoir Coordinator, to gain approval and to request a full copy of the private side lake regulations.

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Secretary's Report:

Felicia reminded the Board of the need to approve minutes for October, December and February at this meeting. The October minutes were not available and Jessica will check with Corey Fischer to obtain a copy. The meeting minutes for December, 2011 and February, 2012 were reviewed. Tim made a motion to approve the minutes, Jessica seconded. The minutes were approved and will be sent to Tim Coleman electronically for posting on the website.

Treasurer's Report:

Bill Stevens reviewed the March 3 and March 10, 2012 Treasurer's Reports. March 10's report was updated given receipt of February's bank statements.

Bill reported that Board of Director's insurance is in place – 1 million per each Board member.

A letter has been sent to MoJohns disputing charges for January, 2012, since the toilets should have been locked on December 1, 2011. The toilets may remain on site.

The initiation fee for DPOR has been paid along with fees for 2/28/12 – 2/28/13. On March 3, 2012, two complaints were received for this Board to respond to.

Bill provided copies of responses to the two written complaints received at the February Board meeting.

Bill proposed amendments to the 2012 budget:

- Increase lawn care to \$4,000
- Decrease portable toilets to \$1,400
- Decrease postage to \$500
- Decrease BOD liability to \$1,400
- Increase commercial insurance to \$1,600
- Add DPOR fees
- Increase legal fees to \$1,500 \*Note: Legal fees should be recoverable

Legal Fees applied to a homeowner for Covenants' violation has been billed to the Association by the attorney and Bill will now invoice the homeowner.

Only one property owner is in arrears over dues. Legal action is being taken.

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Gene made a motion to accept the 2012 Budget amendments; Jessica seconded. The new 2012 budget is approved.

Bill will e-mail Gene Wyatt to include in future disclosure packages.

Old Business:

To-Do List of Directors -

Pete: Contacted attorney on legal issues, contacted CAMO; however, no bid received for lawn maintenance, obtained information on Property Management Companies and will follow up for more detail on provisions/costs, contact Corey Fischer to confirm resignation from Board.

A property management company may be contracted to do only administrative work or become our registered agent – disclosure packages. The company may also obtain necessary legal counsel to handle violations in the community.

Jessica reported that Corey is a part-time resident who does not desire continued participation given the level of activity that the Board is working with at the present time.

The President may name a replacement Board member or hold for elections in June.

Bill: Obtained retroactive BOD insurance, filed all necessary DPOR applications and paid all fees, no action with credit agencies (do not take delinquent dues reports), will invoice Covenant legal fees

Tim: Will update website with meeting minutes from December and February as approved. The drafts of March 10, 2012, and June 4, 2011's annual meeting will also be posted on the website as "preliminary copies". Tim has not received any communication from Neighborhood Watch

Carl: Ran ad in the Central Virginian for portable toilets and lawn maintenance contracts. Contract for lawn maintenance awarded 3/12/12.

Jessica: Carl will assume responsibility for updating Bulletin Boards. Jessica will assume responsibility for Spring Clean-up food (sandwiches), but will need assistance with list of items for repair, etc. Greg Phipps was asked to help by making a list of needed repairs on 3/12/12.

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Gene: Includes DPOR Notice in disclosure packages. Redundancy in provisions by SCC and DPOR orders. Will follow-up with both entities to avoid duplication.

Invoices: Tim Coleman has put together a draft invoice letter for the Board's review. Edits include: "you may request in writing to the above address" a hardcopy of ... documents. He will edit the invoice to allow a check-off box that authorizes CNA to release contact information to a third party (as appropriate).

New Business:

Pete reported on response sent to Peery Agee, Reservoir Coordinator with Dominion. We were accused of sponsoring fishing tournaments; therefore, a response was in order to dispute the allegation.

Spring Clean-up: Jessica to handle food and Carl offered to assist; Greg Phipps to provide list of items to be addressed and will mark boards on the piers that need attention. Pete will follow-up with Greg. Insurance company prefers us to contract repairs; however, minor repairs will continue to limit costs to our Association.

Since Easter Sunday is April 8, the Board agreed to change the date for Spring Clean-up to April 21.

Nominations: Tim Coleman included the Nomination Application with the dues invoice. Several positions are to be replaced:

Replacement for Gene Wyatt (Registered Agent) and licensed by DPOR

Replacement for Bill Stevens (current Secretary/Treasurer)

Replacement for Corey Fischer (resigned)

Replacement for Tim Coleman (who will continue as Web Master and will handle invoicing, if desired)

Replacement potential for Jessica Escobar (if relocation is imminent)

Felicia McKenney will be re-titled "Assistant Secretary" with Bill Stevens holding the title of Secretary/Treasurer.

Combination Lock: Still experiencing problems with the combination locks. Members of Neighborhood Watch keep contacting Pete with problems. Must dial to the combination in order to lock, then spin dials.

Chicken wire noted on partial fence at Common Area 1. Gene confirmed that part of fence is owned by adjoining homeowner. May consider finishing chicken wire along remainder of fence to stop leaves from blowing on either property.

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Common Area Rules have been updated. Carl to post at Common Areas. Pete to send Tim an electronic copy for posting on website.

Bill asked the Board to consider a revision to the Bylaws to clarify guest passes and passes needed for property owners. This will be an item for a future Board meeting.

Since the Board has experienced difficulty in finding note-takers, should Felicia not be present at a future meeting, Bill made a motion and Karen seconded, for Felicia to purchase a digital audio recorder which she could use to transcribe minutes. The Board approved this action. Felicia will purchase a recorder at a cost not to exceed \$500.

Response to Complaints:

As Bill previously reported, responses to the two written complaints have been mailed. Pete reported that we are in receipt of two complaints from the DPOR. He reviewed a draft response scheduled for mailing on March 12, 2012.

Regarding meeting minutes: The Board agreed to post all minutes either as approved or as preliminary to avoid potential loss of minutes/content. The preliminary posting will allow expedited approval at future meetings. This will become a future practice of the Board.

Carl made a motion to adjourn; Jessica seconded and all approved to adjourn this Board meeting at 11:15 a.m.

The next Board meeting is April 14, 2012 (10:00 a.m. – address to be determined)