

FAIRLINGTON GLEN COUNCIL OF CO-OWNERS
September 8, 2020 Board Minutes
Online via Zoom

ATTENDEES: Charlie Robbins (President), William Layer (Vice President), Maynard Dixon (Treasurer), Jeremy Wiedemann (Secretary), TJ Doyle (At-Large Member), and Candace Lewis (Cardinal Management).

CALL TO ORDER: The meeting was called to order at 6:32 by the President via Zoom.

Special Topics:

The Board met with our insurance broker USI at 5 pm to discuss the renewal quotes received to date from insurance carriers quoting the Glen Master Condominium Policy. Details will be provided in the Secretary's report.

The initial topic discussed on the call was the reserve investment strategy with Patrick Renzi from Morgan Stanley. Details will be provided in the Treasurer's report.

ENVIRONMENTAL UPDATE:

The management agent communicated that the Glen received the electronic wire of \$75K on September 2nd from TBR Associates reimbursing the Glen for legal expenses related to the environmental issue. The Glen settlement money will be moved to the contingency fund at the end of the year per our accounting policies. Ground water well monitoring will continue, and reports will continue to be available from the management agent.

RESIDENTS' FORUM:

Residents attending: Susan Hunchar (court 10), Kathy Golden (court 6), Tina Collier (court 3), Ellen McDermott (court 14), Mike Wells (court 7), Lori Derkay (court 13), and Angela Donatelli (court 6).

Susan Hunchar asked about the status of the plan to reconstruct and repave the parking lot in court 10. The management agent said she would follow up with REI to get an update of their status with bidding the project.

Ellen McDermott asked how residents could communicate issues with the recent resignation of the onsite manager Vicky. The management agent said that quick fix issues can be sent directly to the onsite maintenance staff using their email fairlingtonglenstaff@hotmail.com and all other issues should be reported to the management agent using c.lewis@cardinalmanagementgroup.com.

BOARD MEETING MINUTES:

9.8.20.01 Motion. Moved to approve the meeting minutes from the August 11, 2020 board meeting. Motion passed unanimously.

BOARD MEMBERS' REPORTS:

President –

The President thanked the pool committee for a successful season and again communicated that the Glen Pool was the first to open and had no major issues.

The President communicated that he was glad the environmental issue continues to appear resolved and that we are happy to be able to recoup the legal expenses the Glen spent from TBR Associates.

The President reminded the community that the annual meeting will be coming up in November and although the meeting will be virtual this year, we still need owners to vote online so we can reach a quorum.

Vice President –

The Vice President had no items to report.

Treasurer –

The Treasurer moved to approve an update to the reserve investment minimum liquidity amount. The full resolution is attached to these minutes and the discussion aimed to immediately purchase new laddered CDs as existing CDs expire.

9.8.20.02 Motion. Moved to approve the attached revision to the Glen's minimum liquidity standards for its reserves. Motion passed unanimously.

9.8.20.03 Motion. Moved to approve the below accounting resolution. Motion passed unanimously.

Resolved: Management is instructed: (a) to re-allocate \$32,227 from Account 25620 Reserve Contingency to Account 20410 Members Equity; and (b) to transfer the same amount from our contingency bank account to our operating fund account.

Explanation – Each year, we do an inter-equity accounts transfer to ensure that we have an adequate amount of cash in our operating account but not more than needed. The \$32,227 is the amount of our budget loss for 2019. When we have a surplus, we move funds in the opposite direction.

The Treasurer recommended tabling the proposal to install security lights behind court 4 and requested the bids be combined for the installation of lights and the upgrade to the external electric panel and the board agreed.

The Treasurer asked the management agent for an update on the pest control contract. The management agent communicated that the onsite manager checked traps the pest control company claimed were recently baited and found no bait. The management agent contacted the pest control company and was not satisfied with the answer they gave and terminated the contract and has bids out with other companies for the annual contract. The management agent also had another company come in for immediate treatments for the issues reported behind court 15.

Secretary –

The Secretary communicated that the master policy renewal packages submitted to the Glen by USI had significant year over year premium increases for the upcoming year. The current policy with Travelers et al. (some of the perils are insured through other

carriers) will expire on September 24, 2020. The current proposed renewal premium on the same policy is a 70% increase from the prior year. USI continues to solicit quotes from other insurance carriers and to date received three additional quotes. The board will review the quotes and vote through email to ensure a new master policy is in force by September 24, 2020, weighing coverage and cost to the community.

At-Large -

The At-Large Member explained that we should plan to over-communicate the need for owners to vote online for the annual meeting to ensure we reach quorum. He suggested putting up signs in the circles and the idea was expanded to also putting signs up in each court to communicate this. The idea of using the court rep group to communicate the need to vote to residents was raised and the management agent said she could get a list of the owners in each court to the court reps so they know which houses to reach out to directly.

The At-Large Member communicated that he has been trained on using the email blast tool and is able to send out updates via email to all residents/owners who have signed up for Glen Alerts.

COMMITTEE REPORTS:

Pool

Pool co-chair Lori Derkay gave the pool report. Lori communicated that yesterday (Sunday, September 7) was the final normal full day of pool operation. The pool will be open the next two weekends: Fridays 3 PM – 8 PM and Saturdays/Sundays 10 AM to 8 PM.

Lori communicated that the biggest hurdle to the season was acquiring lifeguards and the pool company got some luck in the Glen as a resident's daughter and two friends were trained and served as guards. Having a core group of local guards made this year easier, Lori is proactively trying to work with Atlantic Pools to potentially find local guards for next season as international visas could potentially again a hurdle to a successful pool season.

Lori communicated that the pool will be closed and winterized shortly after the season closes and the Treasurer said he would send Lori the maintenance manual which has procedures included for closing and winterizing many of the pool systems.

Landscape

Landscape chair Tina Collier gave her report to the board. Tina noted that the county would have crews removing two large trees in front of court 4 this week along with another in front of court 2, one in front of court 11. The county will also be removing four smaller ornamental trees around the Glen that have died and have additional trees on their list to trim or remove in the near future.

In addition to the county tree removal, there will also be dead trees removed that are on the Glen property as the committee addresses those and continues with fall plantings.

Tina communicated that she and Angela Donetelli have completed drafting the new landscape contract which will be sent out for bid once approved by the board. The

current planned bid period for the contract is 20 days after approval, but can be extended to ensure we get adequate bids from qualified contractors.

Court Representatives

Court Rep chair Mike Wells reported that there were no incidents or complaints directed to the group this month and they continue virtual communications with the group.

Maintenance

The Treasurer reported that a quote to deep clean courts 1-5 prior to painting is expected shortly which would address roof staining and other spotting on the painted and brick surfaces.

The Treasurer noted that he circulated an updated maintenance manual that will be voted on in the October board meeting.

Website

No update

MANAGEMENT REPORT:

The management agent reported that the Glen is currently 74% owner occupied.

The management agent reported that she received the resignation notice from the onsite manager effective August 27, 2020. An advertisement has been posted to find a replacement and some resumes have been received. The management agent also noted that Fairlington Green is looking for a part-time onsite manager and one possibility is to have one full-time employee who manages both associations, but this is all pending finding a qualified candidate that both associations agree on. More information will be shared on this as available.

The management agent reported that the Landscape contract proposal and RFP is available to be voted on.

9.8.20.04 Motion. Moved to approve Landscape contract RFP for solicitation of bids. Motion passed unanimously.

NEW BUSINESS

None reported.

OLD BUSINESS

None reported.

Miscellaneous

None Reported.

EXECUTIVE SESSION

9.8.20.05 Motion. Moved to go into executive session at 7:59p.m. Motion passed unanimously.

The board reconvened in regular session at 8:10 p.m.

There were no items from executive session requiring ratification.

ADJOURNMENT: The meeting was adjourned by the President at 8:10 p.m.

The next scheduled meeting of the board is Tuesday, October 13, 2020, at 6:30 p.m. at the Fairlington Community Center – *as of the completion of these minutes the community center will be closed as part of Arlington County’s emergency response to the COVID-19 outbreak and the meeting will likely be held virtually again via Zoom.*

Respectfully submitted,

Jeremy Wiedemann
Secretary

**Resolution Regarding Minimum Liquid Balance for Morgan Stanley
(Revised 09/08/2020)**

Resolved that the investment instructions for Morgan Stanley that were approved at the June 2018 Board meeting are replaced with the following:

1. Morgan Stanley Wealth Management is directed to maintain a minimum liquid balance consisting of the sum of the following two components "a" and "b":

a. A semi-permanent, absolute minimum balance of \$150,000.

(Note: This absolute minimum balance is intended to allow for reserve expenditures that cannot be planned or anticipated, such as replacement of sewer lines under basement slabs, replacement of broken water lines running in the common areas, or storm-damage roof replacement costs exceeding insurance limits. The \$150,000 is only a rough estimate, but a rough estimate is better than no estimate. The estimate may change after further study of replacement costs and the likelihood of their unplanned occurrence. We may consult with REI about this.)

b. An additional amount, to be set by the Treasurer in consultation with management, to cover planned reserve expenditures, the funds for which have not already been transferred to the Glen's operating checking account with Mutual of Omaha Bank. This additional amount will change as planned reserve expenditures and their timing change.

(Note: Because even the best reserve studies in communities like ours provide only rough approximations of when the replacement of individual assets will actually have to take place, the timing of reserve expenditures in the Glen may differ significantly from the estimated end-of-life dates of assets in our reserve study.)

2. The liquid balance level defined in 1., above, may include bank accounts, money market funds, and CDs of varied terms that will mature no later than 90 days in the future, so that at least that amount in reserves will be available in cash within 90 days at all times.

(Note: A CD with a term of , say, 4 years paying 3% with one month left before payoff is virtually as liquid as checking account. Thus, Morgan Stanley will not have to keep all of our required level of liquid funds in a low-interest checking account -- it will, over time, be able to ladder our investments so that we will always have enough investments that are about to expire to meet our reserve funding needs.)