

SACHEM'S HEAD HOMEOWNERS' ASSOCIATION, INC.
Minutes of the Annual Meeting of Members
June 29, 2021 6:30 p.m. – 8:30 p.m.
Via ZOOM Meeting

Board of Directors in attendance:

Karl Grimsley, President

Kevin Penrose, Vice President

Barbara Havens, Secretary

Twenty-two (22) homeowners were in attendance and six (6) homeowners' proxies had been received for a total of twenty-eight (28.) There was no quorum.

Welcome

President Karl Grimsley welcomed everyone and introduced the Board of Directors. Karl noted that **a quorum of members had not been attained by those in attendance and proxy as 63 or more of the homeowners were not represented (60%.)** The election of officers for the Board of Directors and voting on business cannot take place without a quorum.

The Board of Directions' Positions

Since there is no quorum, voting on Board members cannot take place. The Board of Directors will continue for another year and will appoint new officers to fill Board vacancies or if someone steps down from their position. If anyone would like to nominate themselves for a position, the Board will consider for the vacancy. Questions from those attending about the treasurer position were answered. The treasurer position is a Board position and has voting privileges but no real duties as we now use our CPA to handle all financial transactions, do billing, collect HOA assessments, etc.

Proposed Amendment to Declaration of Covenants, Conditions, and Restrictions

The Board of Directors was proposing a CAP on rental/leased properties within the subdivision at 20% (see PowerPoint at end of minutes.) With 105 homes within SACHEM'S HEAD, this would be a maximum of twenty-one (21) homes at any given time. There are currently twenty-seven (27) rented/leased homes (approximately 26%.) The number of rented/leased homes was provided by the CPA based on the current billing database. Discussion followed that included concerns from those attending regarding property values, limiting homeowners' ability to rent out their home if desired, setting requirements for renters, how will HOA enforce the CAP (fine?) and enforcing regulations pertaining to maintenance of home whether rented or not. It was asked if the Board of Directors could make this change to the Declarations. Karl explained that any modifications to the two governing documents (Bylaws and Declaration of Covenants) need to be decided by a quorum of the homeowners. This cannot be done without a vote. One attendee brought up the point that Article 7, Section 3 stated that not less than 75% is needed to amend. President Karl will review this article for clarification.

Karl stated that the State of Virginia and General Assembly have upheld the right of HOAs to place a CAP on rentals to date. He would like members to just think about and educate themselves on this issue (rental CAP) as he knows this is a sensitive topic.

CenterPointe Development

Karl reported that he had heard some talk about a proposed development at CenterPointe to the west of the power lines about a year ago. A hearing was held recently to present the proposed development and to expand the number of living units in the proposal. Karl has the full presentation that was done during the hearing if anyone is interested in seeing it.

Parcels 4A, 4B, and 4C will directly impact Sachem's Head as they will be completed on the western side of the power lines (affecting those living along Water Willow and the upper part of Wood Sage West) with the tree line being removed. Parcel 4A is planned as 300+ apartments/condominiums, and 4B and 4C as office/retail units. Evergreen Parkway will be expanded to come around behind Sachem's Head and intersect with Lucks Lane right before the Route 288 interchange. A traffic light is planned for the intersection at some point.

Falling Creek, which feeds Lake Evergreen, will also be affected by the development. This is the prime reason the lake was dredged. The CenterPointe development will increase runoff into the lake via Falling Creek and increase traffic, noise, and load on schools. The buffer will be lost and property values will be affected.

Again, Karl has the complete presentation done at the hearing for anyone interested.

Projects Completed in 2020

Due to COVID-19 restrictions and "lock down", the Annual Meeting of Homeowners was not held last year. The goal for the year was to clean up areas that had not previously gotten much attention. It was difficult to carry out projects as many contractors and helpers were not working due to COVID. Projects completed included

- New signage along pathway
- Removal of dead trees and branches
- Clean up of common area between Spring Cress and Needle Rush
- Replaced solar lighting on street corners
- Snow removal
- Updated website information

Projects Completed in 2021

With the loosening of COVID restrictions we were able to complete more projects including

- Removing fallen trees and debris after ice storms
- Cleared lake vegetation and removed fence to enhance lake view
- Clean up of common areas
- Snow removal
- New Architectural Review Committee process instituted
- Sachems Head Group added to Nextdoor App
- Lucks Lane widening
- Lake Evergreen dredging

The new Architectural Review process is now on the website with the necessary forms to submit for changes to your home (paint and roof color, additions, etc.) and also the fine schedule for violations. There are approximately 30 residents registered to the Sachems Head Group. The Group needs full-time attention and someone who will respond to questions in a timely manner to make it work.

Lucks Lane project is now completed and now the HOA needs to restore the natural buffer along Reed Grass/Lucks Lane and front entrance/median. Someone asked if the trees for buffer had been planted. Karl explained that the trees had been purchased (175 trees between 6'-8' and 8'-10') but were still at the nursery due to the drought-like conditions at present. The trees are in the ground there and waiting for the best time to plant as suggested by nursery. The locations where the trees will be planted have already been marked. This is just the first phase of the restoration. Next will be replacing the sign at the front entrance and planting flowers, shrubs, etc. in the Water Willow medians and other areas.

Karl stated that the entrance sign could not be "saved" but the custom carvings were. Several designs for a new sign using these carvings will be completed and shared with residents for input either through the newsletter or mailing. The company that removed the sign has been storing it and has asked for the opportunity to bid on making the new sign. The new sign will be put out for bid. An attendee said that they knew of someone who makes signs and is quite good. Karl asked that their information be shared with him and they could also bid on the project.

In dredging Lake Evergreen Chesterfield County targeted the main inlets to the lake. Over 6620 cubic yards of sediment were removed and far exceeded the amount of money budgeted for the project by the County (approximately \$350,00 was spent vs. \$125,000 budgeted.) The County did not dredge an area that has been in great need of attention for a long time and may have gotten worse due to the dredging project. It all came down to cost as neither the County or the HOA have the \$110,00 funding to dredge this area.

Current 2021 Projects

Planned projects for 2021 that are in the works:

- Geese control
- Updating/modernizing residential design standards
- Trash removal as part of HOA
- Repair and paint gazebo, decks, and bridges
- Repair and seal lake path
- Restore common area around gazebo
- Update HOA website
- Restoring areas affected by Lucks Lane project

Financial Report

In the budget is the "reserve funds" which are to be used for creating a buffer along Lucks Lane between Evergreen Parkway and the power lines. Next year we will begin to look at various trees and shrubs to plant that will grow quickly with little maintenance and work well as a buffer. This will not occur until after the Lucks Lane project is completed.

The issue of removing dead/dying trees was brought up and a suggestion made to bring someone in who would provide a discount if the tree removal was done all at one time (residents). It was noted that there have been unscrupulous people coming in offering to cut down trees and then doubling the prices as they go along. Karl reminded everyone to use only people who are insured and mentioned that there are workmen listed on the Sachem's Head website that come recommended by various residents.

Karl asked if snow removal was something they would like to see continued. Last year there was only one big snow and the company removed the snow quickly and efficiently. We do not know how much snow will occur this winter. Those in attendance would like to see the snow removal continue for this winter.

After 8 – 10 years a new contract has been established with Cliff. Costs have gone up over the years with Cliff being very reasonable in what he has charged. The new contract includes more services for the common areas such as removal of leaves/debris and trimming of branches, trees, and shrubs.

To assist with budgeting the suggestion of doing "revitalization" of subdivision in phases was discussed, following a master plan. Each year money would be set aside to do one of the phases so that it wouldn't seem so overwhelming. This will be considered.

Karl brought up the increase of the Quarterly Homeowners' Association dues. The Board of Directors, through the bylaws, has the power to increase the HOA dues by up to 20% yearly. The Board has voted to raise the Quarterly HOA dues by \$10.00, making the dues \$64 every three months beginning with the October 2019 assessment. Those who pay yearly will be billed for the difference. The Board is also diligently pursuing those with delinquent assessment accounts (eight accounts out of 150). The Board of Directors has consulted with the law firm of CowanGates to review bylaws and regulations and to discuss course of action for delinquent accounts. Fines for violations of regulations will also be established.

National Night Out

This will take place the first Tuesday or Wednesday in August. More information to come.

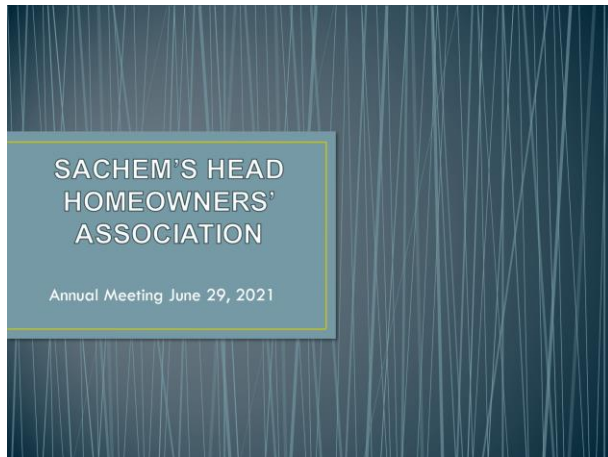
Review of Action Items

The following items will be reviewed by the Board of Directors for possible action:

- Any questions or concerns should be submitted through the website
- Changing number needed for quorum at annual meeting
- Follow through with lake dredging, etc. with road construction firm and County
- Erosion/drainage issues around subdivision
- Development of phases for revitalization
- Establishing of fines for regulation violations

Karl thanked everyone for coming and adjourned the meeting.

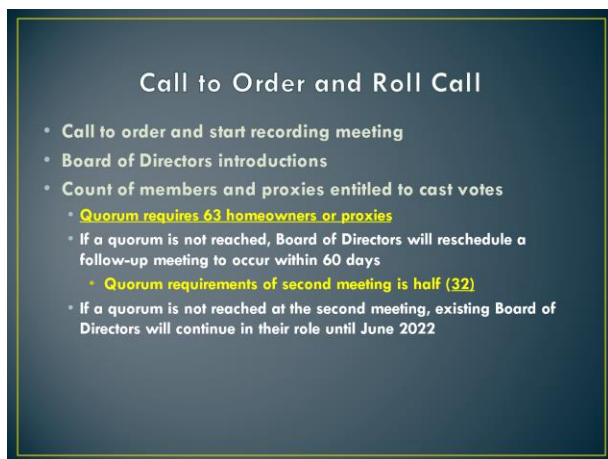
Barbara Havens
Secretary, Sachem's Head Homeowners' Association



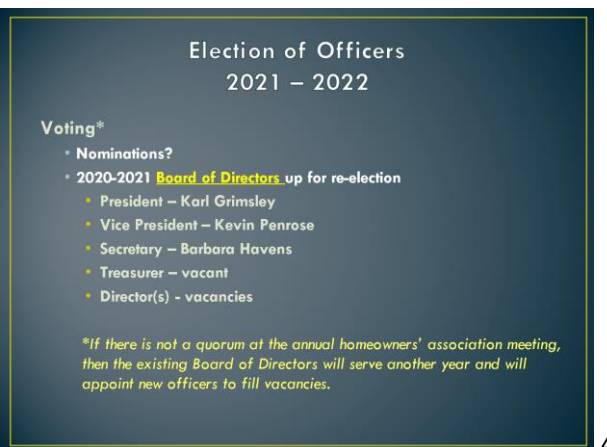
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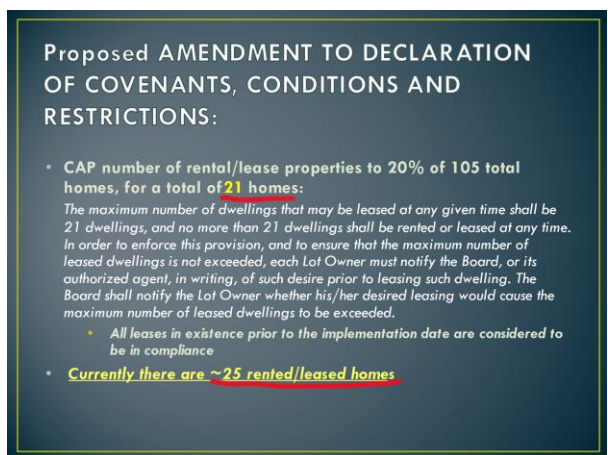
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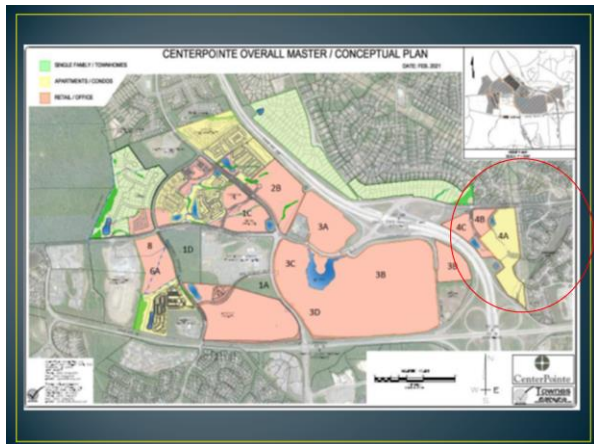


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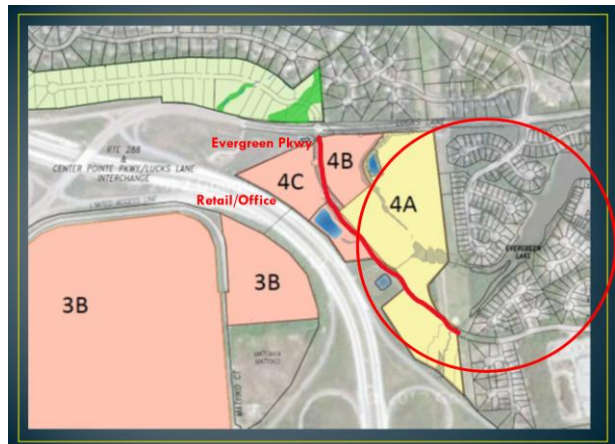


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New CenterPointe Development

Concerns with parcels 4A – 4C:

- Sachems Head property values
- Increased stormwater runoff into Evergreen Lake
- Loss of natural buffer area for residents living along powerlines
- Increased traffic on Lucks Ln
- Increased congestion at entrance/exit of Route 288
- Increased noise and other pollution from commercial properties
- Increased load on local schools

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2020 Projects Completed

- Installed new signage along pathway
- Removed dead trees and raised limbs
- Cleaned up common area between Spring Cress and Needle Rush
- Replaced solar lighting on street corners
- Contracted for snow removal as needed
- Refreshed website

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2021 Projects Completed

- Removed fallen trees and debris after snow and ice storms
- Cleared lake vegetation and removed fence to enhance view
- Cleaned up common areas
- Contracted for snow removal as needed
- Implemented new Architectural Review Committee process
- Added Sachems Head Group onNextdoor App
- Lucks Lane Widening
- Evergreen Lake dredging
 - Targeted main inlets to lake
 - Removed ~6620 cubic yards of sediment
 - Cost ~\$350k, well above the \$125k that Chesterfield budgeted

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Projects In-flight

- Geese controls
- Modernizing Residential Design Standards
- Researching single trash removal service as part of HOA fees
- Repair and paint (new color) gazebo, decks, and bridges
- Repair damaged areas and seal walking path
 - Relocate portion of path that leads to gazebo
- Restoration of common area near the gazebo
- Upgrade HOA web site
- Restoration of natural buffer between Reed Grass Ln and Lucks Ln
- Restoration of median near entrance*
- Design/build community sign*

*denotes projects funded with Lucks Lane reserve

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2021 Quarterly HOA Financials

Sachem's Head Homeowner's Association
Notes to Financial Statements
March 31, 2021

Note 1 - Disclosure Principle Departures

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the tax financial reporting framework. If the omitted disclosures were included in the accompanying financial statements, they might influence the user's conclusions about the association's assets, liabilities, equity, income, and expense. Accordingly, the financial statements are not designed for those who are not informed about such matters.

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Sachem's Head Homeowner's Association
Balance Sheet - Tax Basis
As of March 31, 2021

	Mar 31, 21
ASSETS	
Current Assets	
Checking/Savings	
1015 - Suntrust-Checking	69,818.44
1016 - Suntrust-Money Market	74,445.71
Total Checking/Savings	144,264.15
Accounts Receivable	
1100 - Assessment Receivable	3,615.00
Total Accounts Receivable	3,615.00
Other Current Assets	
13000 - Prepaid Income Taxes	1,590.08
Total Other Current Assets	1,590.08
Total Current Assets	149,469.23
TOTAL ASSETS	149,469.23
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2080 - Prepaid Assessments	6,819.78
Total Other Current Liabilities	6,819.78
Total Current Liabilities	6,819.78
Total Liabilities	6,819.78
Equity	
2010 - Reserve Lacks Lane Improv.	74,200.00
3000 - Fund Balance	65,648.35
Net Income	2,801.10
Total Equity	142,649.45
TOTAL LIABILITIES & EQUITY	149,469.23

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Sachem's Head Homeowner's Association Statement of Income & Expense - Tax Basis January through March 2021		
	Jan - Mar 21	% of Income
Ordinary Income/Expense		
Income		
4000 · Assessments Earned	6,720.00	70.3%
4010 · Late Fees Earned	180.00	1.9%
4060 · Verizon Lease/Rent	2,649.78	27.7%
6010 · Interest Income	3.53	0.0%
Total Income	9,553.31	100.0%
Expense		
Repairs and Maintenance		
5706 · Maint/Repairs Common Area	125.00	1.3%
5709 · Maint/New Plantings	189.48	2.0%
5710 · Lawn Care/Mowing	3,129.00	32.8%
Total Repairs and Maintenance	3,443.48	36.0%
5000 · Accounting	2,050.00	21.5%
5830 · Postage and Delivery	54.56	0.6%
5831 · Supplies	5.70	0.1%
5832 · Office Expense	227.55	2.4%
5910 · Income Taxes	970.92	10.2%
Total Expense	6,752.21	70.7%
Net Ordinary Income	2,801.10	29.3%
Net Income	2,801.10	29.3%

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Expenses

Considering HOA Quarterly Fee Increase 20%

- Current Annual Assessment \$260 (\$65/quarter)
- **New Annual Assessment \$312 (\$78/quarter)**
 - Effective Jan. 2022
- HOA structures are aged and need repaired/rebuilt
- Additional common area clean-up and improvements

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Questions and Concerns

- Actionable discussion topics
- Adjournment

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