

**Malvern Club, Inc.**  
905 Malvern Drive  
Madison, VA 22727  
<http://malvernofmadison.org/>

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Minutes: Board of Directors Meeting, Thursday, October 13, 2011

Meeting called to order 7:00 p.m. by President Joe Graham

Board members present: Joe Graham, Randy Allen, Jason Woodward, Donna Phillips, Barry Gates, Fran Sestak, Paul Hankla

Members Present: Frank and Barbara Sargent, Diane Cross, Rick and Ceil Collins, Norman Hensel, Karen Pilkerton, Ed and Nancy Johnson, Larry and Catherine McClellen, Barbara Flynn, Don Nicholson, Shawna Gates, Adam McLeod, Ron and Ellie Montgomery, Jerry Monnat, Angie Wiseman

**Secretary/Public Relations:** 1) September 8, 2011 Board meeting minutes approved; 2) September 20, 2011 Special Board meeting minutes approved; 3) yard sale reported to be successful and had some positive feedback and at least 90 people were reported to have visited those members holding a yard sale; 4) regretfully, Barry Gates submitted his resignation as Secretary due to health reasons.

**Executive Session:** President Graham moved to adjourn the meeting and convene into executive session for the purpose of discussing an eligible replacement for the Secretary until the next meeting of the members; motion approved.

President Graham reconvened the Board meeting at 7:15 and moved to appoint Ed Johnson as acting Secretary until the October 15, 2011 meeting of the members elect an eligible member to fulfill the remaining term of Barry; motion approved.

**Treasurer Report:** 1) Written report attached; 2) Joe asked Board members to provide Donna with their expected remaining expenses for 2011 in order to make projections through the end of this year.

**Roads:** 1) Jason intends to send out requests soon to contractors to provide a proposal for the 2011-2012 season snow removal and associated services contract; 2) Jason will contact the owner on Liberty Lane to ask that the private pond and drainage pipe be maintained so that water does not overflow across the road; 3) Jason will evaluate whether riprap placed along some of the roadway shoulders might help prevent excessive weed growth as well as keep the road edges from deteriorating further.

**Architecture Committee:** 1) Fran reported the committee had approved a due diligence application for a shed on Lot 31; the Board had no objection; 2) Lot 222 had submitted a letter asking whether planting needed approval; the Board concurred the circumstances presented by the owner did not require approval; 3) Fran has asked the owner of Lot 157 to provide a simple drawing showing planned tree removal. Diseased, dead and dangerous trees do not need to be noted; 4) a question was raised about members having chickens – the reply being chickens are not explicitly prohibited in our covenants and are permitted in the A-1 district of the Madison County zoning ordinance.

**Common Areas:** 1) Paul reported second bush hogging of vacant lots has been completed and the invoice approved; 2) Paul will look into the non-functioning lights at the entrance to Malvern.

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**Lake:** 1) Randy reported the Department of Conservation and Recreation has reissued the Operations and Maintenance permit for our dam until September 31, 2017; 2) the second mowing of the dam embankment has been completed; 3) Randy will look into lights out at the dock; 4) the water level appeared normal as late as this past Sunday.

**Clubhouse and Pool:** 1) pool is now closed for the season; 2) earthquake damage appears to have caused several cracks in the drywall in the dining room; 3) Joe will research pricing for ceiling fan purchase and installation; 4) Joe will evaluate whether fans offered by a member will substitute for the need to purchase fans; 5) November clubhouse rentals are slow which isn't unusual; 6) the Clubhouse will be used for a community Halloween event on October 29 that is being organized by volunteers.

**Open Forum:** 1) Shawna expressed thanks to everyone for the success of the picnic and said the planning for the 2012 picnic will begin in January; 2) a member asked about proxies for the October 15 meeting – Donna passed around a contact list in that regard.

**Finance Committee:** 1) Diane Cross reported committee had reviewed income, expenses, deposits, invoices and other accounting details for August, 2011 and found everything checked properly; 2) Diane asked that original signed invoices were desirable, checks should ideally be deposited no more than 1 week after receipt, and that original contracts be provided to the committee; 3) Karen Pilkerton reported the committee had drafted a policy entitled, "Practices for Collection of Assessments and Late Fees". An early draft had been reviewed by our current attorney as well as an attorney with the law firm Rees Broome. Both concurred the policy was in the best interest of Malvern members. Karen stated the committee had unanimously approved the policy and recommended the Board consider adopting the policy.

**A motion** was made by Donna Phillips, seconded by Randy Allen to adopt the policy entitled, "Practices for Collection of Assessments and Late Fees"; motion carried unanimously. Final policy will be dated October 13, 2011, will be posted on the website and will be included in further mailings to delinquent members.

Donna stated she has talked with several attorneys regarding collection issues. Our current attorney is not willing to take on this task. Ultimately Donna was referred to Ms. Ami Pape of the law firm Rees Broome. Donna and Randy met with Ami to discuss our current delinquencies and options which might be available. Ms. Pape agreed to help Malvern Club, Inc. with collections and other association business on an hourly basis of \$341 for her time and a lessor rate for associates. Donna reported the attorney stated that reasonable attorney fees are usually be paid by offending party where the ruling is in our favor.

**A motion** was made by Donna Phillips, seconded by Randy Allen to retain Ms. Ami Pape of the law firm Rees Broome as our attorney of record to initially perform work on an ad-hoc, as-needed basis; motion carried unanimously.

**A motion** was made by Donna Phillips, seconded by Fran Sestak to allocate up to \$2,200 for the remaining fiscal year to retain Ms. Ami Pape of the law firm Rees Broome to advise us of options for proceeding with collections for the 9 delinquent members with outstanding balances; motion carried unanimously.

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**New business:** 1) Finance Committee set Tuesday, October 18, at 7:00 as date of their next meeting and suggested that Jason attend to discuss the 2011-2012 snow removal and associated services request for proposal details; 2) Joe presented the agenda for Saturday's membership meeting and moved for its approval subject to adding Ed Johnson's name under item 1; motion carried unanimously; 3) Jason reported sighting a black bear in his yard several days ago; 4) upon a suggestion from Donna, Joe asked her to coordinate with our webmaster to include information regarding births, deaths, marriages and new homeowners within our membership.

**Old Business:** 1) a member asked the status of a complaint regarding political signs posted on lots within the subdivision. This prompted discussion related to political signs, real estate signs, construction signs and other types of signs. Joe suggested the membership be asked to consider a covenant modification in April to include wording that allows the Board to make specific policies regarding signs. There was agreement that some type modification to the covenant would be helpful; 2) with regard to written complaints in general, the Board acknowledged a written reply from the Board is warranted; 3) a member asked the status of the traffic enforcement patrols in Malvern. Joe reported he had talked with Sheriff Weaver and thought they had agreed on a plan for additional patrols. Further discussion on the subject included adding speed humps as was originally discussed at the April 28, 2007 membership meeting. Joe said he would contact Sheriff Weaver again.

Meeting adjourned at 8:53. Next Board meeting scheduled for Thursday, November 10, at 7:00 p.m.

Respectfully submitted,

Ed Johnson, Acting Secretary  
Malvern Club, Inc.

**Treasurer's Report for Thursday, October 13, 2011**

For the period ending September 30, 2011:

**INCOME**

\$117,090 of regular assessments were received – 95% of budget amount

Total of \$124,474 total received for all income categories – 95% of budget amount

**EXPENSES**

Capital Improvements – A total of \$50,955 was expended – 72% of budget amount

Operating Expenses – A total of \$33,969 was expended – 57% of budget amount

A cumulative total of all funds of \$84,925 was expended – 65% of budget amount

**ACCOUNT BALANCES**

Checking Account – \$5,668.96

Money Market Account – \$103,877.75

Reserve Account – \$40,017.95

Total Funds Available – \$149,564.66

**OVERDUE ASSESSMENTS STATUS**

A total of 13 members are on the Overdue Listing:

2 – checks en route (\$510.00)

1 – monthly payments (\$495.00)

2 – previous liens (\$3,220.30)

1 – Realtor advised bank will pay dues at closing (\$255.00)

7 – no contact with Treasurer for payment in full or monthly payments (\$3,210.00)

For a Grand Total of \$7,690.30 total owed to Malvern Club, Inc. for assessments within the period of 2009-2011.