

**Mill Creek Homeowners Association**  
Board Meeting  
November 10, 2009

Summary Minutes

1. **Meeting convened** at 7:30 p.m.; Board members attending were Neal Grandy (President-Treasurer), Addeane Caelleigh (Secretary), Janet Eden, Brian Markot (Vice President), and Maritza Saavedra.
2. **Approval of Minutes.** The minutes for the October 2008 meeting of the Board and two special meetings during October were approved, pending revisions noted during the meeting or submitted by members after the meeting
3. **Treasurer's Reports.** The President-Treasurer submitted a report of Mill Creek HOA's outstanding obligations as of November 9, 2009. Total outstanding obligations were \$4,893.58; net revenues were \$520. See attached report.  
*Note:* The President was elected Treasurer at the Special Board Meeting on October 18, 2009. The By-Laws allow both offices to be held by the President.
4. **Old Business.** A Board member had been concerned about the status of the escrow account for the pond. The President inquired and learned that the escrow account is still intact. Also, he re-read the original agreement about the pond account and concluded that all the money reverts to Craig Builders if not used by Albemarle County within the specified period. He will check with the trustee of the account to verify this understanding.
5. **Homeowners' issues/comments/concerns**
  - A. **1295 Copperstone:** The homeowner inquired whether the HOA will have the leaves on the common area near her house raked this year. She said that they had been raked in previous years. The Board agreed unanimously that the HOA would not cover the leaf raking. No members were aware that the HOA had covered this work in the past; further, in the current financial circumstances, the HOA is not able to undertake such expenses.
  - B. **Copperstone Court common area.** See report under Common Grounds Committee, below.
6. **Common Grounds Committee**
  - A. **1325 Copperstone:** The homeowners asked again about what clearance work will be done in the common area beside their house. The President has already personally done considerable work in clearing debris and assuring that the drainage area is not blocked. The homeowners have not yet presented a copy of their property plat so that the Committee can know definitively where the property line falls. Janet Eden noted again that her preliminary observations, without having the plat, were that most of the area under discussion was actually on the homeowners' property.

- B. **Copperstone cul-du-sac.** The President and member Janet Eden have planted the hollies and cypresses purchased to help create a buffer for the cul-du-sac. The President will contact the Creekside HOA about getting reimbursement for half of the cost of the plants, as previously discussed with the Creekside HOA President.

## 7. Architecture Review Committee

- A. **1424 Graystone Court:** Homeowner requested permission to (1) remove unhealthy cedars, (2) build a shed, and (3) put in a bigger window in the master bedroom. The Committee approved the tree removal and the window and is awaiting plans for the shed before considering the request.
- B. **1322 Timberbranch:** Homeowner wants to enclose an existing porch, matching the materials and style of the house. The Committee approved the request.
- C. **1261 Timberbranch:** Homeowner wants to repaint the house and will match the existing color. The Committee approved the request.

## 8. New Business: update on embezzlement and related issues

- A. The President-Treasurer distributed an outline and gave a report on the current status of the embezzlement and the present circumstances of the former treasurer, Kevin O'Connor. The report covered the following points:
- i. **Current outstanding obligations.** See Treasurer's Report, above.
  - ii. **Statement from new HOA account at StellarOne.** The first monthly statement for the new HOA account at StellarOne has been received; a copy will be attached to these minutes, in accordance with the new procedures enacted by the Board in October special meetings.
  - iii. **Kevin O'Connor's status.**
    1. The former HOA Treasurer has confessed to the police and the Commonwealth Attorney's Office that he embezzled the HOA's money over a period of several years. He says he plans to plead guilty at the upcoming December court hearing [*now delayed until January 2010*].
    2. The police have records from Stellar One covering November 2007 to October 2009. The records show clearly that he used HOA funds for personal expenses, both through bank withdrawals and ATM withdrawals.
    3. He has turned over HOA records to the President-Treasurer. These records are in considerable disorder, most are apparently of little value, and many important documents seem to be missing. The President-Treasurer will ask him for the online-banking code used for records of the HOA's previous account at StellarOne.
  - iv. **State Corporation Commission.** The HOA's registration as a State Corporation has lapsed because the dues were not paid. The President-Treasurer has paid the dues and is in the process of having the HOA's status reinstated, backdated to the original renewal date.
  - v. **Tax returns.** The President-Treasurer learned while reviewing the former treasurer's files that the HOA has not filed federal or state tax returns for several years. It is not clear how many years are involved; the last State

returns filed may have been in 2002. The Board will examine this issue as work continues to establish the extent of the embezzlement and restore the HOA's financial records.

- B. **Board discussion.** Board members discussed several aspects of this report and concluded that any decisions must await the upcoming special neighborhood meeting in November and further examination of the existing records.
- C. **Special Neighborhood Meeting.** The Board agreed to call a special meeting for Thursday, November 19, at Cale Elementary School, to notify HOA homeowners about the financial situation. A special letter from the President will be printed and distributed to each mailbox by the weekend, if possible. Also, an announcement would be sent out to the Neighborhood Watch e-mail list.

*Notes:* After the meeting, discussions continued by e-mail. The Board decided to (1) distribute the annual dues notice along with the meeting announcement and ask homeowners to pay the dues early if possible and (2) hold a short meeting on Wednesday, November 18, to prepare for the special neighborhood meeting.

9. **Next meeting:** Tuesday, December 8, 2009.

10. **Meeting adjourned** at 9:15 p.m.

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The draft of the Summary Minutes was reviewed at the Board Meeting on December 8, 2009, and was approved pending final corrections; the corrected version was posted on the Mill Creek website.