

River Place Owners' Association
Final Minutes from the Board of Directors' Special Meeting
Wednesday, October 29, 2025

In Attendance – Board of Directors and Officers of the Board

Matthias Mitman – President (Parcel 5 Commercial Village Representative)
Pat Fairman - Vice President (West Representative)
Lauren Hall – Secretary (Parcel 5 Commercial Representative)
Andrew Spell - Treasurer (Non-Voting Officer)
Amy Rojas Kantorczyk - Director (South Representative)

Absent – Board of Directors

Samir Hamdan - Director (North Representative)
Anand Hemraj- Director (East Representative)
Richard Hess - Director (Parcel 5 Commercial Representative)

In Attendance – Property Management

Terry Presmont - General Manager

- I. **Call to Order:** A Special Meeting of the River Place Owners' Association Board of Directors was called to discuss the Financial Managing Agent and was called to order by Matthias Mitman at 6:04 p.m. EDT once a quorum was established.

II. **Discuss the Financial Managing Agent:**

The Board discussed the latest information submitted by prospective financial management agent candidates in light of the Board's interest in reassessing service providers. Since the Finance Committee's request of bidders to confirm or update proposals following the Board's October 16, 2025, meeting, only two vendors responded and were considered during this Special Meeting.

At the Treasurer's request, the Board first took up the question of which prospective vendor was the better alternative to the Association's current Financial Managing Agent. Acknowledging outstanding information prevented an "apples to apples" price comparison and that price isn't the sole consideration, Ms. Presmont led the Board through consideration of the vendors based largely on factors other than price. Ms. Presmont summarized advantages of one contender over another and recommended Cardinal Management Group due to: 1) the anticipated greater attention Cardinal would provide the Association based on the significantly smaller customer base Cardinal reported; 2) recommendations by general managers at one of the other River Place entities for which Cardinal is their financial management agent, citing ease of use, responsiveness, and no complaints; 3) past history of a predecessor company for the other candidate that had been raised by a longtime Board member; 4) Cardinal being based in Virginia while Ms. Presmont noted she wasn't sure of the other candidate's expertise in Virginia; and 5) Cardinal's lower base price. In addition, Ms. Presmont noted that she believed: 1) that other River Place entities are considering similar transitions and it would be preferable if the OA had the same agent as other River Place entities due to the connectivity of the OA with the other River Place entities, 2) that the transition with Cardinal would be much more successful, 3) Cardinal is the clear better performer, 4) Cardinal offers a better product, 5) Cardinal offers better services, 6) Cardinal seems to be the company who will take the Association where it wants to go, 7) Cardinal interviewed better, noting that the Association met all of Cardinal's top players in the interview and they were able to detail the process very well, while the Association only met the President of the other company. Ms. Presmont noted she was impressed with Cardinal's interview.

The Treasurer added that the General Manager at the River Place entity that uses Cardinal noted Cardinal: makes doing financials easy, helps get users acclimated with payment option tools, and is offering the Association a good price.

A Board member reported a current client of the other candidate recommended the candidate, noting they get the big things right and have been loyal with helping the client's property dig out of a tough financial situation, but also raised that an undefined software data field seems to be leading to an inconsistent report presentation.

Board members expressed a general sense that Cardinal maintained an edge throughout the process (although one member noted this was under the assumption the Board would not accept the payroll administration option as proposed). It was also understood that the number of dedicated staff Cardinal included in its scope of base services was more extensive among the two candidates

However, outstanding information pertaining to payroll administration and scope of base service remained that was deemed significant for one Board member. This Board member also expressed that either candidate would be preferable to continuing with the current vendor.

Regarding payroll administration, while the price of this service wasn't the sole consideration, it was viewed as significant because the inclusion of payroll administration in the scope of service, which was then still to be determined by the Board, would make Cardinal's proposal significantly more expensive than the other candidate's proposal. It had been understood through discussion during the financial management agent search that payroll administration was not being sought, and that was communicated through the request for proposals. However, the previous week it was noted during a candidate interview that the current financial management agent service does include payroll administration. The Treasurer noted it was decided to not pursue payroll administration when the request for proposals was developed because the service was a simple pass through service limited to calling a common payroll provider the Association and prospective candidates use if there were any questions. Ms. Presmont encouraged the Board to support the payroll administration add-on, noting that Management was uneasy about committing to handle payroll inhouse due to the novelty of doing so at the Association and corresponding uncertainty regarding implementing necessary changes. However, through discussion, Ms. Presmont also communicated a willingness to explore how the Association could adapt to the change, and noted she saw room for negotiation in the payroll administration data that came in through the RFP.

Regarding scope of base service, transition to a new agent was reported to be able to create opportunities to streamline inhouse operations, but the extent to which this could lead to inhouse cost savings was unknown. As potential redundancy with inhouse operations from provision of base service with a new agent was most prominent in Cardinal's proposal, should the Board select Cardinal with a payroll option, the Association could find itself paying substantially more for service, including that which created redundancies with in-house functions if the Association did not adjust its operations accordingly, than if the Association selected the other candidate. The President noted the Association should take advantage of efficiencies created with the transition to a new agent, and referenced an email with ways to do so.

The Association was to give notice in the next two days if it was going to end the existing contract by December 31, 2025, and have a new Agent in place and prepared to carry out service January 1, 2026. The Manager wanted to designate October 30, 2025 to initiate negotiation with the selected new agent. The current Agent was noted to not have resolved issues within an extended period of time despite having informed the Board that they would, and to have an F rating with the Better Business Bureau. The Board was interested in identifying whether they could have the option to renew with the selected agent without a significant rate increase.

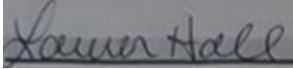
MOTIONS: Mr. Mitman moved to approve Cardinal Management Group as the preferred alternative to the Association's Financial Managing Agent. The motion passed with three in favor and one abstention (3-0-1). Mr. Mitman moved to authorize the General Manager to initiate the required formal 60-day notice to terminate the Association's Financial Managing Agent contract on Friday, October 31, 2025. The motion carried unanimously (4-0-0).

ACTIONS: Ms. Presmont to: 1) inquire with the Association's professional advisors about potential liability from working directly with a payroll service provider rather than using an agent for payroll administration; 2) initiate negotiation with Cardinal Management Group based on the Board's interest pertaining to the payroll administration price and renewal options; 3) determine whether a Special Meeting should be called to finalize the contract ahead of the Board's November monthly meeting given negotiation progress and the selected agent's needs.

III. Adjournment: Quorum was lost at 7:06pm EDT when Ms. Kantorczyk left the meeting.

Attested By:

Board Approval Date:

A rectangular box containing a handwritten signature in cursive that reads "Lauren Hall".

12/18/2025

Lauren Hall, Secretary
River Place Owners' Association Board of Directors