

SPRING ARBOR CONDOMINIUM ASSOCIATION BIANNUAL MEETING

November 9, 2010

Homeowner Sign-in

One homeowner per unit of those in attendance signed the list of homeowners for a total of thirty-seven. Also, seven homeowner-signed Proxy Forms were presented; thus, making a total more than sufficient for a quorum of attendance at the meeting.

Tom Scharff, President, Board of Directors, called the meeting to order at 7:00 p.m. at Grace Evangelical Free Church, 13060 Factory Lane, Louisville, KY 40245. Members of the Spring Arbor Board of Directors present were Jim Atwell, Charlie Brown, Debra French, Ted Michalik, Clayton Rock and Tom Scharff. Nelson Nunn was absent due to family obligations. Also, Sydney Lawson, Property Manager from Mulloy Properties, attended the meeting, her first with the Spring Arbor Condominium Association.

Introductions:

New Board members who are serving for the first time during a biannual meeting were introduced by Tom Scharff, president. They were: Jim Atwell, responsible for maintenance/architecture; Charlie Brown, treasurer; and Ted Michalik, vice-president.

Tom also presented Mrs. Sydney Lawson, Property Manager with Mulloy Properties. She, just about one week ago, took on the managers position for Spring Arbor Condominiums following Tami Oney, the previous manager, who left Mulloy Properties. Sydney shared that she has ten years of experience managing properties with another company and just recently began to work at Mulloy Properties.

Minutes:

Clayton Rock, secretary, made a written copy of the May 17, 2010 Biannual Meeting minutes available to those present as they entered the meeting site. Donald Remaley moved to approve them as presented, Jack Carter seconded the motion, and they were approved by a hearty voice vote with no opposition being heard.

Budget:

On behalf of the Board of Directors, Tom Scharff presented the 2011 Proposed Budget. A brief item by item explanation was given with greater detail given for cases where the difference between the 2010 Budget amounts and the 2011 Proposed Budget amounts were largest. An error in the amount of interest income projected for 2011 was noted and the amount revised from \$2,000.00 to \$0.00 as interest rates are now at a practically zero percent. It was explained that a fifteen percent increase in monthly homeowner fees was included in the total projected revenues of \$192,048. The increase is to deposit \$58,475.00 into the Reserve Fund during 2011 which will fund the planned capital expenses for sealing all asphalt and painting six buildings, at a total estimated cost of \$32,400.00, and the remainder will be a net increase in the Reserve Fund of \$26,075. The Reserve Fund is being increased in order to meet future large capital expenses, including such items as painting, new roofs, repaving the streets, future replacement of garage doors, replacement of gutters, etc., without having to make a separate large assessment each time a major capital expenditure is incurred.

During discussion, the Board agreed to provide to homeowners a supplemental budget report to include projected capital expenses during the 2011 budget year and a Reserve Account report. It was

also suggested that having a report of projected actual expenses for the budget year 2010 would be helpful to homeowners for considering the Proposed Budget. Sydney Lawson will make the supplemental report information available to all homeowners together with projections of 2010 budget line item income and expense amounts.

It was suggested that some non-board member homeowners work with Nelson Nunn and Jim Atwell because of the large workload of maintenance and landscaping. The Board agreed to work at implementing the suggestion.

Various suggestions were made for improving the landscaping at a lower cost, most of which could be summarized as suggesting better communication with the vendor contracted to do the work, better supervision of the work being done, and by searching for alternative vendors who have a record of good performance at equal or lower costs. Some specific items included more satisfactory trimming of shrubs and better lawn care related to grass cutting and weed control. Tom assured the homeowners that the ideas presented about improvements related to landscaping maintenance and its costs would be considered by the Board.

Ballots were distributed to each of the thirty-seven homeowner units which had a signature on the sign-in sheets plus one each for the seven Proxy Forms presented. The options were to indicate a vote of "Yes" or "No" on each ballot regarding the Proposed Budget. Ballots were collected and counted. **The Proposed 2011 Budget was approved** with forty (40) "Yes" votes and four (4) "No" votes for a total of forty-four (44) votes cast.

President's Information Report

1. Rules and Regulations:

Tom Scharff explained that the Board is responsible for compliance with the Rules and Regulations of the Spring Arbor Condominium Association and that it makes a continuous effort to ensure compliance. Various issues and incidents are regularly treated and decided by the Board, some resulting in notices of violations being sent to the homeowner. If a homeowner receives notice of a Rules violation, the fact that they can point out that a neighbor is also in violation does not make a precedent for an exception to the Rules. It just means that the Board will review the neighbor's case and also make a decision about their compliance based on the best facts available to the Board. Tom encouraged each homeowner to read the Rules and Regulations and to always keep them in mind before planning to make any changes at their unit. It is best to request approval from the Board for any changes made at one's unit.

The Board is aware of the need to consider revisions to the Rules and it will propose revisions that it deems necessary or prudent.

2. Approval Process

When desiring to make any changes outside the homeowner's unit or any inside structural changes, **it is best to make a written request to the Board of Directors for approval**, including a good description of what is to be done, drawings of the project, pictures, who pays the bill, who will do the work, and anything else that might be helpful information for its consideration. The Board will carefully consider each request and notify the homeowner of the result as soon as possible. Also, please remember that the Board meets only once per month, so it may take a little while to get a decision.

Also, the vendor doing the work should meet Spring Arbor requirements for insurance and certification.

3. Driving Speeds

Tom reported that he has witnessed that a few of our residents are a bit lead footed when it comes to their driving speeds. The main areas of concern are the curves and intersections within Spring Arbor and for the safety of persons walking along the streets. He urged each resident driver to take it slow, never more than the 15 mph speed limit, and to be cautious when driving.

4. Lights

Black colored light fixtures are now approved, in addition to brass fixtures. It was noted that several other up-scale condominium complexes use black colored light fixtures. Any replacements at present of either color are at homeowners expense and must be approved by the Board.

Lyle Hove moved to adjourn, Jack Carter seconded the motion, and those present were unanimously in favor; thus, the meeting was adjourned at 8:22 PM.

Respectfully submitted,

C. Clayton Rock
Secretary

ATTACHEMENT: 2011 Approved Budget