

Hembree Creek Condominium Association - 2011 Annual Meeting Minutes
Monday, November 14th, 2011 7:10pm - 9:00pm

1. Roll Call Taken and Quorum Established – Working Solutions

2. Introductions:

- Hembree Creek's 2011 Board of Directors
- Gerri Schwartz & Liz Vickerman of Working Solutions, Inc.
- Michael Zenner of Winter Capriola Zenner, LLC.
- Jack Houseal, CPA

3. Reviewed 2011 Highlights :

- See attached document for itemized list distributed to all home owners in attendance.

3. Discussed 2012 Goals:

- See attached document for itemized list distributed to all home owners in attendance.

4. Current Financial Status Reviewed as of October 31, 2011:

- Operating Account (Checking): \$ 4,697.61
- Reserve Account (Savings): \$ 115,246.61
- Contingency Account: \$ 5,027.18
- Delinquencies as of October 31, 2011: \$ 8,261.00
- Foreclosures: (2) 2011 (4) 2010 (2) 2009 (0) 2008
- Re-sales: (4) 2011 (5) 2010 (5) 2009 (1) 2008 (14) 2007 (18) 2006
- Units currently for sale: #102, #306, #326
- Units under contract: none currently

5. Presented 2012 Budget:

- No planned monthly increase or special assessment for 2012.
- Reviewed increases such as sanitation cost & insurance expense.
- Early planning to the Reserve accounts have helped keep us healthy
- If the Association continues to experience loss in monthly fees due to foreclosures, the Board of Directors may opt to reduce future reserve allocations if necessary in lieu of increasing monthly Association fees or instituting a special assessment.
- Board is considering a change in venue for monthly Board meetings due to low attendance which would result in a cost savings of \$1,000 annually. Brookwood Grill recommended by a home owner. Board will investigate options and publish new location to the membership via the newsletter and website.
- Discussed upper deck leaking issue and remedy with associated costs.
- Once the Board is satisfied that the current remedy will hold, they will schedule all upper level uncovered decks to be completed over the course of two years so as not to deplete reserve account. This will be a long-term project.

6. 2010 Financial Review and Audit Results – Jack Houseal, CPA

- 2010 Audit completed in June and financial records are in good condition.
- Vouching of transactions were all completed satisfactorily.
- Association assets went up but many items remained the same as 2009.
- Expenses went up \$10k. Primarily due to tree removal project.
- Overall very similar to 2009.
- Jack explained reviewing vouchers and looking at invoices and statements etc.

7. Reviewed proposed leasing amendment – Michael Zenner, Winter Capriola Zenner, LLC.

- Michael reviewed the amendment from 2002 which passed overwhelmingly by a majority of home owners. The original restricted leasing amendment was passed to help ensure the quality of life for Hembree Creek residents, make acquiring a mortgage more obtainable as many lenders look at the number of rentals on a property as one of the factors in the loan process, and help the Association present a more positive financial outlook should we ever need to secure a loan for a large capital expense.
- Discussed challenges related to current economy and some home owners attempting to circumvent the restricted leasing amendment without Board approval. The proposed amendment seeks to tighten the language in an effort to prevent any future attempts to circumvent the restricted leasing amendment and will aid in reducing our legal expenses

over the course of the year. Michael clarified definition of *immediate family*. He explained what leasing means and read the part of the proposed amendment that defines it.

8. Discussed Community Issues as follows:

- a) Gerri Schwartz reviewed insurance coverages (Association vs. Home Owner policies).
 - CAU (flood insurance) is due July 2012 and rate will be fixed for 3 years. The deductibles are as follows: water \$7500, sewer \$5000, hail \$2500
 - Individual units/home owners need to carry an HO6 policy (flood and property). Betterments and Improvements need to be covered in home owner's policy.
 - Board will post document to website explaining all the coverages.
- a) Gerri Schwartz reviewed the current FHA financing regulations & increased coverage by the Association. If the Association is required to re-certify FHA requirements, there will be an additional legal expense. Also, 10% of income must be allocated to the Association's reserve account in order to qualify for FHA financing.
- b) Recent car break-ins: (3x3 hole found in fence behind bldg. 500). Residents were encouraged to lock car doors and not to leave any valuables in car. Residents were also urged to call police at the non-emergency number to report the incident and request more patrols in Hembree Creek. Report all incidents to Working Solutions.
- c) Parking issues / guest parking / vendor & contractor parking were discussed.
- d) Water heaters aging – Residents were encourage to replace aging water heaters before they burst and cause flooding. If this should occur, each affected unit's insurance company needs to be informed and they will agree on a resolution. The Association is rarely involved in these incidents except in the capacity to offer counsel and direction.
- e) Resident were informed they cn install switch's on condensate lines to avoid potential leaks and flooding issues.
- f) Residents must notify Working Solutions prior to doing any plumbing work that requires a building water shut-off. Must schedule ahead of time thru Working Solutions and notify ALL residents of the building. Residents must use an *approved Association plumber* or a violation fine will be assessed.
- g) Contact Working Solutions and/or Fire Department as warranted regarding fire or sprinkler alarms.
- h) Incident reports for noise/disturbances should be reported to the police first and then contact Working Solutions.
- i) Trash on property/dumpster issues/junk removal: Do not leave any discarded items outside the dumpster or attempt tp place large items in the dumpster. The Association must spend a minium of \$75 per junk removal incident to have these items removed.
- j) Recycling on the property cannot be instituted as the City of Roswell does not offer pick up services to multi-family dwellings (only single family dwellings).
- k) Hembree Creek website (www.hembreecreek.com) contains governing documents, meeting minutes, newsletters, rules and regulations, available for posting units for sale and more. The Board is currently exploring the option to add functionality to publish newsletters or other messages to subscribers.
- l) Neighborhood Watch (2008 volunteers: #200 - Al & Ada, #300- Lea, #400 Janet Decker, #500 – Roxanne). Cannot institute program until we have ALL building captains in place.

9. Election of Board Members:

- a) Presented Nominees (verified eligibility, presented new candidates, followed by nominations from the floor, and then those seeking re-election). Nominees introduced themselves and gave a brief description of qualifications.
- b) Membership voted for five (5) Board member positions. Working Solutions collected and tallied ballots. Michale Zenner confirmed and announced the results as follows: Victoria Boodoian, Laura Donnelly, Jan Linville, Ralph Stinson, and David Wurtenburg.

10. Reviewed Common Violations: (Enforcement of most covenants regarding architectural controls, pets, speeding, etc...will result in a \$50 fine per violation or incident.)

- a) Unapproved items on deck(s): toys, trash, junk, storage containers or boxes, ladders, mops, lumber, paint, gas cans, gas grills, open flame/candles, towels or rugs hung over banister, actual clothes hung over banister or on hangers under umbrellas, birdfeeders

(other than hummingbird feeders), birdhouses other than decorative ones, flags other than the American/U.S. flag, non-patio furniture, etc...

- b) Colored window treatments (curtains or blinds). Must be white backed.
 - c) Illegal parking
 - d) Speeding
 - e) Storing items in breezeway (furniture, plants, toys, bikes, etc...). This is a City of Roswell Fire Department code violation as well as a Hembree Creek violation and could result in the owner and/or the Association being fined heavily.
 - f) Dumping large items in the dumpster that require a special pick-up for junk removal.
11. **Questions and Comments:** Floor was open for any additional questions from residents.
12. **Newly Elected Board of Directors gathered for a brief meeting.** This meeting was to determine officers per the Association's governing documents which require the new Board to meet within 10 days of the Annual Meeting. The Board elected officers as follows: President – Victoria Boodoian; Vice President – David Wurtenberg; Secretary – Laura Donnelly; Treasurer – Ralph Stinson; Member-at-Large - Jan Linville. The next scheduled Board meeting will be January 9th 2012.

Annual Meeting commenced at 7:10 pm and adjourned at 9:00 pm.

Minutes prepared by Laura Donnelly and revised by Victoria Boodoian. Board of Directors reviewed and adopted minutes on November 30, 2011.

**HEMBREE CREEK CONDOMINIUM ASSOCIATION
ANNUAL RESIDENT MEETING – November 14, 2011**

2011 ACCOMPLISHMENTS & 2012 GOALS

2011 Accomplishments:

- Completed two large landscape projects at mailbox area and behind bldg 500
- Improved landscaping on the lower right hand side of building 200 based on recommendations from Drainage Solutions as an erosion control measure.
- Modified landscaping at pool area to reduce strain on pool pump.
- Replaced dead sod behind building 200 by sidewalk that did not survive the drought following the completion of the drainage improvement project.
- Made significant drainage improvements all over the property.
- Replaced front section of roof for building 200. We still need to replace front sides of buildings 300 & 400. Per professional advice, building 200 was in the worst shape so it was replaced first.
- Removed dead or compromised trees that were threatening buildings, cars, and resident safety.
- Converted trees to wood chips and placed in various areas on property.
- Eliminated pet waste removal service to reduce costs.
- Changed legal retainer from Weinstock & Scavo to Winter Capriola Zenner.
- Gathered occupant information & updated vehicle registrations for use in emergencies.
- Board continued to conduct quarterly property inspections for architectural control violations & maintenance issues. Proactive maintenance measures in place in an effort to reduce potentially higher costs down the road. Many fascia boards were replaced this year.
- Re-strapped & re-painted pool furniture which was significantly cheaper than purchasing new furniture.
- Installed flood light with deflector at entrance sign.
- Created a Hembree Creek newsletter which is circulated several times per year when there is pertinent information to share with the community.
- Working on adding a subscriber list to our website www.hembreecreek.com .
- Installed new light fixture at mailbox that should help reduce the need for numerous maintenance calls for burned out bulbs.
- Engineer was consulted to determine cause of the leaks from upper level uncovered decks. Scheduled 4 decks for repair in 2011 to test and make sure solution remedies the problem before we move forward with a schedule to repair all upper level uncovered decks. This is an original construction issue & there is a significant cost involved.
- Seeking to strengthen and clarify language in the current no leasing amendment in an effort to reduce legal fees.
- Operated within budget despite an extremely challenging economy with increases in utility costs and a reduction in income from monthly fees due to foreclosures.

The following items are being considered for 2012:

- Correct deck leaking issue on upper level uncovered decks. If solution works, will most likely schedule a portion of decks for 2012 & others in 2013 to spread out the cost. This is an unbudgeted/unexpected expense due to the builder's original construction.
- Replace roofs on building 300 & 400 (perhaps one in 2012 & one in 2013) pending professional counsel.
- Landscape Improvements:
 - install new mulch in all existing areas (priority for 2012)
 - explore options & formulate plan to improve landscaping behind buildings 300 & 400.
 - possibly remove dying privets in large island in back of property and replace with other plant material.
- possibly add plant materials or wood chips to sloped area behind bldg 1 (erosion control)