

Hembree Creek Condominium Association - 2013 Annual Meeting Minutes
Monday, November 11th, 2013 7:00-9:00 pm

1. Roll Call and Quorum Established – Working Solutions

2. Introductions were made as follows: Hembree Creek's 2013 Board of Directors; Gerri Schwartz & Cindy Adams of Working Solutions, Inc.; Michael Zenner of Winter Capriola Zenner, LLC.

3. Acknowledged our resident Veterans & families of Veterans

4. Reviewed 2013 Highlights:

- a) Neighborhood Watch Program: As news breaks in our area that is security related (home invasions in neighboring communities, etc...), the Board is in contact with Sherry Regel when necessary. Sherry Regel is the community coordinator with Bill Ison as the backup coordinator. Building Captains are as follows: Bldg 100 Pringle Johnson; Bldg 200 Ada D'Aniello, Tom Bryant, Ulysses Jemenez, & Diana Billups; Bldg 300- Lea Trevino; Bldg 400 Tim Miller & David Wurtenberg; Bldg 500 Roxanne Rosenberry & Bonnie Decker.
- b) Replaced front section of roof on building 400.
- c) As a possible solution to roof leaks and erosion issues, 6" gutters were installed over units 221, 222, 425, & 426 as a test in 2012. In 2013, 6" gutters were installed on the rear sections of buildings 300 & 400, around the complete roof line of building 100, and the front section of building 200 over units 223 & 224.
- d) Replaced backflow regulator for building 500. This is a requirement on all buildings & they occasionally have to be replaced which requires a community wide water shut-off.
- e) Emergency Light fixtures & batteries were replaced as needed.
- f) Painted pool fence & some exposed outdoor metal railings.
- g) Replaced or reinforced broken and compromised exposed outdoor metal railings as needed.
- h) By completion of 2013, front gate will have been lowered to remove the gap that is allowing people to climb under the gate to access the property.
- i) Wood chips were installed behind buildings 300, 400, & 500
- j) Gutters will be spot checked/cleaned in November & all gutters will be cleaned in early December.
- k) Several trees were removed from the community that were either endangering the buildings, pool area, parking lot, fencing, or drive/street area. We are making every effort to remove trees if they are endangering property, car, resident safety, or our ability to gain entry or exit to our community.
- l) Board continued to conduct routine property inspections for architectural control violations & maintenance issues (3 times per year). Proactive maintenance measures are in place in an effort to reduce potentially higher costs down the road.
- m) Board monitored Hembree Village and contacted Code Enforcement Supervisor with the City of Roswell as needed to report various city code violations, etc....
- n) UDC Code has been addressed and corrected with the City of Roswell.
- o) Designated line item in budget for parking lot asphalt resurfacing.
- p) Operated within budget despite an extremely challenging economy with increases in utility costs and a reduction in income from monthly fees due to one unit awaiting foreclosure for several years with no fees paid & another owner who refused to pay their fees all year. This created a significant deficit in cash flow on a monthly basis which compounded over the course of the year. The Board will pursue legal action against any home owner for refusing to pay their monthly fees. The Association incurred unbudgeted legal fees in the process of recovering the 2012 monthly fees from the delinquent owner. This court case has been settled and those monthly fees plus legal costs have been recovered. The court case against the same owner for 2013 monthly fees is currently pending so we cannot comment any further.

5. Reviewed 2014 Goals: These items are under review for potential consideration in 2014:

- a) Replace front side of roof in building 300.
- b) Paint exposed deck railings.
- c) Paint or replace shutters as needed.

d) Engineer was consulted in 2011 to determine cause of the leaks from upper level uncovered decks. Board scheduled four (4) deck repairs in 2011 (221, 222, 225, & 426) as a test. This is an un-budgeted/unexpected expense due to the builder's original construction. Our *Ray Engineering Report* does not forecast this kind of expense in it's 20-25 year projections. Deck Membrances were repaired on 10 exposed upper decks in 2012 in buildings 100, 200 & 500 (units 121, 122, 123, 224, 226, 227, 523, 521, 522 & 525).

i. Possible deck membranes still in need of repair: Remaining 9 exposed upper decks in buildings 300 & 400 (Units 322, 325, 326, 328, 421, 422, 424, 425, 427). Amount estimated is \$1,950 per deck. Pricing is as follows: 1-3 decks; \$2,500; 4-9 decks \$1,950; 10+ decks \$1,800. May do half in 2014 & half in 2015 as needed depending on any future unforeseen expenses that may arise throughout the course of next year.

6. Financial Presentation: Current Status as of October 31, 2013

- a) Operating Account (Checking): \$ 2,380.30
- b) Reserve Account (Savings): \$ 101,096.45
- c) Contingency Account: \$ 4,167.44
- d) Delinquencies as of October 31, 2013: \$ 15,098.35
- e) Foreclosures: (0) 2008 (2) 2009 (4) 2010 (2) 2011(0) 2012 (1) 2013
- f) Re-sales: (3) 2013 (3) 2012 (4) 2011 (5) 2010 (5) 2009 (1) 2008, (14) 2007, (18) 2006 (Units sold in 2013 (3): #327, #423 and #511)
- g) Units currently for sale: # 102, #201, #312, #406, #414, #522 and #525
- h) Units under contract: #406 and #522
- i) Current units with Board approval to rent: #324 and #401.
- j) Jan Linville reviewed Legal Fees for 2013 and provided explanations on the spending.
- k) Water conservation: Board thanked residents for controlling consumption.
- l) Our success is a combination of home owner's who understand the need to pay their monthly fees on time so we can meet the Association's obligations & a Board who has been conservative and understands the importance of fiduciary responsibility.

7. Financial Presentation: 2014 Budget

- a) Reviewed the 2014 budget line items.
- b) David Wurtenburg gave a summary of various property maintenance expenses.
 - i. We are proactive in property maintenance which saves money in repairs in the long run. It also helps with resale value.
 - ii. Due to excessive rain in 2013, we will repaint deck railings and shutters in 2014.
- c) The 2014 monthly fee is \$230 which is a \$10 increase. There is no planned special assessment in 2014. Special assessments are not considered a good accounting practice to increase cash flow/income and have been discontinued at Hembree Creek since 2006.
- d) History of monthly fees: 2008 to 2009 = \$210; 2010 to 2013 = \$220; 2014 = \$230

8. Financial Review/Audit Results – Per Jack Houseal, CPA

- a) Jack Houseal was unable to attend in person. His reports states the Association remains in good financial standing.

9. Discussed Community Issues:

- a) Discussed update on security issues which ultimately led to implementing the Neighborhood Watch Program in April 2012. Due to a previous incident where young men were witnessed crawling under the front gate that later led to an attempted break in during the holiday season combined with a recent report of a man seen crawling under the gate, the Board has voted to lower the front gate to make it impossible to crawl underneath. Please report ANY security incidents to the Roswell Police & then to Gerri Schwartz at Working Solutions and/or a Board member.
- b) Reviewed insurance (Association vs. Home Owner policies) – Gerri Schwartz
- c) Reviewed FHA financing regulations & increased coverage by Association – Michael Zenner & Gerri Schwartz.
- d) Reviewed parking issues / guest parking / vendor & contractor parking

- e) Water heaters in the community are aging. Board encouraged residents to consider replacement before disaster strikes and causes water damage to unit(s). Any damages are the responsibility of the home owner(s).
- f) Discussed pipe busting due to a corroded nail as a result of original construction defect.
- g) Board informed residents that they can install switches on condensate lines to avoid potential leaks.
- h) Home owners need to notify Working Solutions prior to doing any plumbing work that requires the building's water supply to be shut-off. Must schedule ahead of time & notify ALL residents of the building. Owners must use an approved Association plumber or risk being fined.
- i) Contact Fire Department and Working Solutions regarding any fire/sprinkler alarm issues.
- j) In cases of noise, disturbance, break-in, vandalism, etc...call police first & then report incident to Working Solutions.
- k) Trash must be placed within the dumpster. Any trash left outside of the dumpster will not be picked up by the City of Roswell and will result in additional expenses for the Association to have it removed. Furniture & appliances should not be left outside the dumpster. If the Board can determine who left in there, the home owner will be assessed a fine.
- l) Recycling Center is conveniently located on Hembree Road.
- m) Visit our website at www.hembreecreek.com to review governing documents, meeting minutes, rules and regulations. It's also available for posting units for sale.

10. Election of Board Members:

- a) Nominees Presented (verified eligibility, presented new candidates, followed by nominations from the floor, and then those seeking re-election)
- b) Voted for five (5) Board members.
- c) Collected ballots, counted and confirmed
- d) Announced results and welcomed the new 2014 Board of Directors.

11. 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, bird feeders (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.
- g) Pets over 20 lbs. are not allowed on the property at any time. This includes visitors/guests.
- h) Cannot store gas grills or gas cans on the property. This is a violation of the City of Roswell Fire Department.

12. Questions and Comments

- a) Unit in 100 has issue with roof leak due to shingle placement.

13. Newly Elected Board of Directors gathered for a brief meeting to determine officers/roles listed as follows: Victoria Boodoian – President; Laura Donnelly – Secretary; David Wurtenberg - Vice President; Ralph Stinson – Treasurer; Teresa “Tim” Miller - Member at Large.

Minutes prepared by Laura Donnelly and edited by Victoria Boodoian. Board of Directors adopted minutes on January 13, 2014.