

Minutes for 2014 Annual Meeting & Meeting to Raise Annual Assessments
October 20, 2014, 8:00 p.m.
College Park Elementary

Annual Meeting & Meeting to Raise Annual Assessments called to order at 8:00 p.m.

Board Members Present: Andrew Dysart, Denee Harris, Heather Murray, JT Fears, Mary Molloy, Tessa Dysart

Board Members Absent: Art Ray, Courtney Brown

Business Manager Present: Stacie Dayton

Homeowners Present: At the call to order of this meeting, approximately 34 homeowners were present in person

Homeowners Present by Proxy: At least 20 homeowners were present by proxy

I. Introduction of the Board and Officers

- Andrew Dysart—Secretary (Term Expires: 2015)
- Art Ray—Maintenance (Term Expires: 2015)
- Courtney Brown—Social Committee (Term Expires: 2014)
- Denee Harris—Hospitality (Term Expires: 2015)
- Heather Murray (Term Expires: 2016)
- JT Fears—Pool Director (Term Expires: 2016)
- Mary Molloy—Treasurer (Term Expires: 2014)

II. President's Report

A. 2013 Updates—Taxes & Audit

- We were able to resolve our tax problems by hiring Derouches, an accounting firm.
 - We paid a few hundred dollars in state and federal tax penalties, but were able to get the remainder forgiven.
- We have been preparing for a 2013 audit and have all of the information ready. We are just assessing our financial status before starting the audit.

B. 2014 Accomplishments

- In addition to solving our tax issues, we have had other accomplishments:
 - **Website:** Website up and working—updated with minutes, calendar of events, homes for sale, copies of our reserve studies, and other great information. More

information will continue to be added. Please continue to check the website for further updates

- **Email:** Started emailing folks who gave us permission rather than mailing. This will allow us to save a lot of money if more people take advantage of it, as mailings are very expensive. Homeowners must fill out a form in order to receive items electronically
- **Path repair:** We started the process of repairing the walking paths, fixing a section between Amherst and Antioch, which was one of the worst sections. We will continue to fix paths in the upcoming years, while focusing on the worst areas first.
- **Bank:** We were paying over \$600 in bank fees, we switched banks from SunTrust to PNC in order to avoid all fees.
- **Ditch repair:** We negotiated with the city to repair the eroding ditch behind Bennington Circle, at that city's expense. Would like them to clean the rest of the ditches, need to get with my contact there.
- **Social committee:** Social committee formed, has had several events, including Zumba, a water balloon fight, an ice cream social, two garage sales and two picnics.

C. Reserve Study

- We are required by law to have a reserve study every 5 years and then budget for reserves.
 - Previous study done in 2008 for FY 2009. This study showed that our reserves were severely underfunded.
 - Previous board did not fund the reserve, despite the reserve study.
 - Our 2014 study showed the same, that our reserves are severely underfunded. Almost every component in the Association needs repair or replacement.
 - Our 2014 reserve study recommended an **initial reserve fund deposit of \$179,869.18, which equals \$676.20 per homeowner.**
 - How the Board voted to handle this situation is explained below, in the 2015 Budget Report.

D. 2015 Goals

- **Capital improvements:** Would like to start making major capital improvements, as required by law and by our reserve study including:
 - Further path repair
 - Fix the leaks in the pool
 - Install a playground at the clubhouse
- **Website:** Continue improving the website—it is our goal to keep the website updated at all times

- **Social:** Increase homeowner participation in the community

III. 2014 Budget Report

- Income to date: \$ 91,463.11
 - People who do not pay their dues are turned over to collections.
- Expenses to date: \$ 79,406.30
 - Major expenses included:
 - Pool—we switched to a new pool company and lowered the hours, which saved some money, but the pool has leaks, so we spent a lot in water and sewage.
 - Lawn services—The President tried to get estimates for a new lawn care company. She met with 5 companies, but did not have luck getting estimates from these companies. The only estimate that she was able to get was \$2,335.67 a month, which is significantly more expensive than what we are currently paying with Seagreen.
 - Attorney—some of our attorney fees were carryover from the previous year.

IV. 2015 Budget Report

- Largely similar to what we had this past year.
 - No tax penalties this year, so we will not have a big accountant fee this year.
 - We had to budget to fix a mold and bug problem in the clubhouse.
 - We were able to find a cheaper phone company for the clubhouse, and we will see some savings there.
 - The Board has tried very hard to be thrifty with the Association's money and to save in as many areas as possible.
- **Reserves:** Board knew that we could not put in over \$600 per homeowner into our reserve fund, as was recommended by the reserve study. Therefore, after consulting with our attorney, we voted to put \$36,000.00 in the reserve fund, which is roughly equivalent to adding the total inputs over 30 years set forth in the reserve study and dividing it by 30. We are hoping that we can be more thrifty than the reserve fund estimates on many of these items.
 - That caused us to make some tough choices. Really only option was to close the pool, since that is where the bulk of our money goes. Not just in pool contract, but in water, electricity, repairs, etc.
 - But we wanted homeowners to have a choice, so presented you with two budgets.
 - One raises dues per the CPI to \$374—this would mean the pool would be closed

- Other raises the dues for 3 years to \$425—this would allow us to keep the pool open. Still the reduced hours similar to this past year, and with only one lifeguard, so some procedures might change.
- This increase must be approved by homeowners.

V. Voting to Increasing Annual Assessments Pursuant to Article V, Section 3 of the Association's Declaration of Covenants

- A.** The homeowners were already noticed that should a continuance of the Annual Assessments increase be required due to the lack of a quorum required pursuant to Article V, Section 4 of the Association's Declaration of Covenants, said continuance will be held on November 3, 2014 at 8:00 p.m. at the Association's Clubhouse.
- B.** Pursuant to Article V, Section 4 &6 of the Association's Declaration of Covenants, a quorum of 60% of all homeowners are required to be present in person or by proxy. This constitutes 160 homeowners that must be present in person or by proxy in order to meet this quorum requirement. Only approximately 60 homeowners were present in person or by proxy. Therefore, this vote to Increase the Annual Assessments was continued to November 3, 2015, pursuant to our Governing Documents.

VI. Committee Reports

A. Social Committee

B. Nominating Committee

- The Nominating Committee received the following three nominations from homeowners: Alan Murray of Bucknell Circle, Courtney Brown of Babson Way, and Mary Malloy of Baylor Way. All three homeowners were nominated by the Committee to be presented to the homeowners for consideration for the open Board position.

VI. Vote on Three Board Openings

- The Nominating Committee nominated the following three homeowners: Alan Murray of Bucknell Circle, Courtney Brown of Babson Way, and Mary Malloy of Baylor Way. The President requested nominations from the floor and no nominations were made from the floor.
- The following three homeowners were elected unanimously to a three-year Board position, with a term expiring in 2017:
 - Alan Murray of Bucknell Circle
 - Courtney Brown of Babson Way
 - Mary Malloy of Baylor Way

VII. Homeowner Forum

Annual Meeting & Meeting to Raise Annual Assessments called to order at approximately 9:30 p.m.

Respectfully Submitted,

/s Andrew B. Dysart
Andrew B. Dysart
Secretary
Abingdon Village Homes Association