

Crescent at Cherry Lane Homeowners Association, Inc.
Annual Meeting of the Members Minutes
October 18, 2012 7:30pm

Board members present: S. Michael Chittenden
Robin McCormick
Wm. Carl Isler, II
Officers Present: Jacquelin Zimmermann
Board members absent: None

I. Roll Call and Certificate of Proxies

Mr. Chittenden called the meeting to order at 7:55 pm.

II. Proof of Notice of Meeting or Waiver of Notice

Mr. Chittenden reviewed that the notice of meeting was sent by mail in late August. The requirement of proof of notice was waived.

III. Verification of Quorum

Mr. Chittenden reviewed the quorum requirements, stating that 138 lots were eligible to vote out of the 150. Proxy was received for 27 lots. 16 lots were represented at the meeting with 1 representative being ineligible. The total of 42 lots met the requirement for quorum.

IV. Reports of Officer

Mr. Chittenden introduced himself, the board and the officer.

Mr. Chittenden reported that, in the last board meeting, a resolution was passed to require registration for pets in the community. The board is working out the details of the process. The details of that will be nailed down in the meeting of the board on 11-13. There will be no fee for registering, but there will be a fee if they are not registered.

A member of the community asked why this is a requirement, not voluntary. Mr. Chittenden explained that the registration serves a two-fold purpose. It will allow for us to reconnect people with their pets, and it will allow the community to handle pets who run loose.

Mr. Chittenden reviewed that McDonough has performed the first stage of the turf rehab program. If it goes well, the community will do more next year.

Mr. Chittenden reported on the dead trees within the community. For the trees that are in the common ground, they will be replaced at the community expense. The same will be done for trees that have died on private property, but the owner will receive a notification that it is their responsibility to keep the tree(s) alive in the future or they will be responsible for replacing the tree(s).

V. Unfinished Business

A. Review of Financials

Mr. Chittenden reported on the financial status of the community, stating that the community is relatively on budget, but slightly short on capital income because lots have not been built upon as anticipated. Mr. Chittenden reported that Ryan Homes has contracted with Elm Street to finish out the community and they hope to be done by the end of 2014. Floor plans are available on the Ryan website.

Regarding the budget, Mr. Chittenden reported that late fee income is in excess of the estimates because the new law firm has been proactive in its collection efforts. Late fees make up for capital income. He also reported that the community is under budget on expenses because of the newness of the community.

Mr. Chittenden stated that the Board anticipates that landscaping will be over for the year because of the turf rehab that was completed, which was not part of the original budget and that management and snow removal will draw down the net income.

B. Reserve Study

Mr. Chittenden reviewed the results of the reserve study, which had been approved earlier this year. It shows that the community is strong in reserves. There are two potential calculation methods: common items and reserve fund. The study used the reserve fund, which is the more aggressive of the two. The community has over 200% of what would be recommended.

Mr. Chittenden proposed that \$25,000 be moved from retained earnings to the reserve fund to provide a substantial level of cushion for unanticipated costs in the future. This will provide a buffer in case of a sudden cost to prevent us from having costs passed on to the association members on an ad hoc basis. Mr. Chittenden made a motion to transfer the funds; Mr. Isler seconded. The motion passed unanimously.

VI. New Business

A. Discussion of Proposed 2013 Budget

Mr. Chittenden reviewed the proposed budget, which:

- reduces the quarterly assessment by \$10 to \$109
- reduces the alleyway assessment by \$13 to \$65
- reduces the income by \$900+ per year based on the above reductions
- assumes new construction will mitigate \$900+ reduction
- increases the landscaping by \$3,000 to cover the turf rehab
- increases landscaping on-lot to \$70 for townhome and \$100 for SFHs to cover additional weeding from April to September

Mr. Chittenden explained that because the developer will likely be responsible for many costs through the next year combined with the reserve, the reduction should be sustainable for the next few years. However, this can be changed as needed by the HOA.

An association member asked if there is a plan for more lighting at the intersection of Archsine and First Baptist Lanes. Mr. Chittenden will ask the developer about this, but suspects that this would require city approval and is part of the city expenses.

An association member asked about the turf rehabilitation program. Mr. Chittenden described the process and the areas that have been done. Mr. Chittenden also described the rationale behind the decision.

B. Member Discussion

An association member asked about the trash cans and whether trash cans can be stored outside. Mr. Chittenden explained that the guidance regarding trash can storage is a covenant and would require a 50% vote of the community in order to change it. However, if it is what the community would like, then it can be looked into. In order to pass a change to the covenant, the member would need to get 30 lots (20%) to request a special meeting and then would need 50% in order to get the change passed.

The association members and the board discussed the HOA policies regarding meetings. The association is required to have an annual meeting, and two board meetings. Association members asked about more frequent meetings. Mr. Chittenden discussed with the members what the board's responsibilities are and what the members' responsibilities are. More frequent meetings would not change the responsibilities of either the board or the members.

Mr. Chittenden reminded the members of the opportunity to serve on the Covenants Committee, which enforces and makes rules and regulations related to the covenants. The board has oversight.

The board welcomes input from the community at the board meetings, via email and through the website.

A member brought up the parking on Breckenridge as a decision made that did not reflect the members' wishes. Mr. Chittenden explained that the board did ask the city to prevent enforcement of the parking on Breckenridge and the city denied it. In the meantime, Mr. Chittenden will contact Elm St. to ask about filling in the holes in the property on that side of the street to prevent injury of those who have to park on that side.

VII. Appointment of Inspectors of Election

Three association members volunteered to serve as inspectors for the election.

VIII. Election of Director

Three candidates were nominated: Carl Isler, La'Tonya Cooper, and Takia Taylor-Anthony. Carl and La'Tonya spoke to their candidacy. Takia had to leave early and Mr. Chittenden read from her nomination form.

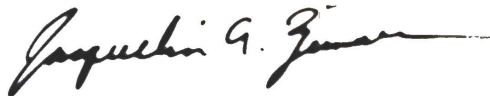
The members present voted. The tallied results were:

- Takia - 1
- La'Tonya - 5
- Carl - 11

Mr. Isler was elected to serve another three years on the board.

IX. Adjournment

Mr. Chittenden asked if there was any further business; hearing none, Mr. Chittenden adjourned the meeting at 9:07 pm.



Jacquelin A. Zimmermann
Secretary
Crescent at Cherry Lane Home Owners Association