

Seldom Seen Phase III Association Meeting Minutes

July 31, 2004

10:00 A.M.

Liberty Hall, Powell, OH

At least 26 homeowners were represented. Refer to sign in sheet for actual attendance.

Ron Buckner called the meeting to order.

John Newcomer read the minutes of the May 22 Association meeting:

The meeting was turned over to the newly elected officials, congratulations offered.

C=Comment Q=Question A=Answer

Discussion: Tentative Operating and Capital Budgets

Dave Lickovitch (treasurer) presented the tentative operating and capital budget as developed by the trustees. Copies were distributed for discussion.

Operating Budget:

Tentative first year fiscal operating budget was based on bids and estimates and comparisons with other sub divisions. The first year is most difficult since we have no funds to draw on until the fees are collected. Based on the preliminary operating budget of \$13,750 this would represent approximately \$275 per household. There are 50 households and the budget would be divided by this number to arrive at the Association fee.

Capital Expenditures:

The Capital expenditures as presented included a listing of possible one time expenditures. If all those listed were approved the cost would be approximately \$425 per household. The trustees are looking for the homeowners to identify the appropriateness, priority and timing or to identify any added cost not identified. We are pressed for time with the water taps for the front entrance. If this is not done before October 1, 2004 Delco water will raise the tap cost goes up by \$1000. These items would be a special assessment.

Discussion:

Q – Bylaws – Are we checking what is in existence and reworking those and are they enforceable since zoning is not backing us up is it worth the expense?

A - Zoning has nothing to do with enforcement of bylaws

Discussion Pond:

Q – Explain the \$5000 for pond aeration.

C - Pond aeration seems a preferred method for algae control. It consists of a system to pump air bubbles into the pond. It is not a fountain. It is not recommended until the 3rd year.

C – Feel the \$425 is reasonable and should budget now

C – Recommend we approve all of the Capital Expenditures except the last two (Pond Aeration and Pond Electrical Hookup)

C – The pond is private property should have discussion about establishing an association of pond owners. Think there is an issue of the total association taking on the responsibility of the pond. Owners have the primary responsibility for their private property and agree that the last two items should be tabled for later.

Discussion Front Entrance:

Q – Are there things we can plant in the front entrance that do not need as much water. And can we do anything without proper easements.

A – Easements are necessary. We are working to clarify easements, and are now using utility easements.

C - Think the front entrance is horrid

C – A number of comments were made agreeing that the timing is not right to initiate a change to the front entrance due in part to questions of easements, Township enforcements and Paul Phillips' inconsistent statements.

Discussion Pond:

- Q - Aeration – Explain what the \$5000 is for. Question about the relationship of zoning and bylaws.
A - Zoning has nothing to do with enforcement of bylaws. Changing the bylaws would be done to reflect our Association interests and optimize our development.
A - Aeration is done not with fountains but with underwater bubblers. Includes pump houses and piping. Builders have stated that they will not participate in the pond improvements.
C - View Capital items in two categories; Things that must be done this year and things that can be deferred.
A - Correct. Experts recommend the aeration is for year three, not now. Some items can be deferred to future years.
C - Suggests we consider all of the listed items except the last two for approval for this first year budget.
C - Feel the \$425 is reasonable. Should budget now.
C - Feel reasonable. Agree budget now for pond so in year three it does not hit us
C - Feel assessment fees are very reasonable as well ... Unfortunate that people on the pond were misled by the builders. But the pond is private property. Think we should discuss establishing an association of pond owners within the association as was done in Phase I. There is an issue of the association taking on responsibility of private property. Non-pond owners have their own responsibilities and issues with their lots without assistance.
C – one legal opinion is that the pond is not private property

Discussion Front Entrance:

- Q - Front entrance issues, are we confident we can deal with all issues and are there plants we can use in landscaping that need less water and care
A – Understanding easements are necessary before we spend money... we can research plants and soil... junipers are dying now...
C - Determined if we redo the front entrance I do not think it is acceptable as it is... any changes will require money and vote.
Q - Capital expenditures do not show a line item for a new front entrance
A – Yes, but we may want to consider an additional sign on the back of the development as well... as a rule it runs about \$25,000 per signage... nothing determined yet.
C - Need to make sure we have proper easements. Not just utility easements.
A- Agreed.This easement question, Holly to help us work out.

Discussion Pond:

- C - Collected money from pond homeowners for pond treatment.... Ron contacted vendors with proper licenses... Tom from the pond maintenance company deceased but his company gave us the best prices for treatment.

Two quotes:

- 1) White Amores Chinese algae eaters cannot add to the pond in warm weather they can only be added in cool fall.
- 2) chemical treatment \$1200 covers three treatments and must be done every year
This is a good deal as his first customer since Tom passed away. This is first year's fiscal budget.... Next year will address.

Aeration cuts the chemical cost in half.

Our budget is on a calendar year

- Q - Maintenance program for aeration...
A - Must replace underwater tubes periodically

Discussion Front Entrance:

- Q - Irrigation?... a lot of other developments do? It is necessary?
A - July plants will die... need water and fertilization. Must feed it and put water on it.
C - Electrical hook up must go under the road. We hope Paul pays for that Out budget does not include
Q - Water tap... tap off adjoining houses?
A – There are issues about coming through private yards which is not an easement; issues of approval. Paul says he will do irrigation, tap fees and electrical but he has not honored his word.

Discussion:

C - Those that paid earlier this year for legal fees got a rebate for unused fees.
C - Once the assessment is established would like to issue one invoice. Some have expressed they want to pay once and others want to stagger their payments.

Q - Pond Aeration, who exactly will pay for that? Just the pond owners or everyone? We will vote on what we want to include and aeration is not included in the budget now. Pond annual maintenance is on sheet.

C - Suggestion we take the pond out of the proposed Capital Expense.

C - Everyone's water does not drain into the pond.

C - Agree with the Capital Expenditure except for pond aeration and electrical service which should be eliminated.

C - One person said he would be willing to plant front entrance to save money.

C - We cannot iron out what we will do with the front entrance until easement and other issues are resolved

Q - What about the \$275

A - That amount is for the normal annual operating expenses and not the capital budget.

Q - Concerns of Capital budget and easement issues.

A - Can assess for capital but will not proceed on any of those items until easements are addressed.

C - Document that in the minutes... we can address later but document in the minutes.

C - The operating budget is what it is.

C - We believe capital expenditures should be voted on

Q - Regarding the operating budget... one Rutherford owner said he would mow the grass. what changed in the thinking

A - The township will mow once per month.

C - Prefers to have a commercial cut to keep the street view uniform

C - There may be other areas that are underbudgeted or overbudgeted these are estimates.

C - Treasurer - Try to invoice August 1st whatever capital is determined to be. Some want to pay Capital and Operating Expense at one time and others want to split the payments.

C - A homeowner who is a CPA suggests splitting the invoice. Can get into intricate tax situations with associations if you do not. Special assessments may be handled differently by tax interpretation. Software and record keeping is also important. What happens when a new treasurer takes over.

A - Using Quickbooks (Records are maintained).

C - One vote per household.

MOTION:

Will Aldrich - I move to vote on \$275 first year annual operating budget with the exclusion of pond treatments on the approved budget.

Second: Margie Gesell

Discussion:

C - When exclude a category it has an impact. We must address in year two.

C - Report at each meeting on performance against the budget.

A - Definitely.

Agreed: 17

Opposed: 7

Motion passes

CAPITAL EXPENDATURE:

Sheet passed out first year cap expense.

Motion:

Bently Collier: (Capital Budget) Motion we approval all except the last two items

Second: ----none---

C - silly to divide along lines. (pond owners and non-pond owners)

C - pond impacts all owners must compromise

C - Approve all for now except the last two items

C - Want a lawyer's opinion from both sides - we have not heard two sides of the pond issue

C - Agree

C - Suggestion to making a motion to put a cap on it.

MOTION:

Mike Stefanik: (Operating Budget) Include pond treatments in annual operating budget and put a figure on it \$1200 fee assessment as a cap anything over that the pond homeowners will pay. (Intention of line item is to include chemical treatment, dye and fish)

Second: Mark Stevens

Questions:

C - Do not agree with the liability issue behind paying for pond treatment as an association

C - Homeowner has his own drainage issues that the development will not pay

C - Another homeowner also has a drainage problem that the development will not pay

Put line item in it

C - Changes the reserve... does not change the \$275

C - Nitrogen drains into the pond and therefore an upcharge... viable option

C - Cap of 1200... anything over that the pond homeowners will pay....

Agree: 17

Opposed: 6

Motion passes

MOTION:

Jason Sipos: (Capital Budget) Moves to approve all of the capital expenditures as presented except the last two (pond) items. (Motion to put top 4 items into the CapEx.)

Second: Bently Collier

In favor: 24

Opposed: 0

Motion passes

C - Special assessment looks like approx 300\$

Discussion:

C - A number of people have drainage issues... put a package together. Assemble a committee... Jason to research and spearhead this item. Jason to solicit emails from other homeowners with drainage issues.

DONE WITH BUDGET ISSUES:

C - Dave to issue one invoice or two invoices at once with option to pay the special assessment due by the end of March and operating expense due in 60 days.

Meeting Adjourned

Submitted by John Newcomer, Secretary