

Annual Meeting Minutes 4-4-05
Palmyra Municipal Building-7:00PM

President, Robin Stanley called the Annual Meeting to order at 7:05PM. Vice-President Ron Burke reported that Doug Cheyney would be leaving for Iraq for duty in a few weeks. His obligations to the Homeowners Association will continue to be done by his crew. Ron reported that all the streetlights are in working order and we also have some replacement parts for future repairs. At the present time, the common ground is a mess due to recent rains and moss is growing. Cheyney Landscaping will mow the area as needed and add fill to the depression that has been filled several times in the past. Ron's term as Vice-President has ended and Scott Stephens will assume that position.

Ted Shipway, Treasurer reported that all dues have been paid. One hundred and eight (108) homeowners took advantage of the discount this year. The beginning balance in the checking account for 1-1-04 was \$175.77 compared to the beginning balance for 2005 was \$7,512.84. Some of the funds in the checking account will now be moved into the savings. Ted indicated the Board will continue to control expenses and that all invoices are being paid upon receipt.

Robin added that the HOA funds are in better shape than we've ever been. She indicated the Board continues to target for \$15,000.00 in a reserve fund that will be invested, reminding the attendees that the sinkhole repair at Forest Glen cost \$14,000. Robin indicated that the use of the Post Office Box has helped to receive invoices on a timely basis.

Secretary Marcia Perrotti was not in attendance so Pat Raskauskas took the minutes.

George Raudensky, ACC Chair indicated that from April 2004 to April 2005 there were 24 requests submitted to the Architectural Control Committee. Twenty-two (22) were approved (5 were post-approvals); one (1) is pending a permit and one (1) was denied. The average length of time for approval/denial is 20 days depending on the weather.

Robin indicated that Jerry Hollen would not be taking over as ACC Chair, so the HOA Board requests another volunteer to take over this position.

Robin pointed out that Waste Management contract runs out on 6-30-05 and the Board will be taking bids from other trash hauling companies. She noted that Waste Management had billed us at the old rate and she would expect to see next year's cost to increase.

Robin reports that she has been talking with the Engineers concerning the retention basin at Pin Oak Circle. She reports that in the retention area ruts need to be filled in and the area needs to be re-seeded. Some areas have had rocks washed out and more rock will be needed. The county is still holding \$1,000 of the original bond posted by Dennis Hess.

Robin reported that North Londonderry Twp. has taken care of the brush and has done trimming of trees in the area between the Oaks and Forest Glen. The Twp. will fill several sinkholes in that area and will cut the grass as needed. Robin reported that we are not permitted to use the access between Forest Glen and the Oaks to reach our common property, but that the Twp. can use this access.

It was noted that there were only seventy-three (73) votes submitted in response to the proposed changes to the Oaks Homeowners governing documents and the Planned Communities Act requires at least 67% of the association; therefore 101 votes would be needed.

Robin pointed out that without these changes, the HOA Board has no authority to enforce the By-laws and the Covenant, or to seek recovery of legal costs for enforcement. In essence, the Covenant is so vague that the HOA Board has no power but is charged with enforcement. It was discussed that the developer Dennis Hess wrote the original by-laws and Covenants.

Robin noted that the letter sent to all homeowners on Jan. 11, 2005 detailed how important this Annual Meeting was and that each vote was necessary to make changes. The cover letter to the mailed ballot repeated that information. The response was disappointing.

The floor opened for questions and it was discussed that a "special meeting" could be called with all those in attendance and by counting the proxy votes. This meeting would address the proposed changes to the governing documents as outlined on the ballots. No other business would be addressed. Don Hassenbein proposed a date for a "special meeting" be set to reconsider the change in the governing documents and this was seconded by Helen Burke. A petition was circulated and passed around the room, obtaining the 38 signatures necessary in accordance with the by-laws.

Follow-up discussions determined that letters will be sent to all homeowners with another ballot. The "special meeting" will be set for 5-21-05 @ 10:00AM to occur in one of the "circle" streets and volunteers were requested to retrieve ballots from those homeowners who are not able to attend the meeting. Special effort will be made to contact every homeowner so that they understand the importance of the issues. The volunteers will also answer any questions when picking-up the ballots prior to the meeting.

From the floor came a complaint that construction trucks are using Hickory Street for access to the Keystone development instead of Plaza Drive. Robin explained that as long as these are licensed vehicles, there's nothing that can be done.

Another complaint came from the floor concerning privacy fences. As this was an issue presented to the homeowners several years ago and it was upheld that the HOA would not permit privacy fences; the subject was not something that could be discussed at this meeting. It was suggested that this be open for discussion at the "special meeting", but because that meeting is only to address those issues already presented to the homeowners concerning the governing documents, the privacy fences cannot be on a ballot again until the Annual Meeting for 2006.

Dave and Chris Damron from 56 Hickory Street thanked their neighbors for the flags and support given to their family when Dave was away on his tour of duty. He noted that the ground around his foundation has settled and recommended a swale be put in place to move the water away. Robin noted there is no drainage between the homes on Pin Oak and Hickory but that the Board will look into this.

The need for Resale Certificates was discussed briefly and then the Board was recognized for the work they have done on behalf of the HOA.

The meeting adjourned at 8:20PM.
Pat Raskauskas for Marcia Perrotti, Secretary

The Oaks Homeowners Association
2005 2nd BALLOT

NOTE: You must be in good standing for vote to be counted (dues paid and no violations)

Section 6.12 Explanation:

The Board is clarifying where recreational equipment may be stored in the off-season. The original Covenant does not provide a definition of the word "seasonal" and we are not attempting to do so here. We are stating that off-season equipment must be garaged or stored off-site, not on a patio, deck, yard, etc. Vote "yes" if you agree that recreational equipment must be garaged or stored off-site in the off-season.

Section 6.12. Vehicles: Add the following:

Owners may park a recreational vehicle, boat or trailer only in their driveways and only on a temporary, seasonal basis. However, under no circumstances may a recreational vehicle, boat, or trailer be parked on an owner's driveway or on any other area of an owner's lot except in a garage on a year-round basis.

YES

NO

Section 3.06a Explanation:

Currently the Board has no authority to request a special assessment, except for capital expenditures. Therefore, if a catastrophic event such as a sinkhole or retention basin collapse occurs and we don't have enough money in the budget, we have no legal authority to ask for a special assessment to make the repair. However, the Board (and you, as a member of this Association) is required by law to maintain and repair as necessary, and would be subject to a lawsuit by the township authority if we do not fulfill our obligation. Lack of funding does not take away that responsibility. Vote "yes" to give the Board the authority to ask for a special assessment to fund a major repair not covered in the current budget.

Section 3.06a: Add the following:

Special Assessment for Miscellaneous Costs. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, any costs incurred by the Association not provided for in the annual budget. Before the Association may incur such costs not provided for in the annual budget, the Members must ratify the action of incurring such costs by a two-thirds (2/3) affirmative vote of each class of members who are voting in person or by proxy at a meeting called for such purpose.

YES

NO

Section 6.16 Explanation:

Currently, when a homeowner is sent a notice of violation of the Covenant but fails to correct the problem within the allotted time frame (usually 30 days) there is no penalty and thus no incentive to comply. It is the intention of the Board to encourage compliance, not penalize, but without a monetary penalty there is no incentive to speedily attend to the problem. Do not confuse this matter with noise or other nuisance issues over which the Board has no authority. This item refers only to violations of our Covenant. The judge hearing the case if the matter proceeded to court would decide "reasonable" attorney fees. Vote "yes" if you agree that a fine as stated above can be assessed if a violation is not corrected within the time allotted by the Board.

Section 6.16 Nuisances: Add the following:

(c) After such notice to terminate is delivered, the responsible person shall be fined at a rate of Twenty-Five Dollars (\$25.00) per day for each day thereafter that said nuisance remains unabated. Payment shall be due to the Association and collectible thereby in the event payment of any fine is not made by the responsible persons. The Association shall be entitled to collect its costs and fees, including reasonable attorneys' fees, incurred in collecting any fines from the responsible persons.

YES _____

NO _____

Section 7.01 Explanation:

The Association does not have the authority to take legal action against a violating homeowner. We are charged with enforcing regulations but our Covenant does not give us the means to do so if a homeowner chooses to ignore them. Any legal action must be filed in the name of an individual owner. Additionally, we are not entitled to recover the legal cost of enforcing the Covenant, even if an individual homeowner takes the action and the judge rules in his favor. This applies to all homeowners, not just to the Board of Directors. The judge hearing the case would decide "reasonable" attorney fees. **Vote "yes" to give the Association the authority to take legal action to enforce the Covenant. A "yes" vote would also allow the Board and/or individual homeowners to request reimbursement of costs if the ruling were in their favor.**

Section 7.01 Enforcement: Add the following:

In the event that the Declarant, the Association, or an Owner initiates legal proceedings seeking to enforce these covenants and/or seeking the abatement of a nuisance pursuant to this section, that party shall be entitled to recover its costs and fees, including reasonable attorneys' fees, from the offending party.

YES _____

NO _____

Explanation of Reimbursing Annual Dues to Board Members:

Without volunteers willing to serve on the Board we will be forced to hire a professional management company to run the Association, resulting in a large increase in everyone's annual dues. Price estimates obtained in the past indicated a dues increase of about \$200-\$250 per owner each year. To avoid that expense a recommendation was made last year to reimburse annual dues for board members who complete a full year of service as an incentive to encourage more volunteers. However, the ballot was worded in such a way that it would require a new vote each year. The recommendation above has been re-worded to avoid the necessity of re-voting on it every year. **Vote "yes" to reimburse or waive the annual dues for each board member whom completed a full year of service the prior year.**

Reimburse or waive the annual dues for each board member who completed a full year of service the previous year.

YES _____

NO _____

I assign my proxy to: Board of Directors _____ (OR) _____ (enter name of person)

Signed: _____

Don & Elke Hassenheim
353 Oak Lane
Palmyra, PA 17078

Income Statement
Projected Budget for 2005

Cash	2005 Original Budget	2005 Actual 12/31/2005	2005	
			Actual vs Plan (Over) Under	% of Total Expenses
Income:				
Checking Account - Balance 1/1/05	7512.84			
Reserve (Savings) Balance 3/11/05	4106.34			
2005 Homeowners Dues 3/31/2005	22260.00			
Resale Certificate Income	400.00			
Total Cash	\$34,279.18			
Transfer Funds to Savings Reserve	(2600.00)			
Total Cash Available	\$31,679.18			
Expenses:				
Electric	4828.00	4821.22	6.78	26%
Insurance	818.00	822.00	(4.00)	4%
Administrative	1000.00	1537.44	(537.44)	5%
Ground Maintenance - Mowing	5000.00	3306.32	1693.68	27%
Ground Maintenance - Other	500.00	1433.72	(933.72)	3%
Legal Counsel	2000.00	678.50	1321.50	11%
Real Estate Taxes	1200.00	1331.69	(131.69)	7%
Street Light Repairs	3000.00	70.00	2930.00	16%
Total Expenses	\$ 18,346.00	\$ 14,000.89	\$ 4,345.11	
ESTIMATED CASH BALANCE YEAR END 2005	<u>\$13,333.18</u>			

[BACK TO NEWS / HOME](#)

The Oaks Homeowners Association					
Income Statement					
Projected Budget for 2004					
		2004 Original	2004 Actual	2004	
	Cash	Budget	12/22/04	Actual vs Plan	% of Total
				(Over) Under	Expenses
Income:					
Checking Account - Balance 1/1/04	177.77				
Reserve (Savings) Balance 1/1/04	1503.12				
2004 Homeowner Dues	22350.00				
Resale Certificate Income	150.00				
Total Cash	\$24,180.89				
Transfer Funds to Savings Reserve	(2600.00)				
Total Cash Available	\$ 21,580.89				
Expenses:					
Electric		4828.00	4460.88	367.12	25%
Insurance		818.00	818.00	0.00	4%
Administrative		1000.00	372.33	627.67	5%
Ground Maintenance - Mowing		6500.00	3763.00	2737.00	34%
Ground Maintenance - Other		500.00	1175.40	(675.40)	3%
Legal Counsel		500.00	1811.33	(1311.33)	3%
Real Estate Taxes		1150.00	1191.38	(41.38)	6%
Street Light Repairs		4000.00	1722.61	2277.39	21%
Total Expenses		\$ 19,296.00	\$ 15,314.93	\$ 3,981.07	
ESTIMATED CASH BALANCE YEAR END 2004	\$ 2,284.89				

The Oaks Homeowners Association					
Income Statement					
Projected Budget for 2005					
				2005	
		2005 Original	2005 Actual	Actual vs Plan	% of Total
	Cash	Budget	3/31/05	(Over) Under	Expenses
Income:					
Checking Account - Balance 1/1/05	7512.84				
Reserve (Savings) Balance 3/11/05	4106.34				
2005 Homeowners Dues 3/31/2005	21910.00				
Resale Certificate Income	50.00				
Total Cash	\$33,579.18				
Transfer Funds to Savings Reserve	(2600.00)				
Total Cash Available	\$ 30,979.18				
Expenses:					
Electric		4828.00	1483.64	3344.36	26%
Insurance		818.00	822.00	(4.00)	4%
Administrative		1000.00	560.84	439.16	5%
Ground Maintenance - Mowing		5000.00		5000.00	27%
Ground Maintenance - Other		500.00		500.00	3%
Legal Counsel		2000.00	504.00	1496.00	11%
Real Estate Taxes		1200.00		1200.00	7%
Street Light Repairs		3000.00		3000.00	16%
Total Expenses		\$ 18,346.00	\$ 3,370.48	\$ 14,975.52	
ESTIMATED CASH BALANCE YEAR END 2005	\$ 12,633.18				

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38