

CHATELAINE
ANNUAL MEETING

Daly, Case, Nelson, Ingram - Rebecca Thompson N&H

DATE
LOCATION

Feb. 20, 2011
THORNBLADE

START - CALL TO ORDER
VERIFICATION OF QUORUM
INTRODUCTION OF MODERATOR

REBECCA THOMPSON VERIFIED A QUORUM WAS PRESENT
KEN DALY INTRODUCED JIM POPE AS THE MODERATOR - APPOINTED BY THE BOARD

APPROVE MINUTES

MINUTES FROM THE 2010 ANNUAL MEETING WERE REVIEWED AND APPROVED

AGENDA ITEMS

2010 YEAR IN REVIEW

FINANCIAL REVIEW -2010-2011

PEGGY NELSON PRESENTED THE 2010 ACTUAL FINANCIAL STATEMENTS AND THE 2011 BUDGET WITH COMPARISONS.

COLLECTIONS REPORT

PEGGY REVIEWED OUR RECENT COLLECTIONS AND COMPARED THEM TO THE PREVIOUS YEAR. REMINDED EVERYONE OF DIRECT DEPOSIT.

STATUS OF LOAN

PEGGY REVIEWED THE STATUS OF THE CURRENT BANK LOAN AND THE EXPECTED PAY OFF DATE OF SPRING 2012.

AUDIT / ACCOUNTING REVIEW

KEN PRESENTED THE "INDEPENDENT ACCOUNTING ANALYSIS" CONDUCTED BY MS. REBECCA COGGINS, CPA.LLC. AS THE FINAL REPORT WILL NOT BE PRESENTED UNTIL AFTER TAX SEASON HE READ THROUGH HER REPORT GIVING HER METHODOLOGY AND WHY IT IS CLASSIFIED AS AN ACCOUNTING REVIEW AND NOT AN AUDIT. ONCE THE REVIEW IS FINALIZED AND PRESENTED TO THE BOARD IT WILL BE PLACED ON FILE AT N&H. HER PRELIMINARY REPORT INDICATED THERE WERE NO DISCREPANCIES NOTED IN BANK TRANSFERS, LOAN ACTIVITY, OR DRAWS FOR THE ROOF PROJECT. TOTAL COST OF THE ROOF REPLACEMENT WAS \$ 459,187 AND IN LINE WITH THE ASSESSMENTS TO THE HOMEOWNERS. SIGNATURES ON CHECKS WERE REVIEWED AND SEVERAL CHECKS WERE PULLED FOR VERIFICATION FOR PROPER SIGNATURE, THESE HAVE ALL BEEN CLEARED BY N&H AND THE AUDITOR. EXPECTED VS ACTUAL ASSESSMENTS AND REGIME FEE REVENUE WERE REVIEWED AND DEEMED TO BE IN LINE IN LINE WITH EACH OTHER. SPECIFIC RECOMMENDATIONS WILL BE MADE ON THE FINAL REPORT TO ENHANCE CURRENT ACCOUNTING POLICY AND PROCEDURES.

ROAD PAVING REPORT

BEN INGRAM PRESENTED THE REPORT AND THE FINAL ACCOUNTING OF THE PROJECT AS IT CAME IN UNDER BUDGET. THE ASSOCIATION GAVE THE ROAD COMMITTEE AND THE BOARD A STANDING OVATION FOR A JOB WELL DONE.

2011 YEAR AHEAD

KEN PRESENTED THE ARC'S PROPOSAL FOR ISLAND LANDSCAPING AND WALL REPAIR THAT THE BOARD WILL IMPLEMENT ON FUNDS AVAILABLE SCHEDULE. HE PRESENTED THE EFFECT ON THE ASSOCIATION ON LATE PAYMENTS AND THE STRENGTHENING OF THE COLLECTIONS POLICY. HE PRESENTED THE QUESTION OF CONDUCTING AN OFFICIAL RESERVE STUDY IN THE FUTURE AS A TOPIC FOR THE 2011 BOARD TO REVIEW

VOTING ISSUES

PHIL CASE PRESENTED THE FOLLOWING VOTING ISSUES FOR THE MEETING.

1) SHOULD THE \$2, 514 SURPLUS BE REFUNDED TO THE HOMEOWNERS OR PLACED IN A RESERVE FUND? MAJORITY VOTE TO PLACE IN RESERVE FUND

2) AMEND CHECK WRITING AUTHORIZATION. WILL MAKE BY LAWS CONSISTENT WITH ACTUAL PRACTICE OF THE INDEPENDENT MANAGEMENT COMPANY WRITING CHECKS AND COLLECTING HOMEOWNER FUNDS. BOARD MEMBERS HAVE APPROVAL AUTHORITY AND PASS ACCOUNTING POLICY. VOTE APPROVED IN MAJORITY.

3) AMEND TERMS OF BOARD TENURE FROM 3 YEARS TO 2 YEARS - VOTE APPROVED

4) INCREASE DUES BY \$15 A MONTH AND MAKE AN AMENDMENT TO COVENANTS TO INCLUDE TRASH COLLECTION AS BENEFIT TO THE HOMEOWNERS. THIS WOULD RESULT IN A LOWER COST FOR MOST HOMEOWNERS AND REDUCE THE NUMBER OF LARGE TRUCKS COMING IN AND OUT OF THE NEIGHBORHOOD. THE EXPECTED COST OF TRASH COLLECTION IS ESTIMATED AT \$11 AND THE REMAINING BALANCE OF \$4 WOULD GO FOR AUDIT FEES AND OTHER OPERATING EXPENSES.
VOTE - APPROVED BY MAJORITY

BOARD ELECTIONS

KEN PRESENTED THE NOMINATING COMMITTEE REPORT.
JIM POPE HAS BEEN APPROVED BY THE BOARD TO FILL THE TERM OF BOB FREITAG.
LARS JOHNSON WAS PRESENTED AS THE CANDIDATE TO FILL THE EXPIRING TERM OF PEGGY NELSON. NO NOMINATIONS FROM THE FLOOR. LARS APPROVED.

NEW BUSINESS

THE FOLLOWING ITEMS WERE PRESENTED FROM THE FLOOR AND DISCUSSED AS ITEMS TO BE REVIEWED BY THE BOARD.

NO PARKING IN CUL DE SACS
PUBLISH ANNUAL MINUTES AFTER THE MEETING INSTEAD OF WAITING UNTIL NEXT YR.
PICK UP AFTER YOUR PET AND THERE IS A LEASH LAW
CHARGE MORE IF NOT ON DIRECT DEPOSIT
BE MORE PROACTIVE ON COLLECTIONS

MEETING WAS ADJOURNED.