

REVISED

SPECIAL BUDGET MEETING
SEPTEMBER 9, 1993

Meeting started at 7:30 P.M. at the Champions Firehouse.

Jeff Wand introduced the members of the Board and thanked Barry King for the use of the Fire station.

Dee Wasson announced that the first meeting of the Women's Club would be held on September 15th and that the annual BBQ will be held on October 23rd, with more information forthcoming.

Jeff explained the reason for the meeting - to present preliminary 1994 budget prior to annual meeting and voting on 2 issues. We are seeking to avoid the same problems that occurred during the 93 annual meeting. There are 2 expenditures for 1993 that were not in the budget that need to be approved:

Professional services - \$1,700 additional - CPA firm that specializes in HOA tax exempt forms being filed for said status; we thought we were tax exempt; however, we cannot verify this status. We attempted to attain this in early 1993 with Mike George filing forms and it was rejected. IRS is asking for more information and proof that we deserve this status. Most HOAs in the area are tax exempt. Mike George said it was disapproved because we didn't give proof of being part of a larger community. The process of appealing the rejection was brought up. In order to get State exemption, we must have Federal exemption. Glenn Dennis said we are exempt and it was gotten at the time McCrory/Hallbeck gave the association to the homeowners. It was said that through several phone calls that the State and Federal have no proof of exemption. It was suggested we contact Theron Dossey, a former President/Treasurer.

Neal Backes moved that we set up a committee to investigate where the old records are that would provide us with proof of exemption. There is a return due on September 15th. He offered to chair the committee. Susan Duffey seconded - motion carried with 2 votes opposed.

Charlie Watts moved that we stay consistent with not filing a return until we hear back from the above committee as to our status. Craig Andrews seconded - motion carried.

Jeff moved on to discuss new signs. Vandalism has been our biggest problem, costing us approximately \$100/repair; therefore, we are seeking to replace both with a more permanent sign, such as a solid placard type sign (similar to Brandonwood and WW II). We will need to do a cost study. It was brought to our attention that we have been told our wall on Mittlestedt will not support the weight of this type of sign. One option put forth was to eliminate the name on the walls.

Glenn Dennis moved we authorize the Board to spend up to \$5,000 for the signs. (Transferring \$5,000 from capital reserve and not replenishing this amount.) Patti Grace seconded; 24 were for and 19 were against - motion carried. Patti Grace suggested committee be formed to look into these signs that this is a big undertaking. She also said that WWII did a one-time assessment to pay for their signs.

Jeff proceeded to discuss the 1994 budget. He introduced Sheila Spire to give the information on trash collection. She said we are the only executively priced sub-division in the 1960 area that has curb pick up. The constable's office says "back door" pick up is a safe way for trash removal. Several calls from realtors have been received saying the neighborhood is not appealing due to empty trash cans left at the curb and in the street.

BFI back door pick up and recycling would cost \$15.80/household/month x 127 houses = \$25,000 The service we have now (curb side) will cost for 1994 \$10.75/household/month. No matter what company we choose, recycling and yard trash have to be curb side. Recycling is a definite plus according to local realtors and a majority of the homes do participate.

Arell Wasson motioned we return to Monday and Thursday trash pick ups. Steve Scroggins seconded - 7 were opposed - motion carried.

Glenn Dennis asked for a show of hands on people in favor of back door - no clear majority He then asked if back door only cost \$15/year more, who would be in favor of back door - there was no change in opinion.

Barry King suggested a penalty against homeowners who don't pick up their trash cans and the group was outraged.

Jeff discussed the Capital Reserve fund. Fred Starck suggested that we not replenish the \$5,000 for signs because we are possibly looking at lowering this and paying it back over 5 years.

Jeff moved on to professional services. He explained if any of the deed restriction violations had to go to court, we need the money for legal fees. This money is the cost of having legal attorneys represent us if we go to court. Jeff explained that the budget we were presenting was not concrete - it was based on the worse case scenario for the 94 budget.

Stanley Palmer suggested we do a one-time assessment to increase the contingency and keep the budget amount similar to last year's dues amount.

Jeff asked for a show of hands as to who wanted the Board to spend what is necessary for legal out of the contingency fund - majority was in favor.

Mike George thanked the Board for looking out for the welfare of the neighborhood. Jeff Wand thanked everyone for attending and Barry for arranging for the use of the facility.

Meeting ended at 10:00 P.M.