

Auburn Hills Swimming Facilities Master Association

Annual Meeting

January 20 2007, 10:00 AM

Members present:

See attached signature list

This meeting was called by Jerry Decker as an annual member's meeting. Meeting was held at the Auburn Hills Golf Course Club House.

Approval of Minutes:

A motion was made by Rudy Diethelm and seconded by Kurt Geis to approve the minutes from the February 11, 2006 meeting as they were so written. Minutes approved.

Financial Report

Balance: It was brought to attention that the starting balance for 2007 was not the same as the ending balance for 2006. This is to be investigated by the board and the findings or corrections will be revealed at the next annual meeting.

Management Fees/Accounting Fees: It was clarified that Jerry Decker receives \$3.00 a month per house for management fees, and he subcontracts the bookkeeping to Ann Lindsey. Ann receives \$1.00 a month per house with this coming out of Jerry's \$3.00 a month per house. It was made known that Jerry Decker is not being paid to be a member of the board. He is being paid as an outside vendor for management duties. Bids have been collected from other outside vendors and they have all been higher. It was discussed that board members should not be vendors. Jerry Decker offered to resign as Board President and remain the management vendor. No motion was made. Discussion dropped.

Dues Collection: it was discussed that there are about 348 houses in the association. There were about 320 houses on the last billing. The differences in the billing were due to delinquent properties. What actions to be taken against the delinquent properties will be addressed at the next board meeting.

Loans: It was made known that the association owes about \$435,000 in loans for the pools/clubhouses. Right now there are 2 loans. The Legends and Fairways pool loan was finalized in 2006 at 8% interest with a 15 year payout. The Enclave pool loan gets 2% less interest. Due to the smaller interest rate, the loans have not been consolidated. The board will look at consolidation this year with the new pool addition.

Pool Maintenance: It was discussed that Carolyn and John Oborney are the vendors for maintaining the pools. It was stated that bids have been obtained each year for the pool eminence with the Oborney's bid being the lowest bid.

Lawn Maintenance: It was discussed that Green Thumb maintains the lawns by mowing and fertilizing along with maintaining the sprinkler systems. The areas maintained were clarified to be the areas around the clubhouses, pools and certain ponds.

Phone/Internet/Cable: It was discussed that Cox Communications only provides phone service to the clubhouse, not cable or internet services. It was clarified that there must be phone service at the facilities to support the security system.

Approval: Krystal Allee' motioned to accept the financials. Rudy Diethelm seconded. All voted with one against-Nancy Richardson. Motion approved

Old Business

Children's Pool: The children's pool is now complete. The cost of the pool, enlarging the parking lot and sprinklers/landscaping was around \$30,000. There is no outstanding debt for this pool.

Pool Use/Keys: Lynn Joynt questioned if owners could use the pools without paying dues. Jerry Decker stated that no one can use the facilities if they are delinquent on dues. Klint Blazey inquired why members do not receive the pool keys at the time of their closings. It was understood that it is up to the title companies to notify the board of new owners to obtain a key. Sarah Funke inquired as to the procedure to rent the pool/clubhouse. The web site was given and it was made aware that there is a calendar on the website showing the availability. Perry George initiated a discussion on how many nights a week the pools can be rented. It was discussed that there will be one night a week assigned to each pool to be available to rent. It was clarified that the Legends pool/clubhouse is available on Saturday nights.

New Business

Clubhouse Interior Maintenance: There was discussion that the carpet and interior upkeep of the clubhouse is funded from the pool dues. It was questioned if a fee should be assessed when renting the facilities to pay for this upkeep instead of funding it from the pool dues. This will be discussed further at the next board meeting

Posting Minutes: It was made known that steps have been taken to post all minutes from past meetings on the website, but the financials would not be posted due to unsecured access to the website.

New Pool: It was made aware that the new Meadows division will have a new pool/clubhouse. There was vast discussion that the members do not want to have a new pool added this year. It was made aware that the developer has the right to annex the land to the association for a period of 20 years. There is no option not to build a new pool. Sarah Funke questioned if we could reduce the size of the pool and clubhouse. Jerry Decker explained the size and the reasons for the size. (The members wanted a little larger facility to use for different types of larger functions.) The layout/blue prints of the pool/clubhouse were posted on the wall for viewing. Perry George asked what the proposed cost for the new facility is and what could the association afford. It was made known that in 2007 the association will not have the \$30,000 expenditures that it had in 2006. Jerry Decker explained the projected income for 2007. This amount comes from 348 houses in the association. Making aware that there are some delinquent owners. The anticipated amounts of units sold in 2007 is about 125. Using 75 as a more firm number at about \$300.00 a unit (\$150.00 transfer fee and \$150.00 prorated dues) The total projected income for 2007 is \$135,000. Factoring in all other projected expenditures for 2007, it was agreed that the association could afford up to about \$2,200 a month for the new pool loan. Perry George noticed that the association does not currently have a reserve account. He indicated the potential to have

unforeseen events which could have the association in financial strain. Kurt Geis asked if the association could make the developer aware that we are worried we can not afford the new pool so soon. Jerry Decker explained that he already has but will contact the developer again.

Traffic: Krystal Allee' inquired to what kind of future traffic issues the community will incur due to the new pool. Kurt Geis stated that the Legends will not have many issues with it being a straight shot from Maple Street. Discussion dropped.

New Business

Make Up Of Board: It was discovered that the board has been made up of nine members. (5 HOA Presidents, 2 Members at large, Vice President/Secretary, Treasure) The association bylaws state that each HOA President serves as a member with two at large members being elected. It was agreed that the discrepancy of the two extra voting members would be corrected with the voting of the two new at large members. Only the 5 HOA Presidents and the two at large members will be able to vote. All positions of President, Vice President and Secretary will be appointed within the board by the members of the board. The treasurer is being filled by an outside vendor that will not have voting rights. Janae Burkhart motioned that a list of the board members be attached to the minutes. Kurt Geis seconded. Motion approved.

Meetings: It was discussed that there will be about three meetings (Quarterly) a year that last approximately on and a half hours. These meetings will not be general membership meetings. The general membership meeting is held annually.

Election: An election of two at large board members was held by written ballot. Nominees: (Lynn Joynt, Linda Hatheway, Krystal Allee', Kurt Geis, Jacob Holdren, Rudy Diethelm, Gene Hoyt, John Osborne) Brian Carden motioned to accept the 8 nominees. John Burkhart seconded. Motion approved. During discussions of whether to elect two or three at large members, votes were submitted with three names listed and the voting members left the meeting. With only needing two names on each vote, Kurt Burkhart motioned to use the top two names listed on those votes already submitted. Carol Balis seconded. All in agreement. Motion approved. Votes were counted by Jeff Kurtz and Paul Meals. Results are as listed. Gene Hoyt – 3, John Osborne – 1, Lynn Joynt – 5, Kurt Geis-14, Linda Hatheway – 2, Jacob Holdren – 13, Krystal Allee' – 21, Rudy Diethelm – 3.

New Board Members: Jerry Decker, Brian Carden, Mike Papas, Mike Gasho, Brad Barrett, Kurt Geis, Krystal Allee'.

Motion was made by Jacob Holdren to adjourn meeting. Krystal Allee' seconded. Approved.

Meeting Adjourned 12:00 PM.