SHOAL RIVER HOMEOWNERS' ASSOCIATION
ANNUAL MEETING MINUTES
November 15, 2011
www.shoalriverhoa.com

CALL TO ORDER/ROLL CALL:

1. The annual meeting for the Shoal River Homeowner's Board of Directors was called to order by Cal Lord, President, November 15, 2011 at 7:05 PM at Live Oak Baptist Church. Cal stated, there are four of the five Board Members present; therefore, for the record, there is a quorum of board members present for a regular meeting.

2. Cal Lord, President, introduced the current members:

Cal Lord, President

Richard Gaydos, Vice President

Carolyn Stewart, Treasurer

David Songer, Director

Cal also mentioned:

Ben George, Director, who was not present because of medical problems.

Ruth Labhart, Secretary (Non Voting Member).

Cal Lord thanked Ben George and David Songer, who will be retiring from the Board this year.

3. Roll Call/Member Quorum: With proxy's and those present, there are a total of 55 homeowners. One-third of the homeowner's are required for a quorum.

SECRETARY'S REPORT: Ruth Labhart reviewed the minutes of the bi-monthly meeting held September 12, 2011. After discussion, a motion was made, seconded and passed to approve the minutes as written.

TREASURER'S REPORT: Carolyn Stewart gave the following Treasurer's report:

- Balance in First National Bank Checking Account as of November 15, 2011 is $109,035.35
- Outstanding assessments for this year and previous years is $3,260.83. This is down from 10 homeowners to 6. Liens have been filed against the six homeowners who have outstanding assessments.
- It was further stated that two homeowners have prepaid their assessments for next year.

COMMITTEE REPORTS:

1. **Architectural Review**: Dick Gaydos reported there was one new request for a resident on Juniper Court for a new driveway and a back patio.

2. **Compliance/Complaint**: Cal Lord reported there were no new complaints. There still is one outstanding complaint regarding the excessive cars parked in the yard and on the street in front of lot 22SLE in Shoal Landing. It was reported that these cars will be removed in another three to four weeks.

3. **Curbs, Roads, Landscaping**: David Songer reported a couple street lights were out and have been fixed.

4. **Nominating**: N/A

5. **Social/Welcoming**: Ruth Labhart reported there is one new homeowner: Richard and Becky Lubben at 310 Skyline Circle, Lot 116TE.

6. **Web Site**: Cal Lord reported we have a web site; however, it is not up-to-date. If anyone is interested in managing the web site please contact him.

OLD BUSINESS: See Committee reports.

NEW BUSINESS:

1 Cal reported that Carolyn Stewart has done some research on the street lights. He stated that our bill for the lights runs around $900 a month. The power company reported they were going to start replacing street lights with a much higher voltage bulb which would increase our light bill. Therefore, we have requested they be replaced with a lower wattage bulb which would reduce our bill. A section of the lights on Shoal River Drive have been replaced with these lower wattage bulbs and if this is not a problem we will replace all of them with these lower wattage bulbs. Over the year this will lower our light bill and should create approximately a $175 savings a month.

2. Cal reported the following results of the election for Board Members for the next two years are:

Kenneth Honaker
Ian Weaver

3. Cal presented a slide show on actions of the Board .

a. Cal reviewed the proposed budget, which was sent out with the packets for the annual board meeting. He stated the proposed amount of $11,000 for the Gulf Power bill should be reduced based on replacing the bulbs with lower wattage bulbs. He stated the $9,100 landscaping fee is based on cutting the grass twice a month during the summer. The $12,000 legal fee is designated to cover our issue with the dams. Taxes are $200 and Insurance is $1,800. $300 has been allowed to cover the expense for the Annual Meeting, and the meeting rooms for the bi-monthly meetings. Accounting fee is to cover the auditing of our books which is required every year. Printing and postage and miscellaneous expenses cover miscellaneous administrative operating expenses such as the packets which are mailed for the annual meeting, etc. We have designated $350.00 to cover the fees for our web site. This proposed budget comes to $36,340. Our assessments for next year will be $140.00 This does not come close to what we need to cover our operating expenses for the year. The reason we reduced the assessment is

because a couple years ago we had a surplus of $48,000. We lowered the assessments to $125.00 for a couple of years to bring this amount down and now we are going to have to start increasing the assessments so we can get to the point where we zero out at the end of the year. Therefore, for the next couple of years we will be increasing the amount by 15% until our assessments equal our operating expenses.

b. As stated on our proposed budget, there is over $100,000 in our checking account. This amount was put in a reserve account years ago as an emergency fund to be used if the dams should need to be repaired.

c. Cal also stated that if the street lights are not operating we are losing money. He asked all the homeowners to report any lights out to one of the board members. When reporting a light out we need to know the address where the street light is located. It was also reported that the Colonial lights in some of the cul de sacs that have foliage around them be trimmed, as this foliage prevents the lights from properly lighting the area.

d. Cal also addressed homeowner violations. He stated the board members keep checking the neighborhood to make sure all homeowners are following the Covenants and By Laws. Some of the violations we have are problems with vehicles parked in yards and on the streets, utility trailers, boats and RVs, landscaping, garbage cans in view, pets running loose. Additionally, homeowners are adding additions, making changes to their homes and lots, putting in pools, etc. without Architectural Review Committee approval. Cal recommended that all homeowners go to our web site and review the Covenants and By Laws for a complete listing of violations. Also, on the web site are the forms to complete requesting Architectural Review approval for any changes you wish to make to your home.

e. Cal explained, for the benefit of the new homeowners, the litigation process and what we are doing to help resolve the problem with the dams. He also explained that we changed lawyers this past year and we are moving ahead on this process.

4. The next bi-monthly meeting will be January 9, 2012.

ADJOURNMENT:

A motion was made, seconded and passed to adjourn the meeting at 8:20 p.m. The next meeting will be the bi-monthly meeting on Monday January 9, 2012, in Building D, Room D-1, Live Oak Baptist Church at 6:30 p.m.

Ruth Labhart, Secretary