

**LPPOA Annual Meeting of Property Owners
Minutes of Meeting – October 13, 2016**

Board of Directors present:

Bill Mullaney
Randy Luukkonen
Don Freund
Scott Charter
Tim Wilson
Todd Leiferman

Absent:

Mary Anne Lesiak

Properties Represented (includes board members):

635 Freedom Trail	12 Pilgrims Lane	642 Freedom Trail
637 Freedom Trail	16 Pilgrims Lane	638 Freedom Trail
404 Freedom Trail	18 Pilgrims Lane	28 Patriot Court
424 Freedom Trail	107 Delaware	
544 Freedom Trail	205 Liberty Square	
110 Lexington Way	424 Freedom Trail	
193 Liberty Square	506 Freedom Trail	
26 Patriot Court	480 Freedom Trail	

The meeting was called to order at 7:09 pm Bill Mullaney, HOA President.

1. A basic meeting agenda and the financial report up to today's date were distributed to attendees. The following agenda was addressed:
 - Introduction of the current board members – Bill Mullaney
 - The Financial Report – Scott Charter
 - A review of 2016 accomplishments for the community – Bill Mullaney
 - Items/agenda that board members wish to accomplish in 2017 – Bill Mullaney
 - Open forum for questions
 - General Discussion
2. **Financial Report** – Lexington Place currently has approximately \$60,000 in reserves. While the pool is another subject for discussion in tonight's meeting, our budget currently revolves around it. With the impending new pool project, our reserves will be greatly impacted. Originally, the board had agreed to obtain a loan for the construction of the pool. However as we near the construction date, it appears that we are in a position to pay for the pool with our reserves and incoming dues from homeowners. Our ability to pay for the pool without obtaining a loan has been made possible by reducing or delaying projects in 2016 and the fact that there were no pool maintenance costs for 2016. Paying for the pool without taking a loan will lower our reserves to about \$7,000 for a couple of months towards the end of calendar year 2017, however, it will save the association loan and interest fees. The board believes it's in the homeowner's best interest to pay for the pool using current and future dollars in lieu of obtaining a loan.

In 2016 we had about a 97% collection rate for association fees. All homeowners in arrears have had liens placed on their properties. The board continues to work to improve the collection rate, though 2016 collection rate of fees has been one of the best since the board was established. We will continue to work to get the 3% caught-up on their dues.

The board has budgeted approximately \$10,000 in 2017 for improvements, though we retain the option of delaying or cancelling the improvements due to the construction of the new pool; 2017 improvements including:

- New pool furniture
- Clean-up/restoration of the Lexington Place signs at the Harry Driggers entrance
- Flowers for flower beds
- Pine straw around tree and flower beds
- Pond erosion prevention measures
- Pond fountains

Home sale data for Lexington Place:

Total Sales 2016	18
Average Sales Price	212,117
Average Sales Price / Sq. Foot	96.60

3. **2016 Accomplishments:**

- Installed a new covenants sign at entrance
- Replaced door at the guard shack due to termite damage
- Held the 2nd annual garage sale
- Move the pool meter off of private area to common area
- Renovated and converted the women's pool bathroom to unisex.
- Converted men's pool bathroom to storage
- Installed new ceiling fans at the pool area
- Installed basketball hoop at tennis court
- Had 16 street lights re-wired to meet safety standards

4. **Election of the 2016 Nominees:**

- President – Bill Mullaney (re-elected- two year term)
- Member at Large – Don Freund (re-elected- two year term)
- Member at Large – Peer Brunnschweiler (newly elected- two year term)
- Treasurer – Scott Charter (re-elected- two year term)
- Vice President - Randy Luukkonen (one year left on term)
- Communications Officer - Todd Leiferman (one year left on term)
- Member at Large – Tim Wilson (one year left on term)

5. Open Forum/Questions and Answers

Q: How many lots are there in Lexington Place?

A: 175

Q: What have the average sales prices of recent sales in Lexington Place been?

A: See the follow-up work conducted by Scott below:

2016:

Total Sales 2016	18
Average Sales Price	212,117
Average Sales Price / Sq. Foot	96.60

Q: Were homeowners consulted on the construction of the pool; whether or not we even wanted one.

A: Lexington Place was originally advertised as a Tennis/Pool community. As far as the board members were concerned, not replacing the pool was never really an option we considered. We discussed at length the viability and benefits of polling, contacting, or holding a meeting to discuss the pool with homeowners, however based upon lack of interest of previous meetings (including this one) and lack of success with communicating with the 175 property owners using various methods, we made the decisions for the community as elected association members.

Q: Are you sure that not financing the pool is the best way to go?

A: Based on our analysis of current reserves and historical HOA fee collection rates, we believe we can save homeowners money by paying for the pool in cash without a substantial risk of being financially insolvent during a short 2-3 month period. We also have the ability to cancel/delay about \$10,000 budgeted for 2017 improvements if necessary. Should an emergency arise, we can still approach the bank for a loan.

Q: How do our rates compare to other similar subdivisions.

A: Even though our rates will rise to \$450 this year, they are the same or less than other subdivisions on Harry Driggers Blvd that share similar amenities. One amenity we have over other subdivisions that's often overlooked is the large storage lot near the pool.

6. General Discussion

- Three other subdivisions along Harry Driggers have turned the HOA duties over to a management company. The management company charges around \$1,000 a month just to keep the books and perform other administrative functions. If this were to happen to LP, we would have to raise HOA annual dues to offset the additional \$12,000 added to our current expenses. In addition to the management company fees, we would also likely see a significant rise in maintenance fees because of the work some of the board member do. These expenses would be spread out over the 175 properties.

- There has been some talk among the current board members regarding the lack of interest by the community to take up open positions on the board. The board will discuss the possibility of crediting all or portions of the annual HOA fee for time spent on the board and general service to the community. More to follow on this in the future.
 - We may look at having a large dumpster placed somewhere in the subdivision twice a year. This will give homeowners a place to dump trimmed bushes and trees, garage clutter, etc. More to follow on this as well.
7. The board thanks Mr. Sanjay Bhatka for allowing us to hold the annual meeting in his facility. In addition, thank you to everyone who helps our community.

Meeting adjourned at 8:10 pm.

Respectfully submitted,
Todd Leiferman