

Hampton Cove Owners Association Board Meeting

February 20, 2006

Board Meeting Minutes

Present: Bill Chapman, Jason Clowers, Diane Harris, Reggie Spivey, Donna Hays and Cindy Norton.

Submitted by Cindy Norton.

With the above members present Donna Hays reported the current state of incoming dues. Forty members' annual dues remain unpaid to date and information will be sent to the attorney for the placement of liens on these forty addresses, unless they are paid by close of business Tuesday. Discussion followed about the process for the benefit of new board members who were not familiar with the process.

The board reviewed the minutes for the January 16th, 2006 board meeting.

Motion: B. Chapman made a motion to approve, Jason Clowers Seconded, vote was called and the minute were approved unanimously.

Wade Hays joined the meeting.

- Financial Reports were the next topic on the agenda.

Financial information was reviewed by Donna Hays, and is attached to the permit records of these minutes. It was noted that a few funds from 2005 had been deposited in 2006 and marked miscellaneous on the report submitted last month. Donna wanted to let the board know the content of the miscellaneous funds. She further submitted a report identifying the amount of money on hand currently and the bank accounts balances.

Donna reviewed the plan submittal list to inform the board of the areas of the community that are under construction.

- The next topic was the Community Picnic on Sat. March 4th.

Bill asked who was planning to attend and the response as unanimous. Bill emphasized that everyone's presence was important to the community. Bill asked Cindy to contact Keith Sharp regarding the tent and Spiderman moon bounce, and the necessary deposit.

Both Wade and Diane will provide generators to maintain the moon bounce and other games for the children. Wade recommends the Rock and Slide obstacle course which Donna was also in favor of renting.

The question was raised regarding the Fire Station and their participated. Cindy reported that she and Katie had both gone by the station and could not get an answer at the door. HEMSI has committed and Med flight will check out the location to see if they can land there. The DARE officers are uncertain currently.

Bill will arrange for a PA system. Cindy will take pictures of the picnic for the Herron and the website.

Donn Hall joined the meeting at 6:30.

- The next item on the agenda was the discussion of the repair needed for the white fence.

Donna expressed difficulty in connecting with the Moss Lumber Company to order the boards needed. Wade will gather the data related to the cost of boards and a number needed to repair the fence.

Some discussion followed about the pros and cons of the fence, the possibilities of vinyl. Bill requested that bids be gathered to get an estimate of the general cost of a vinyl fence. Wade and Diane agreed to gather cost information.

Reggie asked for confirmation of the group's commitment to repair the current fence. The group confirmed this would be done.

- Architectural Review was the next topic.

Donna Hay reported that Fugua had called regarding the front entry garage and Donna had instructed him not to approve the plan on a Jeff Benton Home in Cobblestone Cove.

Bill Chapman discussed that a compromise was being discussed with Jeff Benton regarding front entry garages in Cobblestone. Bill explained that based on his conversations with Sam Givhan that the covenant was vague enough to be challengeable on this issue. The Board could choose to fight the garages but Sam's opinion was that their position was weak.

Jason asked who had written the covenants and Wade replied that the covenants were gathered from a variety of sources and compiled by the attorney George Wilson.

It was further reported that several plans have been submitted and rejected.

- The Finance Committee was next on the agenda.

Jason Clowers reported that the committee met to discuss and simplify the banking account management and accounting. Donna, Bill and Jason attended the meeting where they made a decision to consolidate the multitude of bank accounts maintained by the Association into 4 accounts (aside from the lawn maintenance accounts): Capital Fund Account (Smith Barney), Operational Fund (Smith Barney), Payroll (Regions), Operational Checking (Regions). The (2) new accounts have been established at Smith Barney and Donna is currently in the process of consolidating all the other accounts into these (2) new ones for simplification purposes. Smith Barney's Bank Deposit Program is currently paying 4% with FDIC insurance up to \$500k, so the decision was made to utilize that opportunity on all of our idle funds.

Once everything is cleaned up and organized, we will then make another attempt at a committee meeting to discuss uses for the capital fund money (long range planning) and investment options for both accounts.

- The next item was Operations Review:

Diane Harris reported that a meeting had been held and the minutes were submitted and made an attachment to these minutes. Diane discussed procedures for preparing bids and content. Questions regarding guidelines and how operations do and how do these times get accomplished.

Donna Hays reported bonds from Turf Doctor. If Turf Doctor will pay 2% and we pay 1% for a bond on the prepayment of Stoneleigh Terrace and one for the Hampton Cove Common Ground. The purchase of the bonds would reduce our discount to 8%. It was noted that the cost of 3% for the bond indicated a weak financial status. It was further reported that a company with a good financial status would generally be able to purchase a bond for prepayment at 1% of the prepayment amount.

Cindy Norton reported that a copier/printer had been installed on an approval basis from N&L Enterprises. A contract was required to “try out” the machine, but the clause was inserted that “if the HCOA returned the copier in under 30 days the contract was null and void”.

Quotes had been collected for the website work that was proposed at the Operations Review Committee and the last board meeting. Donn Hall reported he had not been able to find a rate better than the \$55 an hour rate offered by Mike Hogan.

Motion: Diane Harris made a motion to give the director signature authority to make any purchase that did not exceed an amount of 1% of the budget (approximately \$5000). Jason seconded. Motion passed.

Motion: Bill Chapman made a motion to charge the Operations Review Committee to take the responsibility to write Standard Operating Procedures for all purchases over the 1%. Donn Hall seconded, motion passed.

Bill further challenged all committees to assist by writing procedures for their committee.

- The next topic was Water and Land Management:

Reggie Spivey requested the electronic survey information in addition to the email addresses that had been sent.

Reggie Spivey brought up an issue residents in 12 Stones are having with the lake spillway that was recently cut by the City of Huntsville. Reggie Spivey agreed to discuss the issue with the City engineer and bring the issue before the Water and Land Management committee.

Bill Chapman made a motion the board move to Executive Session to discuss the employment of Katie Lyles.