

Arbor Lake of Norman Homeowners Association, Inc.

c/o Neighborhood Services Corp. - 1322 S. Fretz Drive - Edmond, OK 73003 - (405) 348-1436

**MINUTES FOR THE
WEDNESDAY, SEPTEMBER 27, 2006
ANNUAL MEETING OF THE HOMEOWNERS
7:00 P.M.
NORMAN PUBLIC LIBRARY**

1. Call to Order and Attendance: The meeting was called to order by Walter Hobbs, President at 7:05 p.m. Courtney, Arbor Lake representative from Neighborhood Services Corp. confirmed that quorum requirements was met with 142 members present either in person or by proxy.
2. Welcome and Introduction of Board and Neighborhood Services Corp. Walter Hobbs introduced the board of directors and representatives of our management company.
3. New Business
 - a. Nomination of new board members and election. On behalf of the board, Walter Hobbs nominated Kevin Hopper, R.J. Wolever and Mary Hayes to be voted on as new members of the board for upcoming year. Mary Hayes requested that if other nominees were nominated from the floor, that she would withdraw her name from the list. Xavier Neira was nominated from the floor. Steve Fick made a motion to close the nominations and approve the three (3) candidates to serve as directors, motion seconded by Dabbie Grice. Private ballots were distributed for voting by those present by the managing agent and collected for tallying the final vote. ***(Insert final voting results here upon receipt by Neighborhood Services).*** Walter Hobbs reported that the bylaws provided for the board of directors to have staggering terms, and therefore, the existing directors' terms would expire at the end of the next year. Nominees will be solicited to fill the four (4) current director seats at the 2007 Annual Meeting.
 - b. Financial Report. Dana Hare reported that as of August 31, 2006, the Association held cash reserves of \$11,686.69, budgeted a total of \$14,775 for 105 homeowner lots invoiced in 2006, with the remaining 75 undeveloped lots now available for invoicing in 2006, although not included in the 2006 budget at the time it was prepared. Budgeted 2006 expenses was \$14,398, resulting in a budgeted net income of \$377. Actual August 31, 2006 year-to-date income/expense figures reflect \$19,069.82 collected and \$17,536.41 expensed, resulting in a net income of \$1,532.41. Dana reported that the expenses were artificially high due to the \$10,048.10 down payment for the lot purchase was recorded as an expense instead rather than as an asset on the balance sheet. She suggested that the managing agent amend the financial report to reflect the value of the lot to be shown as an asset on the balance sheet, offset by the debt portion shown as a liability on the balance sheet.
 - c. Discussion of Bylaws adopted by Board. Walter Hobbs reported that attorney Bob Shoemaker had reviewed all association legal documents filed of record and advised the board that there were no governing bylaws filed of record for Arbor Lake. Mr. Shoemaker also prepared a document to formally adopt Arbor Lake Homeowners Association, Inc. as our formal name to

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correct the errors made by the developer in filing documents with the Association's name identified incorrectly. Mr. Shoemaker reviewed our Articles of Incorporation and drafted new bylaws that the Association could use going forward to govern the Association. The bylaws were presented to the membership for acceptance to be adopted. Susan Adair-Thrift made a motion to adopt the bylaws in the interim, allowing for them to be reviewed and subject to further amendments as deemed necessary in the future. Steve Fick seconded the motion, which carried unanimously.

- d. Consideration of recommended dues increase & debt ceiling. Walter Hobbs reported that the Association had recently purchased a lot from Sonata Homes at the NW corner of Trisha and Corbett for a price of \$63,900. He noted that the board had to act quickly to secure a lot before they were all sold. The board obtained a loan equal to two times the annual dues as provided for in the declarations. Further, it was noted that in the event that improving the lot was not feasible to the Association, the lot could be sold or held for future consideration. Kevin Hopper presented a draft of proposed lot improvements to include enhanced lighting and landscaping, a 1200 sq.ft. salt water swimming pool and eight (8) parking spaces at an estimated cost of \$170,371 based on an increase in homeowner dues to \$275 per year, an increase over current homeowner dues of \$157.50. He stated the original intent of purchasing the lot was for a neighborhood community park, however, it currently appears that a park may pose undue insurance risk and premiums to the Association. Steve Smith reported that the insurance matter is still under review. After much discussion on the matter, it was determined that it would be necessary to table this agenda item, form a lot improvement review committee to further evaluate the feasibility of the project and report back at a reconvened annual meeting in approximately 45 days. Walter noted that the declarations allow for the current proxies to remain active for a reconvened meeting, subject to the meeting being scheduled no later than ninety (90) days from today's date.
- e. Status report on fences. Eric Fleske reported that the fences bordering Robinson Street would be the responsibility of the individual homeowners and not the Association, while there have been no provisions made by the developer to install brick columns on the Robinson boundary. Eric also reported that the fence sections that have been replaced to date along 48th have been split between Arbor Lake and the individual homeowners. The board is currently researching the feasibility of replacing the entire 48th Street fence line as one single project to achieve a higher quality, more durable material for enhanced curb appeal. Eric noted that the board has contacted the developer, Bill Tucker, to discuss whether any remainder of development funds allocated to the new section of fence partially completed between Wellman Way and Robinson could be transferred to the Association, along with our existing funds to facilitate the completion of an entire new uniform high quality fence along 48th Street offering a consistent depreciation period.
- f. Status report of lake. Walter Hobbs and Eric Fleske reported that the board had expended much research time into the feasibility of lake improvements, but have concluded to date that: 1) the board has concern about ongoing erosion, potential liability and safety of the lake to homeowners; 2) the lake has not yet been officially deeded to the Association, along with other common areas, 3) they are uncertain as to whether the Association is forced to accept the lake once the developer is ready to deed it to the Association; 4) there is no reasonable access

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to the lake to other homeowners other than the lake frontage lots; and 5) it may not be reasonable for the Association at large to assume responsibility for future lake improvements and maintenance versus passing along those responsibilities to the homeowners who enjoy the lake front privileges. Susan Adair-Thrift agreed to volunteer her professional legal expertise in researching this matter further with the board of directors, along with other areas of legality in regards to our existing covenants, conditions and restrictions.

- g. Status report of south entrance sign. Steve Smith reported that it had taken several years, but only recently, he and Kevin Hopper were able to get the developer, Bill Tucker, to commit to installing a sign at the south entrance as originally agreed. He noted that the developer did not plan to install the glass lighting insets into the brick entrance walls consistent with the North entrance, however, there was plans for electricity to be run for ground flood lamps to light up the south entry sign. He offered no guarantees until the work was completed, but was reasonably satisfied that the developer would follow through with his commitment, despite his past ongoing unwillingness to address this very important issue.
4. Community question and answer period. It was noted that notices would be mailed to homeowners regarding the date that this meeting shall be reconvened to finalize the pending issues. On behalf of the board, Mary Hayes expressed the need for homeowner involvement to serve on various committees to work through all the issues at hand (i.e. – Lot Development, Architectural Review, Lake, Social, etc.)
5. Adjournment. Everyone was encouraged to attend and remind their neighbors to attend the upcoming October 13th Fall Neighborhood Picnic on our new lot. With there being no other business, the meeting was adjourned at 9:00 p.m.

Dana Hare, Secretary

Walter Hobbs, President