

Minutes
Lake Grove Estates Homeowner's Association
Annual Meeting of the Members
Tuesday, November 30, 2004
7:00 p.m.

The meeting was called to order at 7:10 p.m. by Rick Stumpf, President. Mr. Stumpf welcomed the group and recognized other board members present, including: Ginny Kiley, Treasurer; Jeanne Dunn, Secretary; Rachelle Mulligan and Rose Sercia, Members-At-Large. He also recognized former Board members Matt Pancari, Lorraine Levulis and Elizabeth Hughes.

A quorum of 33 homeowners was not reached at the start of the meeting; however, it was reached by approx. 7:35 p.m. Mr. Stumpf began by reviewing the 2004 budget and proposing the 2005 budget, a copy of which is attached as a permanent part of this record. As homes exist on 62 of the 64 lots available, the main source of revenue is the \$200 per quarter per homeowner assessment. The remaining two lots are currently with the Architectural Review Committee (hereafter known as the ARC). Going forward, we can expect little revenue other than our assessments.

Before Mr. Stumpf reviewed both the common area and administrative expenses of the association, he commented that the association has approximately \$59K available in an AG Edwards account. While the \$59K is not formally reserved for any specific need, he made the group aware that at some point in the future, the association will have to pay to have the road repaved. Current estimates for repaving are at least \$60,000, depleting most of the reserve funds and possibly requiring a future assessment of \$800-\$1000 per homeowner. Repaving would not begin until the following criteria are met: 1) All new construction is complete within the neighborhood, alleviating a need for heavy trucks on the road; 2) assessments are paid **IN FULL** by **ALL** members of the association; and 3) the obvious need for such repaving due to potholes, drainage issues, etc.

This led to a brief discussion about drainage issues in the neighborhood. Mr. Stumpf informed the group that our weir system is fully operational; however, our drainage is designed to flow into a ditch west of Lake Grove, located on property in the Orchid Bay development. In the past, it was unclear whether Orchid Bay had properly mowed this west ditch to ensure adequate drainage. A contract between Lake Grove and Orchid Bay was recently uncovered, agreeing that Lake Grove would pay 29% of the cost of mowing this west ditch, with Orchid Bay responsible for the remaining 71%. The Board has instilled a new policy, which will not allow our accountant to reimburse Orchid Bay until such time as we have an itemized accounting of the mowing.

At this point in the meeting, a quorum was still not met. Therefore, Mrs. Dunn volunteered to go through her announcements, none of which required a vote. Mrs. Dunn reported that the annual Lake Grove block party would be held on a Saturday in late March or April, 2005. Given the dates of the spring break from the public school, those dates were narrowed to April 9, 16, or 23, with a rain date of the following Sunday. Mrs. Dunn encouraged homeowners to sign up to help with the party.

Mrs. Dunn also reported that as we have had so many new neighbors in recent months, a new directory would be published in January. She instructed neighbors who wish to contact her with an addition or change to do so by phone or email.

In the absence of Michelle Katzman, who oversees the RV Storage Committee, Mrs. Dunn reported that currently one space remains in the storage area. Mrs. Katzman is the contact person for storage issues. She reminded those who keep vehicles in storage that the area is maintained by a handyman for an annual fee of \$10, which would be billed to the appropriate lot owners in January. She also reminded homeowners that neither RVs nor commercial trucks are to be parked in driveways.

Mrs. Dunn announced that a committee sign up sheet was being passed around, and encouraged all neighbors to join at least one committee. Many of the committees have a minimal commitment of time, and the more volunteers who join up ensure that these initiatives will indeed take place.

Mrs. Mulligan gave an update on mailboxes. She reminded home owners that a new mailbox design was adopted at last year's annual meeting. Those who may have lost a mailbox in the recent hurricanes were encouraged to use the new design. Those interested can contact Mrs. Mulligan or Mrs. Dunn for further information.

At this point, a quorum was reached. The 2005 proposed budget does not vary significantly from the 2004 budget. Therefore, Mr. Stumpf proposed keeping assessments the same. Mr. Stumpf held a vote and the 2005 budget was unanimously approved.

Mr. Stumpf gave a report on a new gazebo, as the old one was destroyed by the second hurricane. He discussed whether the members wished to replace the gazebo at all. A vote was held, and the members voted 23-12 in favor of replacing the gazebo. Gary Fisher offered to donate a concrete floor, thereby alleviating both some of the costs, and a discussion between pressure-treated wood floors or pavers.

A brief discussion ensued about the possibility of hooking up to the sewer system which is being planned for both the Four Rivers and Orchid Bay developments.

One homeowner expressed her concern over the quality of water in our development. Another announced that he had had his water tested before moving in, the results of which were that the water is satisfactory. After further discussion, Mr. Stumpf held a vote about charging a \$100 one-time assessment to cover the cost of the gazebo. Members voted 30-3 in favor of the \$100 assessment.

Mr. Stumpf then asked for nominations to the Board of Directors. A minimum of 3 positions were to be filled for a term of two years each. The current members of the Board have one year remaining of their term. The following homeowners were nominated and seconded: Andee Finn, John Hudock, Jacki Jackson and Diana Eatman. Mrs. Kiley recommended that all members of the Board chair at least one committee. Mr. Stumpf held a vote, and all nominations were approved unanimously.

Mr. Stumpf gave a brief overview of the laws which govern the association. He explained that our Covenants and Restrictions (hereafter known as the C&R) is the overriding guideline to our rules and regulations. Changing the C&R requires a minimum of 75% membership approval to make any changes. The next level of association rules below that of the C&Rs are our "By-Laws". Association By-Laws can be changed or modified by a majority of quorum members. Finally, there is the "Lake Grove Estates Architectural Review Manual" (ARM), a separate document created to provide guidelines when building and maintaining a home in Lake Grove. The ARM as currently exists, can be changed by a majority decision of presiding Board of Directors. Several changes to the Bylaws and ARC were recommended and additional details are as follows:

The first amendment put before the members was to add to the By-Laws specific language which acknowledges the existence of the ARM and thus allows enforcement of ARM. It was also suggested that all changes to the ARM would be at the same level as required to make changes to "Bylaws". The exact language, as read by Mr. Stumpf, is

ARTICLE XIV – AMENDMENTS

Section 3. A separate document known as the Lake Grove Estates Architectural Review Manual (LGARM) provides additional Association details into construction approval, proposed changes, and ongoing maintenance of properties.

- a) The LGARM may be amended, at a regular or special meeting of the members, by a vote of a majority of quorum of members present in person or by proxy.**
- b) In the case of any conflict between the LGARM and these By-Laws, the By-Laws shall control.**

After a discussion on the pros and cons of this change, the amendment was approved unanimously.

The second amendment put before the members involved adding language to the maintenance section of the ARM specific to the height limits of rear landscaping of lake front lots. A lengthy discussion ensued about the ramifications of this amendment, lake view entitlement, and whether to grandfather in any current landscaping which might violate this new amendment. Eventually, it was resolved that this amendment would be designed for the 2 remaining lots to be built, and for maintenance purposes of any NEW landscaping to be installed after November 30, 2004. The exact language, as read by Mr. Stumpf, is

Suggested addition to the Lake Grove Estates Architectural Review Manual – page 19

Section 5.7 Minimum Landscape Maintenance Requirements

Section 5.7.1 Maintenance Requirements

- **For landscape plans submitted after November 30, 2004: Lakefront lots rear perimeter plantings forming a continuous hedge, 4 or more similar plants, shall be maintained at a height not to exceed 30 inches (30"). This height limit starts at 20 feet from the rear corner of the house or at the screen enclosure corner if enclosure distance is greater than 20 feet from house, and extends to the lake building setback.**

A vote was held and the amendment to the ARM was approved 22-11.

The remainder of the meeting was devoted to the Open Forum. The following items were discussed:

- New Board member Diana Eatman agreed to chair the Hospitality Committee, stating that a new system is needed to formally introduce new members of the neighborhood and ensure that they receive the documents they need, particularly the Directory.
- One homeowner with recurrent rust problems on their home will be contacted personally by Rick Stumpf again, suggesting ways they might change their sprinkler heads to keep the rust problem from recurring after treatment.
- Karen Bartnick, who chairs the gate committee, will be contacted to see if she can have the names of the new neighbors added to our gate code.
- Barry Martindale, a neighbor and a lineman with FP&L, will be sent a gift as an expression of appreciation from the neighbors after his assistance with hooking up the neighborhood with power following the hurricanes.
- John Lessin will determine if he can help in removing the dead trees in the buffer between Lake Grove and Hammock Creek. If not, Jeanne

Dunn will contact the Hammock Creek Home Owner's Association to seek assistance

The meeting adjourned at 9:25 p.m.