

**Hidden Oaks Condominiums Homeowner's Association
Annual Board Meeting Agenda
June 2, 2012 at 9am-Rockport Country Club**

1. Call to order and introduction of the 2011-2012 Board with each homeowner in attendance stating their name and unit number.

2. Establish a quorum

3. Motion to accept minutes of last meeting June 11, 2011

4. Financial report from Johnson and Cate and proposed budget for 2012-13 motion needed to accept.

5. Old Business

A review of the progress made on roofs, gutters, irrigation, landscaping, windows/doors, new website www.HiddenOaksCondoAssociation.com by president Sandy Swanson

6. Amendments to the Declarations of Hidden Oaks
Attached proposed changes to the declarations open for discussion and vote.

7. Nomination of 2012-13 new Board officers at the 3/7 Board Meeting:
The motion was made and accepted to nominate Maurice Sutton as President, Sue Borders as Recording Secretary, Phyllis Ridgway, as Property Manager and Brenda Crabtree, as Assistant Property Manager with Sandy Swanson attending Board meetings in an advisory capacity with no voting rights. The Board is requesting interested homeowners to serve on the Board as several more are needed.

Adjourn:

Proposed Declarations Changes

Please vote **FOR** or **AGAINST** each Declaration change on the ballot.

Proposed Declaration Change

Art. III-Rights and Obligations

3.07 Currently reads:

An Owner shall maintain and keep in repair the interior, and garage of his own Unit, including the fixtures thereof.

3.07 Proposed change:

An Owner shall maintain and keep in repair the interior, and garage of his own Unit, including the fixtures thereof and shall pay an additional amount to the HOA to cover repairs and maintenance to garages. This amount shall be determined by the HOA BOD and will follow 5.4 Initial Monthly Assessment and Maximum monthly assessment rules

Reason for change:

The Board is facing heavy costs to repair the stucco on the 15 garages and there is no guarantee when the stucco is removed that there won't be additional costs to repair unknown items needing repair that might be found. The Board feels that since these 15 garage owners have exclusive use they should contribute an additional amount towards their upkeep and repair.

Proposed Declaration Change

Art. II-Condominium Unit Designations & Descriptions

2.9.e(4) Currently reads:

Subject to Declarant's rights under Paragraph 2.9e (14) (d) of this declaration, no sign of any kind shall be displayed to the public view on or from any Unit or Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accord with the Board's direction:

2.9.e(4) Proposed change:

Subject to Declarant's rights under Paragraph 2.9e (14) (d) of this declaration, no sign of any kind shall be displayed to the public view on or from any Unit or Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accord with the Board's direction and that the Board will have any such sign appearing to the public view from any Unit or Common Elements to be removed

Reason for change:

The Board feels that there have been and continues to be a violation of this declaration and needed the additional approval to have these signs removed. The Board has established a website where owners can post their "signs" and also a bulletin board on the Board room door as an additional posting location.

Proposed Declaration Change

Art IV – Management and Administration

4.6 Insurance (b) Currently reads:

The Association shall keep a comprehensive policy or policies of public liability insurance covering the Common Elements of the Project with a contractual liability endorsement, and such policy or policies shall include a "Severability of Interest Endorsement" or equivalent coverage which will preclude the insurer from denying the claim of a Unit Owner because of negligent acts by the Association, its Board of Directors or a Unit Owner. Such policy or policies shall be in the amounts of not less than One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000), per accident and Fifty Thousand Dollars (\$50,000) property damage, plus an umbrella policy of not less than One Million Dollars (\$1,000,000.00) for all claims for personal injury, including death, and/or property damage arising out of a single occurrence; and the policy shall include water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other coverage as is customarily deemed necessary with respect to projects similar in nature.

Proposed Change:

The Association shall keep a comprehensive policy or policies of public liability insurance covering the Common Elements of the Project with a contractual liability endorsement, and such policy or policies shall include a "Severability of Interest Endorsement" or equivalent coverage which will preclude the insurer from denying the claim of a Unit Owner because of negligent acts by the Association, its Board of Directors or a Unit Owner. Such policy or policies shall be in the amounts of not less than One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000), per accident and Fifty Thousand Dollars (\$50,000) property damage, plus an umbrella policy of not less than One Million Dollars (\$1,000,000.00) for all claims for personal injury, including death, and/or property damage arising out of a single occurrence; and the policy shall include ~~water damage liability~~, liability for non-owned and hired automobiles, liability for property of others and such other coverage as is customarily deemed necessary with respect to projects similar in nature.

Reason for change:

Since it was voted on in the annual meeting of 2010 to remove the requirement to carry flood insurance the Board feels that we must amend this portion of the declarations that requires water damage coverage, to be in line with the declarations.

Proposed Declaration Change

Art. VII-Protection of Mortgagee

7.8 Management Agreements -Currently reads:

Any management agreement and/or service contract entered into by the Association will be terminable by the Association without cause and without payment of a termination fee upon ninety (90) days' written notice or with cause upon thirty (30) days' written notice, and the term of such management agreement will not exceed the period of three (3) years, renewable by agreement of the parties to such agreement for successive one (1)-year periods. In the event of the termination of the management agreement, as provided herein, the Association shall enter into a new management agreement with a new management agent prior to the effective date of the termination of old management agreement. Any decision to establish self-management by the Owners Association shall require the prior consent of Owners of Units to which at least sixty-seven percent (67%) of the votes are allocated and the approval

of first mortgage holders holding mortgages on Units which have at least fifty-one (51%) of the votes of the Association.

Proposed Change:

Any management agreement and/or service contract entered into by the Association will be terminable by the Association without cause and without payment of a termination fee upon ninety (90) days' written notice or with cause upon thirty (30) days' written notice, and the term of such management agreement will not exceed the period of three (3) years, renewable by agreement of the parties to such agreement for successive one (1)-year periods. In the event of the termination of the management agreement, as provided herein, the Association shall enter into a new management agreement with a new management agent prior to the effective date of the termination of old management agreement. Any decision to establish self-management by the Owners Association shall require the prior consent of Owners of Units to which at least sixty-seven percent (67%) of the votes are allocated and the approval of first mortgage holders holding mortgages on Units which have at least fifty-one (51%) of the votes of the Association. Shall have the choice of entering into a new management agreement with a new management agent or to self-manage.

Reason for Change:

The management of Hidden Oaks Condominiums has been handled by the BOD with one onsite owner who acts as resident manager and is compensated for this service by the HOA and the accounting firm of Johnson and Cate who collects all assessments & fees, issues monthly statements, provides financial statements, and handles all things financial for the HOA. To be in line with declaration requirements the Board feels that the requirement to have professional management should be removed as it is not necessary and adds additional cost to the operation of the complex.

**Hidden Oaks
2012-2013 Budget**

	With Garage Assessment	Without Garage Assessment
Revenues		
Maintenance Fees	\$ 198,984.00	\$ 198,984.00
Garage Owner Assessment	3,600.00	-
Interest Income	300.00	300.00
Total Revenue	\$ 202,884.00	\$ 199,284.00
Expenses		
Contract Labor	\$ 5,000.00	\$ 4,000.00
Management Fees	3,900.00	3,900.00
Accounting Fees	4,500.00	4,500.00
Meeting Expense	200.00	200.00
Electricity	9,600.00	9,600.00
Cable Fees	9,315.00	9,315.00
Water, Sewage, Trash	29,500.00	29,500.00
Insurance Expense	46,300.00	46,300.00
Office Expense	2,500.00	2,500.00
General Repair & Supplies	5,556.00	5,556.00
Grounds Keeping	15,057.00	13,057.00
Pool Supply & Repair	3,900.00	3,900.00
Pest Control	2,556.00	2,556.00
Total Expense	\$ 137,884.00	\$ 134,884.00
Other Expenses/Items		
Major Repairs	\$ 30,000.00	\$ 30,000.00
Exterior Lighting	4,000.00	4,000.00
Windows/Door Replacement	16,000.00	15,400.00
Reserve Fund Transfer	15,000.00	15,000.00
Total	\$ 65,000.00	\$ 64,400.00
Net Income	\$ -	\$ -