

Annual Meeting
River Oaks Trace Property Owners Association
April 16, 2019
Hubach Center, Unity Hospital

The meeting was called to order at 6:30 pm. Board members in attendance were Kayla Haynie, President; Kami Castillo, Secretary; Linda Landis, Treasurer. Owners in attendance were: Frank McKenney, Carrie Owens, Gloria Treat, Mike Marshall, Glenn & Betty Boyd, Ed & Kay Hance, Sherry Ross, Shirley Burkett, Philip Cypert, Bunny Burnley, Nancy O'Brien, Billy P. Robinson, Steve & Tami Reeves, Paul Haynie. Guests: Jackie Taylor, Brad Haddix.

1. Roll Call was handled by sign-in sheet.
2. Proof of Notice of Meeting was displayed.
3. Reading of the Minutes of the Annual Meeting 2018 was suspended by motion by Philip Cypert and seconded by Mike Marshall.
4. Our guest speaker was Brad Haddix, Park Avenue Insurance. Mr. Haddix explained in detail the type of coverage condo owners need to have. He referenced the Master Deed as to what it covers and what each owner is responsible for covering. Mr. Haddix encouraged all owners to compile a photo inventory or a written inventory of all contents of their condo and then to store such material in a safe, fireproof place. With a loss of contents and/or structure, the emotional impact upon owners is sufficient to cause difficulties in remembering contents. A handout was provided to all in attendance (see attached).
5. Unfinished business:
 - a. The status of the lawsuit involving #1 was discussed. PowerLift inspected the condo in November 2018 and measured the floor and walls. The recommendation of the inspector was to do nothing until the summer of 2019 when the unit will need to be inspected again. If the floor has flattened to a stable, level condition, the Association will begin repairs to the unit. If the floor is still not level, the inspector will make a recommendation.
 - b. Roofing issues have plagued the Trace all fall and winter. Leaks were reported in units 1, 2, 5, 11, 20 and 27. Clearly such leaks lead to interior damage which must be repaired at cost to the Association. Preventative maintenance is needed to stop these leaks before they occur. An inspection of the roofs of units 1-5 revealed a lack of flashing and/or sealing by the last roofing company.

c. Financial Reports. Financial reports are usually 10 to 14 pages in length. For this reason, complete copies of the reports have not been distributed to all owners. Some Boards have included a summary page with each monthly meeting report. However, Miller & Rose, accountants for the Trace, experienced some personal and personnel issues last fall and the first of this year, and our monthly reports were not issued in a timely manner. Mr. Miller has been contacted about the problem, and the last two months (February and March) arrived right on time. It is the Board's intention to include the summary page with future monthly reports. NOTE: Any member is welcome to have a complete Financial Report by requesting it from the Board President.

6. New business:

a. Drainage problems have become the #1 priority for the Trace. The large amounts of rain we have received in Searcy over the last year have caused numerous problems in addition to leaking roofs. French drains have been installed in the backs of units 1 and 2. Cement was "shaved" and a tree with large exposed roots was removed from the west side of #28.

The course of the water during significant rainfall goes down the hill on the north side of the Trace as well as along a path between #27 and #28 and between #30 and #31. This latter spot has become a virtual swamp! Unit #27 has a dirt/mud trail running along the north side. Of course, correction this problem will be expensive, but it must be done. When spring rains slow down, the Board will consider several proposals to correct the issue.

A number of trees are contributing to both drainage problems and issues with getting grass to grow. We can do some trimming (as has been done in the past) to help with grass growth. However, we have a number of trees with the potential for causing trouble. At present, the best plan is to take one or two down a month (due to expense).

b. Landscaping at the east entrance is a second priority (maybe just a wish!). The area closest to Moore Street is not appealing at all. Two bids have been received for landscaping that area, but we will probably have to move this project lower on the to-do list.

c. The Board has asked the Searcy Street Department to put us on the list for street repair. Mark Lane, city engineer, inspected our streets and said the city will repair them with a washed-pebble surface (although it will not match

perfectly). However, we are low on the list because many Searcy streets are in much worse shape.

7. Owner Comments/Motions:

a. The question was asked as to whether the Board was going to resign and have a new Board elected. In response, a short summary of the method of election of a new Board was discussed as well as an explanation as to why the Board operates as it does now. An election requires that a quorum/simple majority of owners vote. Only 33.1% of owners were present at this annual meeting; therefore, if such a motion is to be made, seconded, and an election held, a majority of 51% must vote, and for such a motion to pass, a majority of those present must vote for it. Comments and questions were heard and answered during the discussion.

b. Another question was asked as to why the French drains put in at #1 and #2 were considered necessary. The answer is that Mark Lane, Searcy City Engineer, recommended such action. Rod Smith inspected the area, measured, took numerous photos, and spoke with Mr. Lane about our problem. These drains were Mr. Lane's suggestion as to how to fix the problem.

8. Motion to adjourn was made by Nancy O'Brien and seconded by Betty Boyd.

Addendum: Linda Landis, treasurer, requested the following be read at the meeting; the president forgot to do so. The comments are added here:

"Some of you are aware that Mike Marshall has requested that the existing officers of the Board of Directors step down and new ones be elected. Before this is considered, I would like to mention some of the ones who have served in the past and say, 'Thank you for serving!' I will mention a few, with apologies to those I may have missed: Tony Wilson, Tony Stark, Fayettea Murray, Nancy O'Brien, Virginia Weaver, Ann Johnson, Norm Sutherland, Frank Adams, Paul Haynie, Betty Davis Boyd, Buddy Rowan, Earnesteen Meachum, David Burnley, Gail Mote, Dean Volmer, James Frank, Mike Marshall, and those who are now on the board -- Kami Castillo, Kayla Haynie, Linda Landis, and Donna Welch. . . A lot of work goes on in the Trace, such as condo repairs, water issues, animals trapped, garage doors repaired, lawn care, tree removal, cleaning up flowerbeds, repairing leaks, and dealing with drainage problems. Because of the people who have served on our Board -- voluntarily -- through the years, I believe we have one of the most desirable places in Searcy to live."

**River Oaks Trace Property Owners Assn
Statement of Revenues and Expenses - Tax Basis
For the One Month and Eight Months Ended March 31, 2019**

	<u>One Month Ended</u> <u>March 31, 2019</u>	%	<u>Eight Months Ended</u> <u>March 31, 2019</u>	%
Members' Dues	\$ 8,363.00	100.00	\$ 79,608.00	100.00
Operating Expenses				
Accounting	385.00	4.60	3,381.00	4.25
Bank Service Charges	1.47	0.02	32.02	0.04
Contract Labor - Non Employee	0.00	0.00	3,087.19	3.88
Depreciation	395.00	4.72	3,214.00	4.04
Insurance	1,111.35	13.29	7,690.73	9.66
Lawn Caretaker	0.00	0.00	15,687.19	19.71
Office Expense, Postage	85.25	1.02	262.03	0.33
Pest Control	0.00	0.00	3,922.47	4.93
Rent	0.00	0.00	384.00	0.48
Repairs & Maintenance	1,300.00	15.54	19,886.43	24.98
Repairs & Maintenance- Curbing	0.00	0.00	345.00	0.43
Repairs - Roofing	0.00	0.00	5,275.00	6.63
Supplies	0.00	0.00	403.23	0.51
Taxes - Real Estate	231.42	2.77	231.42	0.29
Utilities	211.66	2.53	4,715.49	5.92
Total Operating Expenses	<u>3,721.15</u>	<u>44.50</u>	<u>68,517.20</u>	<u>86.07</u>
Operating Income (Loss)	4,641.85	55.50	11,090.80	13.93
Other Income (Expense)				
Interest	0.00	0.00	(8.89)	(0.01)
Total Other Income (Expense)	<u>0.00</u>	<u>0.00</u>	<u>(8.89)</u>	<u>(0.01)</u>
Excess of Revenues Over (Under) Expenses	<u>\$ 4,641.85</u>	<u>55.50</u>	<u>\$ 11,081.91</u>	<u>13.92</u>