

**Osprey Reserve Homeowners Association
Special Meeting of the Members
April 28,2006**

Owners in attendance were: Edward and Donna Ozark, 2930
Calvin and Lisa Winn, 2922
Lawrence and Cynthia Astor, 2918
Walter and Lynette Jones, 2916
Dennis and Audrey Wellen, 2914
Chuck Queen, 2924
Glenda and Frank Bumpus, 2910
Richard Neslund, 6
Tim and Dawn Crane, Declarant
Murray Bain and Rick Pyle, Mount Royal Properties

Determination of Quorum and statement of compliance of Notice of Meeting:

The meeting was called to order at 6:07 p.m. A quorum of 40% of the membership is needed. As 9 out of 12 members were present, a quorum was achieved. The notice was sent out on April 17, 2006. All members introduced themselves.

Election of Chairman and meeting Secretary:

Walter Jones chaired the meeting and Laura Pyle took minutes.

Approval of Previous Meeting Minutes

As the previous minutes were sent out, the Board had time to review them, Ed Ozark motioned, Cal Winn seconded, all were in favor, it was resolved that:

The Minutes from January 13,2006 were approved.

Transfer of Control

Murray Bain indicated that this meeting was arranged primarily for the Developers, Tim and Dawn Crane, to officially transfer control of the association over to the Osprey Reserve Board of Directors. This is in compliance with the governing documents and state law. Murray mentioned that the actual transfer is rather a "process" during which the managing agents, on behalf of the association, take receipt of all the **final** governing documents, plans, warranties, certificates of occupancy, **financials**, minutes etc. A variety of other requirements **are** established by state law, including an audit by an independent CPA. Jolene **Redell**, from **Stuhr** and Associates has been engaged by the Developers to **complete** this **task**. The audit will cover **from** startup until the end of April 2006. As an SB100 requirement for the transfer from Declarant to the HOA, a myriad of documents will be eventually forwarded to **all** owners in PDF format on a CD. Additionally, these documents will be available in a binder kept at the Mount Royal Properties office. There will be an official letter sent out when the transfer from the developer to the HOA has been completed.

Special thanks were given to Blake, Tim and Dawn for developing such a quality project and their attention to the detail.

Old Business

Dog Waste Station

Dawn researched and provided detail on many ideas for dog waste disposal. The one she found to be most convenient, given the seasonal changes and cost, was a station with doggy waste bags. After further discussion most agreed that plastic bags should be provided, but that a garbage can should not be included, rather Owners should dispose of the waste in their own receptacles. Cal **Winn** motioned, Denny **Wellen** seconded, all were in favor, and it was resolved that:

A dog waste station with bags will be purchased and the Board will decide at a later date where to locate it.

SB100

The policies should be completed by Mark Richmond, attorney, for subsequent adoption by the Board shortly. Although the Developer has initiated the policy drafting, the Board will finalize it. The Board did receive a 21 page draft of the SB100 report.

2006 Budget Ratification

Although the 2006 budget was presented at a prior meeting, Murray Bain adjusted it to reflect what happened this first quarter. It was not too far off. The budget had already been approved, but not ratified. The insurance costs were less than **originally** proposed. The old insurance was \$10,000 the new insurance came in at \$7,276. The reserve plan and its contributions did not change. There is currently (as of March 31, 2006) over \$16,300 in the operating account. This includes some **working** capital which will be further segregated, as has occurred for 2005. There was \$10,290 paid in **working** capital plus the \$3,675 that has been paid so far for this year. Eventually, the Board will need to decide what to do with the working capital. The Association must account separately for **all** of the Working Capital. More money was spent on snow removal than was budgeted. Since money was saved on insurance, the extra money will be used on landscaping. The Board wanted clarification as to how Mount Royal deals with maintenance hours. Murray Bain and Rick **Pyle** stated that the Association is given 16 hours a month; any extra is at \$35 per hour. However, extra hours have been added to the budget just in case. Cal Winn motioned, Carl Neslund seconded, **all** were in favor, and it was resolved that:

The adjusted 2006 Operating Budget and Reserve Plan, as presented, are approved and ratified.

Fertilizer & Herbicide

The Board would like to aerate the new turf and fertilize it. It was suggested to have it fertilized and have herbicide included. The Board would like a sign be posted warning residents to take caution when **walking** their pets, that hazardous chemicals have been laid down.

Management Contract

Murray Bain suggested **looking** over the management contract soon. Since this is a new Association, a lot of changes are being made. The membership agreed and deferred to the Board to review the management contract.

Repair and Maintenance

The roof was supposed to have undergone a cursory inspection, however, there have been delays in making this happen. There are some reports of leaks in the roofs. A one-year warranty does exist on the roofs. Blake has been doing siding and the Board would like owner's to contact him if theirs needs attention.

Sidewalks and entries need to be repaired. As for landscaping, all installation will be complete and cleaning the streets and driveways should be completed by June 1st.

New Business

Elections

The Bylaws require that for the first full election there must be staggered initial terms (1 year, 2 year, and 3 year). Subsequent terms shall be for 3 years. No more than 3 Directors shall be elected. **SB100** requires a secret ballot, however, if all agree this could be waived. The Board would like to have a mix of full-time residents as well as part-time and "weekenders." Cal Winn, Walker Jones, and Thomas Daniel were all nominated. Carl Neslund motioned, Ed Ozark seconded, all were in favor, and it was resolved that:

The elections will be cast aloud eliminating a secret ballot.

After further discussion on terms, Ed Ozark motioned, Chuck Queen seconded, all were in favor, and it was resolved that:

The first elections will consist of staggered terms. The 3 year term will be a full time resident, the 2 year term will be a resident whom visits on weekends, and the 1 year term will be a resident whom resides part time. Subsequent terms shall all be for 3 years, as provided for in the Bylaws.

Following further request for nominations, and subsequent closure of nominations, Chuck Queen motioned, Carl Neslund seconded, all were in favor, and it was resolved that:

Cal Winn will fill the 3 year term

Walter Jones will fill the 2 year term

Thomas Daniel will fill the 1 year term

Officer positions will be determined at the next Board meeting or by e-mail.

Changes to Property Landscaping

The Board would like to add trees near the sidewalk and possibly shrubs to mask the cable boxes. It was noted that in order to make any modifications to any property, Board approval must be sought. The Board has asked Mount Royal to e-mail them ideas as to what other Associations do regarding modification approval in common areas.

Rules and Regulations

Currently no Rules and Regulations exist for the property, other than the covenants in the Declaration. Murray Bain urged the Board to consider working on these soon and pointed out that when creating rules and regulations, the 3 main things to consider carefully are pets, parking, and trash removal. The Board would like to look into getting a recycling bin. Murray Bain will be in contact with the Board dealing with the rules and regulations.

Driveways

The Board would like to get the driveways straightened out, as some were laid rather crooked. Tim mentioned that the layout was required by the town, but that the Owners can alter the layout as they see fit, as long as they are within code. The landscaper will come and look at the driveways, make a plan, and approve it with the Board to make the necessary improvements. Larry Astor motioned, Carl Neslund seconded, all were in favor, and it was resolved that:

The landscaper will seek to straighten out the driveways.

The *Big* Rock

The Board would like to either replace the fake rock at the entrance, or paint it. They do not like the look of it. This matter will be researched more at a later date.

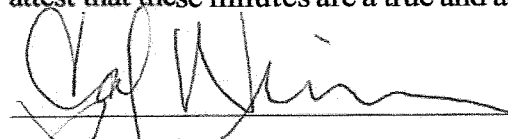
The Pond

It was brought to the Board's attention that the Eagles Nest development owns the creek running adjacent the property; however certain parts of it are encroaching some property owner's boundaries. Apparently, someone put some type of fabric lining into the creek, thus enhancing weed growth, The weeds are growing right through it.

Adjournment:

As no other business was discussed, the meeting adjourned at approximately 7:45 p.m.

I hereby attest that these minutes are a true and accurate account of the meeting thus held on April 28, 2006.

Signed:  Dated 7/10/06
As: RESIDENT
(officer position)