

**ROUND HILLS ESTATES NORTH PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING OF THE MEMBERS
OCTOBER 23, 2007**

DRAFT MINUTES

CALL TO ORDER: The meeting was called to order at 7:15 p.m. at the Round Hill Country Club by Board President Steve Lange.

GUESTS: A brief review was given by backers of the movement to Incorporate Alamo.

INTRODUCTION OF DIRECTORS AND MANAGING AGENT: Board members and management introduced themselves, and then everyone present was asked to introduce themselves. There were approximately 40 homeowners in attendance

APPROVAL OF MINUTES: Upon a motion and second duly made, the Membership adopted the minutes from the last annual meeting on October 24, 2006.

REPORTS:

PRESIDENT'S REPORT – STEVE LANGE:

Significant Events

- New Directory of members
- Work on landslide behind Tanbark Lane
- Investigation of street and directional signs
- Approval of direction sign to be installed at top of Biltmore
- New attorney for Association
- Landscaping of Lots 28 and 29
- Continued homeowner communications efforts – newsletters and website

Issues Going Forward

- Continued concentration on property values
- Erosion – sewer bench and rear yards
- Landscaping of entryway area – design and bidding this fiscal year
- Chanticleer Lane's continuing road issues
- Lot 106 erosion scar
- Landslide repair behind Tanbark

TREASURER'S REPORT (Treasurer Joe Bonn was not in attendance; Steve Lange gave a presentation of the report) - SIGNIFICANT FINANCIAL EVENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2007:

Operations

- Dues of \$320 per quarter, same as 2006
- After allocation of \$55k to Replacement Fund, net results \$48K
- Operating Cash increased from \$246k to \$287k due to positive operations
- Reserve spending was \$10k
- Significant Expense Variances:
 - Beautification budget was not spent (\$35k)
 - Weed abatement better than budget
 - Legal expenses over budget due to lot issues

Restricted Account

- Cash balance went from \$298k to \$343k due to transfers and interest higher than spending
- 2007-2008 Budget:
 - Dues stay at \$320 per quarter
 - Continue beautification budget of \$35K
 - Likely spending for lot repairs due to soil erosion, subject to possible insurance and/or contractor claims
 - Reserve funding budgeted at \$50k

COMMITTEE REPORTS:

Property Value Improvement (PVI) Committee– Steve Lange:

- Established in 2003 w/7 members, investigating ideas, establishing priorities, and focusing on what the association could do to improve the neighborhood
- Entryway Improvement

ELECTION RESULTS:

President Lange advised the homeowners present that the Board had been elected by acclamation, wherein there were seven members interested in the seven seats. Steve was pleased to announce that the following individuals have been declared elected to the Board: Steve Lange (Incumbent), Mazi Ghorbani (Incumbent), Yamo Deniz (Incumbent), Dale Welch (Incumbent), Habib Amin (Incumbent), Varun Nanda, and Suzanne Swirnow.

RESOLUTION REGARDING EXCESS INCOME:

President Lange explained the basis for the following resolution, as proposed: “The following resolution has been recommended by the Association's CPA in order to comply with IRS Revenue Ruling 70-604 and prevent federal taxation of Association funds. Any excess income would be deposited in the Reserve Account. RESOLVED: That any excess of membership income over membership expenses for the fiscal year ending 6/30/06 be applied against the subsequent tax year member assessments for common area replacement, as provided by IRS Revenue Ruling 70-604.” The Resolution passed by an overwhelming majority.

OPEN FORUM:

Discussion was held on multiple topics including retaining property values, and discussion of the possibility for open area use as vineyards.

Inasmuch as there was no further business to come before the Members and upon a motion and second duly made, the meeting adjourned at 9:35 p.m.

Respectfully Submitted,
Valorie Lambert, Recording Secretary, For Margaret Palma, Association Secretary