

The Townes of Floribunda Annual Meeting

Schaner Senior Center

East Pennsboro Municipal Building

October 25, 2011

1. **Call to Order.** President Frank Bagnato called the meeting to order at 7:05 P.M.
2. **Roll Call.** Association Secretary Ed Slaby stated that 25 homeowners were present at the meeting and twelve proxies were received. According to the Association bylaws, this constitutes a quorum.
3. **Proof of Meeting.** The Secretary stated that a notice of the meeting had been distributed on September 21, 2011, together with a packet of information including the meeting agenda, financial reports, the proposed budget for 2012, and a neighborhood directory.
4. **Minutes.** It was moved and seconded to dispense with the reading of the minutes of the 2010 Annual Meeting and to approve them as written. The motion was passed without objection.
5. **Reports of Board Members.**

Presidents Report. President Frank Bagnato thanked each of the members of the Board for their support during this past year. He stated that he is stepping down as President as of now, but will continue to serve on the Board for another year if re-elected at this meeting. He stated that , in the interest of time, and knowing that there were major issues to be discussed, he would keep his

remarks brief. He noted that there was an important item of new business that would be presented, discussed, and voted on at this meeting-consideration of a change to Covenant O of the Association Declarations. This proposal had been discussed by the Board at each of its meetings over the past year. Frank stated that, in light of the importance of this issue to all of the homeowners, the Board had determined that it should be put to a vote of the owners at this meeting, instead of just a vote of the Board members.

Treasurer's Report. Treasurer Bill Jones reported that he had submitted the financial statements for the year 2010 to the public accounting firm of Wiedemann and Douty for their review. He stated that he has received the 2010 review and they had found everything in order . He reported that he had filed Federal Income Tax form 1120h for the Association for calendar year 2010 , and as a result of the current low interest rates available on the Association's funds there had been insufficient investment income to require the payment of any Federal income tax for that year.

Bill stated that he had recently renewed the liability insurance policy for the Association, and completed two financing questionnaires and four certificates of resale during the past year. He had also posted monthly financial statements on the Association website, performed monthly bank reconciliations, and collected the quarterly assessments due from homeowners. He noted that Frank Bagnato had helped with such collections that were overdue during the year.

Bill then discussed the current financial report as of September, 2011, and reviewed the 2010 financials, a history of year end account balances, a budget history, an expense history, and the proposed 2012 budget. He stated that the proposed budget anticipated no change in the amount of quarterly dues for the coming year. Since items to be discussed in the meeting could result in additional expenses not reflected in the draft budget, a vote on the 2012 budget was deferred until later in the meeting. Secretary's Report. Ed Slaby stated that there had been some confusion about residents not receiving coupons for payment of 2012 quarterly assessments in the packet that was sent with notice of this meeting. Coupons could not be sent until a final 2012 budget is approved, they will be sent after such approval. Bill Jones commented that it was not necessary to send a coupon with each payment, coupons are provided to homeowners as reminders of the payment dates and due amounts.

6. Committee Reports.

Architectural Control Committee. Chairman Michael Bennett reported that the Committee had been working on researching possible replacement tree varieties for trees in the front lawns of neighborhood properties. Some homes have trees that are damaged or diseased, and homeowners have requested guidance with respect to permissible replacements. He stated that the Committee had consulted an arborist, Eric Voridi, who is with the firm About Trees. They also included Joe Napoli of Napoli Landscaping in the consultation. The arborist noted problems with trees that were planted in front lawns on both Tuscany Court and Country Club Road, as well as in Tuscany Circle. A copy of the

Committee's report was given to the attendees. A copy is attached to, and incorporated, in these minutes. Michael stated that the Committee will work with urgency to bring the choice of a replacement tree to a decision, and will make a recommendation in the near future. He stressed the importance of monitoring any work done with tree replacements to ensure it is done correctly. He received several suggestions from those attending, including to investigate possible bulk purchases of trees and avoidance of messy flowering trees. In response to a question as to whether there was a need to replace trees that are removed, Michael answered in the affirmative, citing the need for uniformity.

Lawn Maintenance Committee. Kate Richardson reported that the association had renewed its contract for lawn maintenance with Napoli Landscaping in the coming year, at no increase in cost over 2011. A comment was made by a homeowner who expressed dissatisfaction with the small amount of mulch that had been spread on planting beds on her property. Other homeowners complained that Napoli had placed excessive amounts on their property. Joe Napoli will be invited to the Board meeting to be held in January, 2012 to discuss the complaints and to have him understand these concerns. We will also discuss with him the cost of possibly removing tan bark from around front yard trees. Kate stated that the Association had received a proposal from True Green for weed control and lawn fertilization, which provides for a five percent discount for full annual payment in advance for 2012 services, as well as a locked-in price for each of the next three years if the Association agrees to a three year contract. This

proposal was moved and seconded for a vote and received unanimous approval from homeowners at the meeting.

Kate stated that homeowners with particular lawn issues should contact her since True Green does provide extra treatments for several such issues. A suggestion was made by a resident to the effect that an email alert should go out when a decision has been made not to have snow removed, in situations where snow removal policy is unclear in application. This resident has less sun exposure through the day and this often results in snow staying without melting as fast as other it does in other driveways. She needs to know so that she can make arrangements for a plow, even if conditions generally would not call for one. The Board will discuss this suggestion at its meeting in January. A homeowner has complained that Napoli Landscaping consistently parks a trailer in the same location, in front of his home, when working in the neighborhood. Kate said that she has asked Napoli to vary where it parks from time to time. Kate stated that Napoli has suggested that homeowners with white pine trees that have grown large should have them trimmed to reduce the chance of wind storm loss. Such trees are less able to stand up to powerful winds and reducing their size will moderate the force of the wind on the trees in such storms. Napoli has quoted a cost of \$20 per tree for trimming the pines.

7. Nomination and election of Board Members. It was moved and seconded to accept the proposed slate of Board members for 2011-2012:

Frank Bagnato

Michael Bennett

Bill Jones

Dan LaViola

Ed Slaby

As directed in the Association bylaws, the Board will meet to elect Association officers after the Annual meeting.

Some of the elected Board members stated their intention to leave the Board after the upcoming term in office. Frank Bagnato stated that he will remain on the Board for only this term, and will not again serve as President of the Association in the coming year. Bill Jones also stated his intention to step down as Treasurer and Board member after the 2012 term. Bill suggested that it would be advantageous to have the outgoing Treasurer continue in office as Acting Treasurer until the end of the calendar year, when there is a change in the holder of the position. This would allow the new Treasurer an orderly transition and give the new Treasurer an opportunity to learn the duties of the position from the previous incumbent.

Ivy Jones commented that the Association should consider using a management company to perform some of the routine Treasury functions such as billing and receiving Association dues, accounting for funds, etc. Ivy noted the various skills that are

required, and that it may be difficult to find these in a volunteer Association member.

8. Old Business. There was no old business to be done.

9. New Business. Bill Flannery requested the floor and was granted the opportunity to present the rationale for a proposed Directive that would explicitly interpret and enforce Covenant O of the Declaration of Covenants and Restrictions for the Townes of Floribunda, Article II. Section 2.

The proposed Directive states:

Covenant O shall be interpreted and enforced as follows:

(1). Except for brief periods of time relating to the loading or unloading of vehicles, the delivery of goods to the home, or declared weather emergencies, homeowner and resident vehicles shall be parked in a garage and/or in a driveway, and not on the streets within the Property. "Residents" for purposes of this section are tenants and other individuals residing in the home for eight (8) or more calendar days.

(2). Guest vehicles may be parked on the street during a period of visitation for a period of time not to exceed (7) days in any thirty (30) day period.

Bill stated that he, together with four other households, had sent the membership a proposal to amend Covenant O, but they had recently determined that it would be less onerous, in place of the original proposal, to offer a Directive requiring the Board to enforce the existing Covenant. Bill stated that his Committee was

withdrawing the proposal to amend Covenant O and moving forward with this Directive. He argued that the board has the authority to make and enforce such a regulation and that it could be done by majority vote at the Annual meeting. He said that the new proposal recognized the concerns of homeowners about the monetary penalties that were included in the proposed Amendment. He denied that the proposal is concerned with Township traffic laws, instead it is about a contract-one that is inherent in the deeds of the Townes of Floribunda properties. Bill admitted that the Township allows parking in the street. He stated that the homeowners backing the proposed Declaration have attempted to work toward a resolution of the perceived problem for the past two years, without success. Bill stated that the Declaration addresses a safety issue, that parking around a circle creates visual obstructions to motorists. He also commented that the homes around the circle constitute a cluster development, that in such developments the presence of clutter-such as the number of cars parked in the street- can adversely affect the values of the homes. He advocated for stronger enforcement of existing Covenant O, citing the duty of the Board to protect the integrity of the Covenants which, once lost, will result in the Association losing control of the entire process of governance of the Association. Bill discussed the specific language of Covenant O, citing the use of the word "shall" and the use of the word "reasonable" as a modifier of the word "effort". He argued that such close reading calls for an interpretation that implies a strong enforcement of

non-parking rules for not just Tuscany Court but Country Club Road as well.

Bill stated that Covenant I, which has strong language prohibiting certain larger vehicles from parking on adjoining streets, argues by association with Covenant O for a stronger enforcement of the latter Covenant.

In further support of the proposed Directive, Bill cited the directive given by the Association to Napoli Landscaping to cease parking their snow removal equipment on Country Club Road, and also an email sent by the Chair of the Architectural Control Committee in 2005 which addressed parking around Tuscany Circle.

A resident-Bob Mukalian- asked if Bill had any accident statistics in support of the claim that a safety issue exists around the Circle. He stated that the Directive appeared to be trying to fix something that affects only a small number of homes.

In response, Flannery stated that he had no such data, but a safety issue does exist. Bob stated that he visited the police department and was told that the Department has no record of any accidents occurring around the Tuscany Court Circle. In any case, this is not about Township laws but about real estate law, as inherent in our property deeds. The original Bylaws and Declarations filed by the developer of the Properties allow the Association to enforce Covenants.

A Board member-Mike Staub- addressed the interpretation of "reasonable effort", saying that he does not agree that it means a strict prohibition of parking on streets within the Property. He denied that then Board had failed to take action with respect to

the parking issue. He cited the successful efforts he and others made to resolve chronic parking issues on the Circle by speaking with the parties involved. Mike further stated that if a problem with parking occurred in the future it should be handled the same way that the recent issue was handled - by speaking with the "offending" neighbor.

Bill acknowledged that currently there was no parking problem around the Circle, in his view the integrity of the Covenants in and of itself was sufficient reason to pass the Directive.

Bill Jones spoke that the issue involved the interpretation of the word "reasonable", which should mean a *moderate* effort and not an *extreme or excessive* effort. In response to a question from a homeowner as to how any of the Covenants are enforced, Bill cited the explicit enforcement language concerning activities of the Architectural Control Committee and that such enforcement did not extend to streets within the Property. A homeowner commented that the Directive would also apply to Country Club Road, and that there was also a safety issue on that street that should be addressed by limiting parking on Country Club Road.

Jeffrey Neville commented that the main issue for those homes at the back end of Tuscan Court had been a truck that in the past had been parked on the Circle for extended periods of time.

Bill Jones reclaimed the floor and stated that a strict reading of the Bylaws and Covenants indicates that they do not apply to public streets and the Association has no authority to pass any Regulations concerning the public streets.

Bill stated that the amount of effort it takes to not park on the street varies from household to household, e. g., a large vehicle or a home having three vehicles.

Louisa Gaughen , one of the residents proposing the Declaration, stated that the intent of Covenant O is obvious-cars should not park in the street. The function of the Board is not to interpret the Bylaws, instead it should enforce them. As neighbors we should be respectful of each other and not encroach on each other. Jim Richardson, who also supported the Directive, stated that in the past, as one car had continuously parked on the Circle, it resulted in a series of other encroachments by other residents parking on the Circle, resulting in a slippery slope.

Motions were then made and seconded to call the question to accept or reject the proposed Directive.

President Frank Bagnato stated that he recognized the special circumstances surrounding this vote. Homeowners had come to the meeting expecting to have an up or down vote on an amendment to Covenant O. Proxies had been signed with that in mind. Instead the proposal for a Directive was presented without time to consider it in advance. Despite such misgivings he decided that the homeowners had an opportunity to ask questions and comment on the proposal and that they should be given the opportunity to vote.

Bill Flannery stated that the intent of the proposal was to arrive at a consensus, not a conflict between neighbors. The vote was taken and the proposed Directive was rejected, with nine votes in support and 26 opposed to the adoption of the Directive.

Following that vote, a motion was made to adopt the proposed 2012 Budget, seconded, and the budget was adopted by unanimous vote.

There being no further business, the meeting was adjourned at 9:45 P.M.

Submitted by Ed Slaby
Secretary