



BLACK CREEK SANCTUARY

The Open Board Meeting of Black Creek Sanctuary Condominium Association was held on Saturday, June 12, 2010 at 10:30AM, Eastern time at The Appalachian at Mountain Creek 'Farm Room', 200 Route 94, Vernon, NJ 07462.

Present from the Board of Directors were: Frank Dupree, Henry Ang, Kenny Gee, Steven Kern and Joe Hession

Also present were: Jeff Patterson of Property Management Services of New Jersey.

There were 21 owners in attendance. The sign-in sheet is attached to these minutes as Exhibit 1.

CALL TO ORDER AND ESTABLISHMENT OF QUORUM

The meeting was called to order by Frank Dupree at 9:12AM. Mr. Dupree announced that the quorum requirement had been met and that proper notice had been given.

OPENING COMMENTS

Mr. Dupree opened the meeting with a brief introduction and welcome to the owners in attendance.

MANAGER'S REPORT

Jeff presented the manager's report. A copy of the Manager's Report is attached to the minutes of this meeting as Exhibit 2.

- Results of Winter Pool Closing: The decision to close the pool last winter resulted in a savings of over \$50k. The budget has been prepared in anticipation of following that same schedule this year.
- Maintenance: The board has been proactive in terms of ensuring that the maintenance items are addressed right away to protect the assets of the association. A dryer duct cleaning program has been budgeted this year as well as other safety and property enhancement initiatives
- Food & Beverage by the pool: The board is working to provide F&B service at the pool on busy weekends.
- Communications: The pool area is now a WIFI hotspot. The board is rewiring all the buildings and DirecTV will be available to all units.
- PMSNJ Staff Changes: Two new Maintenance Technicians have joined the company. Their experience will help respond to maintenance requests more quickly and at lower prices than outsourcing to contractors.

BUDGET OVERVIEW

The FY11 budget was presented with highlights as follows:

- Overall, the Association is in good financial health. Actions undertaken by the board to aggressively control costs has resulted in the ability to not only maintain the standards within the community but to improve the overall safety and quality of life for all.
- For the third year in a row, there will be no increase in dues.
- Accounts Receivable: The most significant challenge to the budget again this year is in the area of collections. Last year at this time there were 24 owners in arrears who owe \$162k. This year, there are 34 owners owing \$214k. The Board and PMSNJ have been working with the attorney's office and we expect to bring closure to a number of outstanding accounts over the next year. Again this year, the budget includes a contingency in the amount of \$60k to offset potential balance write offs.
- Budget Highlights
 - Miscellaneous Expense: This category has been increased by \$10k in anticipation of costs related to the transition process currently under way.
 - Pool Expenses: As a result of the winter-season closing of the pool, the Association saved in excess of \$50k.
 - Maintenance Services: The budget has been increased by \$10k to address a number of safety and property enhancement initiatives including installation of protective barriers around the gas lines at the light poles throughout the property.
 - Security Services: Last year, \$15k was allocated toward the purchase and installation of a new surveillance system. This item is being carried over into this year's budget as the system has not yet been put in place. For FY11, this line item has been increased to \$45k for both the surveillance system and the DirecTV wiring program.
 - Electric: The change to bulk billing last year saved over \$19k. These savings will help offset the cost to rewire all buildings for DirecTV (estimated at \$30k).
 - Deferred Maintenance: This budget has been increased by \$28k to build up reserves for deferred maintenance items including the dryer duct cleaning program.

OPEN TO THE MEMBERS FOR QUESTIONS/COMMENTS

A number of questions related to security, the entry gate, and a number of other matters were asked by the members. These questions were discussed between the board and the membership and suggestions were taken into consideration.

There being no further business to come before the meeting, the meeting was adjourned at 12:13 p.m.


Secretary