

THE GARDENS AT HERITAGE GREEN CONDOMINIUM ASSOCIATION, INC.
Minutes of the Board Meeting
Monday, June 4, 2024, at 6:00 PM
at Chattanooga Elks Lodge, Graysville Road, Chattanooga, Tennessee 37421
In Regards to Reserves Study 2024

The Board of Directors of The Gardens at Heritage Green Condominium Association, Inc., conducted the below business with regards to the Gardens Reserves Study 2024:

Attendance is as follows:

Matt Brownfield – President (present)
Margaret Lorimer – Vice President (present)
Nancy Williams – Treasurer (present)
Ursula Jenkins-Turner – Secretary (present)
Kyle Allen – Chair Finance Committee (present)
Dale Carney – Chair Insurance Asset Committee (present)
Bert Webb – Chair Landscaping Committee (present)
Leslie Blackstock – Chair Architectural Committee (present)

Lynda and Jim Hawks, owners of Hawks Group – Management Company (present)
Kelley Eblin, Associate of Hawks Group – Management Company (present)

Matt Brownfield called the meeting to order. The meeting commenced at 6:00 p.m. Discussions during today's Board Meeting follows and were mostly about the Reserves Study just received from Royal Real Estate Services.

1. Reserves Study.

On April 23, 2023, Governor Bill Lee signed Senate Bill 863 and House Bill 750 into law. Effective January 1, 2024, the law requires/mandates condo association boards to have a reserve study done on or before January 1, 2025. The Gardens HOA hired Royal Real Estate Services to create a full reserve study on our property. The date of inspection was February 26, 2024. The purpose of the report was to give homeowner associations and their members the insight and guidance needed to make informed decisions about the future budget obligations our community presents. The complete Reserves Study can be found on our website thegardensatheritagegreen.org. and consists of 42 pages including pictures.

As you can see from the Reserves Study report on page 4, we have not funded enough money for Reserves for future projects. Royal Real Estate Services **recommends a yearly reserve contribution in the amount of \$24,350** added to our Reserves each year. This is in addition to the \$50,000 we already put into Reserves each year. We need the additional \$24,350 for future expenditures. The yearly \$50,000 is simply not enough for what all is expected to be spent/paid for by the HOA in the future and includes but not limited to: roof replacements, concrete repairs and replacements, garage door replacements, siding replacements, patio door replacements, window replacements, sprinkler system upgrades, asphalt repairs and replacements needed for Callaway Court, etc.

The \$24,350 yearly Reserves required would be divided by 129 units = \$188.75. We will round the figure out to \$200 per unit per year.

Starting February 1, 2025, we will ask each unit owner to send The Hawks Group a one-time payment/check in the amount of \$200.00 to fund the future Reserves. All checks should state "2025 Reserves Fund."

If a unit owner cannot pay the \$200.00 on February 1, 2025, they would have until December 31, 2025 to make monthly payments of \$18.18 per month until the \$200 is paid. Our dues currently are \$215.00 per month and would not go up in 2025. The unit owner would need to pay the regular monthly dues of \$215 in 2025 as well as

an additional check for \$18.18 until December 31, 2025.

The HOA Board would like to make a \$24,350 payment into Reserves on February 1 of each year and thereafter in the same way as stated previously in order to fully fund our Reserves. This funding of Reserves would build a nice nest egg for the future of our complex.

Per the Master Deed, all unit members must be notified to attend a meeting for voting on the Special Assessment for 2025.

2. Master Deed. Special Assessments.

Per the Master Deed recorded November 19, 2004, Book GI 7344, Page 922 in the office of the Register of Deeds for Hamilton County Tennessee:

Article VIII Assessments, Section 3. Special Assessments. In addition to the General Assessments, the Association may levy a Special Assessment in any year, provided, however, that any Special Assessment shall be effective only with the approval of not less than two-thirds (2/3) will be of the votes of each class of Members represented in person or by valid proxy at a meeting of Members duly called and convened to consider such Special Assessment.

Article VIII Assessments, Section 5. Notice and Quorum for Meeting to Consider Special Assessments and Certain Increases in General Assessments. Notwithstanding any other provision hereof or of the Charter, the Bylaws or the rules and regulations of the Association, written notice of any meeting called for the purpose of approving the establishment of any Special Assessment, as required by Article VIII, Section 3 hereof, shall be sent to all Members not less than thirty(30) days nor more than sixty (60) days prior to the date of said meeting. At the first meeting thus called to consider the particular Special Assessment or increase in General Assessment, a quorum shall consist of sixty percent (60%) of the votes in each class of Members (whether represented in person or by valid proxy),

The HOA Board will plan to call the Special Assessment meeting on Monday, August 12, 2024, at 6:00pm at Chattanooga Elks Lodge on Graysville Road. Announcement of the meeting along with a proxy will be mailed to all unit owners on Monday, July 8, 2024.

The HOA Board will only hold one meeting to discuss the special assessments needed in order to bring our Reserves up per the Reserve Study with a vote. We will not hold two meetings. 2/3's of unit owners attending in person or via proxy is needed for approval.

Should we not get the votes needed to approve this special assessment of \$200 per person which consists of 2/3's of unit owners attending the meeting in person or via proxy -- the HOA Board will be forced to increase monthly dues in 2025 to make up the difference. Upon much discussion, the Board felt unit owners would prefer to make a one time yearly payment of \$200 rather than increase monthly dues.

An example of the Announcement and Proxy for the 8/12/24 meeting is attached and will be mailed to all unit owners July 8, 2024.

3. Landscaping Issues. Our new landscaping company continues to work on the property. They are still removing dead bushes and planting, etc., and are currently plugging the Bermuda grass. The property is beginning to shape up and looking good. Pressure washing continues as well.

4. Roofs. We have replaced five new roofs. Depending on our budget at year end, we may be able to replace two more roofs at year end leaving us approximately seven roofs to replace next year.

There being no further business the above was approved by all on the HOA Board.

**THERE WILL BE A MEETING TO VOTE ON A SPECIAL ASSESSMENT
OF ALL MEMBERS OF
THE GARDENS AT HERITAGE GREEN
ON MONDAY, AUGUST 12, 2024 AT 6:00 PM AT
CHATTANOOGA ELKS LODGE
1067 GRAYSVILLE ROAD
CHATTANOOGA, TN 37421
(Right Next to CVS Pharmacy on East Brainerd Road)**

**THE SPECIAL ASSESSMENT WILL BE IN THE AMOUNT OF A
\$200 PAYMENT TO THE ASSOCIATION ON FEBRUARY 1, 2025
FOR ADDITIONAL RESERVES.**

It is important that you read below and attend. There will be 1 item to be voted on which is the election of a Special Assessment to be made February 1, 2025 in the amount of \$200 per person. If you cannot attend you may give a board member your properly completed proxy or you may mail (prior to 8/12/24) to:

Proxy
800 Callaway Court
Chattanooga, TN 37421

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Thanks to your attention to all of this.

The HOA and The Hawks Group

PLEASE NOTE: YOUR VOTE IS IMPORTANT.

IF YOU CANNOT ATTEND THE MEETING ON MONDAY, 8/12/24 PLEASE FILL OUT THIS PROXY, GIVE TO A BOARD MEMBER OR MAIL TO:

**PROXY NOTICE
800 CALLAWAY COURT
CHATTANOOGA, TN 37421**

PROXY

I am the owner of a unit in The Gardens at Heritage Green Condominium Association, Inc. (the "Association") and am an eligible voting member of the Association. Pursuant to the provisions of the Master Deed and By-laws of the Association, I hereby appoint Ursula Jenkins-Turner, the Secretary of the Association as my duly authorized proxy and agent to attend the meeting of the Association on Monday, August 12, 2024 (including any continuation or adjournment of that meeting) with full power and discretion to vote and act for me as fully as I could if personally present at the meeting.

All previous proxies are hereby revoked. This proxy may be revoked at any time by delivering a written notice to the Secretary of the Association.

Dated: _____, 2024.

(Signature)

Print Name: _____

Address: _____