

BRIAR COVE PAIRED COTTAGES ASSOCIATION, INC.
Scherville & Dyer, Indiana

Special Meeting
April 29, 2008

The meeting was called to order at 7:00pm by Jay Popp, interim Board President. Interim Board members Elaine Sanders and Ralph Flens and Peter Bylen from 1st American Management Company were also present. One hundred and ninety-one (191) residents were represented either in person or by proxy; ninety (90) are required for a quorum.

Jay Popp explained that the purpose of the Special Meeting was to brief the residents on the status of the transfer of association control and the association finances, as well as an election of an interim board member. He briefly reviewed the history of the board, the status of the transition from developer to homeowner control, and status of the misappropriated funds from the KMC period.

Elaine Sanders provided a report on the association financial health from January 2007 through the end of March 2008, and projected expenses through the remainder of 2008. She explained that the only way out of the projected arrearage would be to raise the monthly assessment from \$90.00 to \$107.00 as well as special assessing each household \$255.00, or increase the fees to \$128.00 monthly, thereby financing the shortage over the next eighteen (18) months. Either option would take effect June 1, 2008. After discussion an overwhelming majority of those present voted for the special assessment of \$255.00 payable by June 30, 2008 and an increase of the monthly assessment from \$90.00 to \$107.00 effective June 1, 2008.

The next matter was the election of five (5) Directors to fill out the interim Board. After a call for nominations from the floor, Denise Warren and Marcia Collins presented themselves as candidates in addition to the four (4) candidates (Joseph Arias, Ralph Flens, Jay Popp, and Elaine Sanders) already on the slate. Ballots were distributed and Denise Warren emerged as the winner. Joseph Arias, Ralph Flens, Jay Popp, Elaine Sanders, and Denise Warren will serve as the interim Board of Directors until the next election of Directors in November 2008.

During the vote count several association-related matters were discussed: the association's website, the status of the Canadian National Railway acquisition of the Elgin Joliet & Eastern Railway, the decision to remove existing mulch and replace it with cyprus mulch, and the importance of homeowners complying with the association's governing documents that require that Briar Cove Paired Cottages Association be named as Additional Insured or Interested Party.

There being no further business, the meeting adjourned at 9:05pm.

Respectfully submitted,

Lilly Bereza

Briar Cove Paired Cottages Association Expense Summary			
	2007 Actuals	2008 Anticipated	
EXPENSE			
Capital Reserve	\$ 36,000.00	\$ 36,000.00	
Insurance	\$ 2,508.24	\$ 2,508.24	
Legal	\$ 735.00	\$ 735.00	
Audit BKD	\$ 600.00	\$ 600.00	
1st American Admin.	\$ 4,867.56	\$ 4,867.56	
1st American Management Fees	\$ 24,510.45	\$ 24,510.45	
MasterCut Snow Removal	\$ 20,472.00	\$ 20,472.00	
MasterCut Lawn	\$ 96,872.00	\$ 96,872.00	
Grounds Care	\$ 25,671.43	\$ 25,671.43	
Schererville Irrigation	\$ 16,216.05	\$ 16,216.05	
General Maintenance	\$ 15,428.96	\$ 15,428.96	
Forever Green	\$ 40,264.32	\$ 40,264.32	
Plumbing	\$ 244.00	\$ 244.00	
Misc.	\$ 3,034.49	\$ 3,034.49	
Capital Improvement	\$ 8,370.00	\$ 8,370.00	
NIPSCO	\$ 6,278.54	\$ 6,278.54	
Schererville Water	\$ 45,941.52	\$ 45,941.52	
Totals	\$ 348,014.56	\$ 348,014.56	
	\$87 .00 per month	\$90.00 per month	\$107.00 per month
INCOME			
Monthly Maintenance	\$ 283,968.00	\$293,760.00	\$349,248.00
Income - Expenses	(\$64,046.56)	(\$54,254.56)	\$1,233.44
Monthly Additional Needed: Difference divided by 272 homes divided by 12 months	\$19.62	\$16.62	
Income is based on each homeowner paying their monthly maintenance on time			
			Outstanding invoices as of March 31, 2008
			\$69,397.26
			Divided by 272
			\$255.14
			\$255.14 Divided by
			\$21.26
DEFINITIONS:	Cash Accounting- expenses are not counted until they are actually paid		
	Accrual Accounting - expenses are counted when you receive the goods or services		
Briar Cove uses Cash Accounting			