

Bellingrath Commons Homeowners Association, Inc.  
A Non-Profit Corporation

Board of Directors Report  
January 27,2009

- I. The Board of Directors has acted on behalf of the community this past year on these issues:
  - A. As the Governor of Georgia continued to maintain the current 'Level 4 – Water Restrictions" due to ongoing drought, Jim Mills re-introduced the High Grove management team to the new BOD members to review:
    1. Proposal to upgrade and improve the efficiency of the master irrigation system as previously presented by High Grove to last years BOD;
    2. Proposal to replace plantings demanding frequent water, as they die, with plantings needing less irrigation as well as seasonal color recommendations that cost less money to purchase, and withstand the heat and drought conditions.
  - B. The BOD moved to act on the recommendations from High Grove and began the upgrade program to make the irrigation system more water efficient:
    1. Almost all spray heads in the planting beds were replaced with more water flow efficient spray heads using 40% less water to accomplish the same work as the plants have matured and adapted to ongoing drought conditions.
      - a) Irrigation heads in "rear limited privacy areas", owned by the association, but allowing residents personal quiet enjoyment, were either:
        - i) replaced with lower water flow heads
        - ii) capped if no plantings were installed in "limited privacy areas"
        - iii) capped if residences were vacant
        - iv) capped if owners requested heads to be capped – choosing to use water hoses to maintain their planting beads
      - b) Irrigation heads in open spaces were replaced with more efficient spray heads using 30% less water,
      - c) Drip line irrigating system was installed along privacy stucco walls along eastern property line to irrigate climbing vines to cover stucco walls
        - i) previous climbing vines planted were damaged by High Grove fertilizer team, and High Grove stepped up and replaced the plants at "no cost"
  - C. The BOD acted on Jim Mills recommendations to accomplish the following:
    1. Proposal to eradicate the wisteria parasite vines killing the older trees at the community north entrance wall
      - a) The 55+% majority cost of the four (4) year project was expended this year
      - b) The contractor will be back this spring to make sure no new parasite growth has tried to reestablish itself and remove it as applicable
      - c) The dead wisteria vines will most likely fall to the ground this spring during the normal spring rains and winds.
    2. Proposal to complete the planting trees along the major gaps along Haynes Bridge Road
      - a) Jim Mills directed High Grove to go to the tree nurseries at year end to secure deals on trees (more mature in size) getting trees 2 – 3 times normal size for less money than costs normally spent for 6' – 8' trees
  - D. The BOD acted upon discussions to replace professional management agent replacing CCM:
    1. Current BOD felt CCM was not responsive to our needs
      - i) CCM was providing incomplete or errant information on monthly reports
      - i) Local representatives slow to respond to assistance requested by BOD members

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- D. The BOD acted upon discussion to
2. BOD members interviewed interested management companies and recommended Keystone Partners, who BOD hired at significant saving to Associations:
    - i) Local for better service and monthly management fees \$ 200 per month less
    - ii) No charges from agent for storage of permanent Association records, an additional savings to the Association

- E. The BOD acted upon discussions to analyze the "Reserves / Savings Account" balance:
1. BOD requested proposals from professional company to analyze long term costs to be managed by BODs:
    - i) Proposals were more costly the items needing to be measured and analyzed
    - ii) Format recommended became the framework for internal analysis, along with BOD members with years of experience in the development community and new management agent Keystone Partners
  2. BOD with Keystone Partners analyzed need for continuing to increase "Reserves / Savings Account" balance annually and determined:
    - i) As new residents purchase into our community, their initiation fees will increase the balance of this account
    - ii) As conservative budgets are established, any surplus funds net of annual dues collected will be deposited into this account
      - Operating budgets were compiled using business principals to estimate:
        - \* projected cost increases from utility providers,
        - \* using experienced contractors willing to work for same fees paid last year or less with no guarantee of future work
        - \* working with anticipated expenses if drought conditions were not in effect allowing for revised operating budgets to be adequately managed, and if drought conditions continue, resulting in potential cost savings to budget
  3. BOD deposited majority of "Reserves / Savings Account" funds into short term CD due to volatile financial conditions to maximize interest income, and flexibility to "rollover" into higher interest rate CD as financial climate improves.

- F. The BOD agreed to make more information available to the community members, via the Community Web Site, and additionally through hand delivered information when more important information needs to be in the hands of the owners.
1. This was implemented this year as further clarifying information was needed regarding the upgrading and efficiency improvement of the irrigation system

II. Setting the performance bar for the future

- A. The current 2009 budget allows for realistic operating budget that anticipates many cost increases from utility providers, based on 2008 actual expenses, and allowed for reduction of annual assessments saving community members nearly \$450 for coming year.
1. We continue to evaluate all expenses monthly to determine other areas of savings
- B. BOD is working to reduce cost for open space Real Estate taxes
- C. Based on improved irrigation system efficiency, petitioning Fulton County Water and Sewer Department to reduce their billing formula for sewer charges based on water usage –
1. Currently the single meter used by the County for water and sewer billing provides for adjustment for estimated cost of irrigation not passing through sanitary sewer system

- III. The BOD is seeking residents with passion about their community to assist the BOD in managing all facets of the community. The more diverse the make up of the BOD and committees, the better the opportunity to find ways to save the community money in our operating budgets.