

WATSON RUN ANNUAL MEETING MINUTES

JULY 15, 2020 AT 6:00PM

1. COMMUNITY WELCOME

A. President Fran Cannon will provide remarks to “Welcome” attending community members and establish a quorum.

Meeting began at 6:09pm. President Fran Cannon reported that we are well over the required 25% quorum required to hold the meeting. As of 6:09PM, 90 homeowners were logged into the Zoom meeting.

B. Brief review of how to effectively use Zoom and the format of the virtual meeting.

WCPAM welcomed everyone and gave instructions on how to: become unmuted, provide comments throughout the meeting, and an overall flow of the meeting format since this is the first ever virtual meeting at Watson Run.

2. INTRODUCTION OF OFFICERS/COMMITTEE CHAIRS/VENDORS

- *Fran Cannon, President*
- *Dave Schultze, Secretary and VP*
- *Dan Sweeney, Treasurer*
- *Rob Peters, member at large*
- *Don Orner, member at large*
- *Introduction of team members at WCPAM.*

3. NEW BUSINESS

A. *President’s Report (Fran Cannon provided the President’s Report)*

Welcome to the 2020 annual Watson Run HOA meeting. For those of you who don’t know me, my name is Fran Cannon and I am currently the president of the Executive Board of the HOA. If you had asked me a year ago if I would be on the HOA board, let alone president, I would have said “you have to be kidding!” I was asked to submit my name for consideration to fill the empty seat created by the resignation of a board member last August. I decided to go for it – what the heck I told myself...it’s only for 8 months! Over the next four months, I quickly learned all that was involved in being on the board of an HOA community that was about to enter the transition phase with the builder. I found out in early January that Cindy Kady would be moving and we would need to nominate a replacement for her. Despite the challenges facing the board, I felt like I had something to contribute and in a moment of madness, I decided to run for a full 2-year term in April. Cindy Kady resigned at the March board meeting and Rob Peters was appointed to fill the remainder of her term on the board. Somehow, I found myself leaving that meeting as president and within about two weeks the pandemic caused the state to impose a quarantine and the board to face decisions about closing all of our facilities. So here I was - president of the Watson Run HOA during a transition and a pandemic! At this time, I’d like to thank my fellow board members for their patience and support during this challenging time. I would also like to thank the many residents who have emailed, called, or spoken to me when I was out and about in the community and expressed their support, encouragement and appreciation.

Now I would like to offer some highlights of what has occurred and things that have been accomplished by your executive board over the past several months. In December 2019, the long-awaited connection to the township water system occurred smoothly with no issues. We are now enjoying a year of “free” water use as the new water system is being overseen by Leacock Township and the DEP. As we get closer to the end of that one-

year period, we will be sharing more information with the residents regarding the way we will be billed for water going forward. At our February 2020 meeting, the executive board voted unanimously to approve 2-year extensions of our current contracts with WooCat and Dooley-Pyne with no cost increases. In February, Berks Homes completed construction on the last home in Watson Run so we are now a community of 178 homes! As you know all too well, the pandemic hit and all construction was shut down for close to two months, putting a hold on final seeding and grading of several properties, warranty repairs, and completion of the common areas including the recreational area on Plum Tree Place and work on the stormwater retention basins. There is still a lot of work to be done but things are progressing slowly.

Despite the quarantine, the board has continued their regular monthly meetings virtually and has also held some additional meetings as needed to work on the regular business of the association, transition issues, and important decisions regarding the re-opening of our facilities as we entered the yellow and green phases of the governor's re-opening guidelines. While the clubhouse was shutdown, the board arranged for a thorough cleaning and sanitization process for the entire facility. The 12-year-old carpet was ripped out and replaced with a durable, easy to clean rigid core wood-like vinyl. The fitness center was outfitted with a rubberized gym floor which is much more conducive to exercise than carpet.

The board is working with the transition committee and Woo Cat to come up with plans for following up with Berks when all construction is completed to make sure everything is done according to the original plans and meets industry standards. A more detailed update on the transition will be provided later in the meeting.

In addition to replacing the carpet in the clubhouse, the board is working on getting proposals for several maintenance projects around the community including repairs or replacement of the wishing wells at the front entrance and the entrance to the clubhouse as well as some landscaping needs around the clubhouse. Progress on these projects has been hindered by the shutdown but we are getting things back on track.

As the community is aging, the need for regular maintenance and replacement of items in the common elements is growing. The board is working on a list of priorities for what needs to be done and how they can be accomplished in a fiscally responsible manner. Some maintenance needs can be handled by volunteers. That's the reason we are trying to establish the new "Helping Hands" committee, under the direction of the Executive Board. So far, we have four volunteers but we still need several more to be able to accomplish many of the projects that need to be done. Some of the larger maintenance projects will likely require work by licensed, bonded professionals. The board is committed to soliciting the most cost-effective options for handling the maintenance needs of the community going forward.

The next few months will be a critical time in the life of Watson Run as we work towards achieving a smooth transition and making sure that Berks lives up to their obligations. Your continued patience and support will help the board and the transition team focus on the job at hand.

B. Transition Committee Report: (Dave Schultze provided the Transition Committee Report)

The HOA executed a final agreement with the entities that make up Red School, a limited liability company including Berks Homes and others, that closes the matter of the Community Water System. It was agreed that any balance in the operating fund would revert to the HOA after all accounts were settled since the operating fund was financed by the HOA. The capital reserve fund for the CWS would revert to Red School since they had the capital investment. The Executive Board decided to refund the remaining balance equally among all

homeowners who contributed to the operation of the CWS once the final document was executed. Most importantly, the HOA and Watson Run homeowners are released from any and all liabilities that the CWS may have or could have in the future.

Kipcon engineering is now contracted to do a study of Phase 3 once Berks says they are finished with all work including a “punchlist” of items in Phases 1 and 2 that were part of the initial study last summer. Berks has yet to provide a specific time line for the completion, although it has been promised for quite a while. Kipcon will provide us with their study and final negotiations can begin. In the meantime, the HOA and Woo-Cat are collecting all documentation concerning perimeter boundaries, easements, and other rights of way to be sure we have a full picture of the common properties still in question.

There are various activities in progress around the community as Berks is completing its obligations. Some of these involve outside agencies such as the DEP and Leacock Township. We do not have the background knowledge to comment on these while they are in process.

Much of the initial legal documentation for Watson Run, some of which has only recently been discovered, involved agreements among the various parties of the community development. However, with the transition, the HOA needs to assess how these agreements apply to us in the future. These matters are very complex. Therefore, we have asked Amber Martin and Aaron Marines, our attorney, who specializes in community development law, to act as our spokespersons in these matters due to their expertise. This will include a new agreement between the HOA and Myron Stoltzfus for matters that may apply to his relationship with us after Berks has gone. As events of significance occur; the Executive Board will advise the community.

The board would like to thank all the members who served on the Transition Committee. All worked tirelessly and gave such a commitment in the past year and also for their dedication going forward to reach our goal of a successful transition with Berks. I would like to give a special thanks to both Earl Carey and Stan Goodman, without whom we would not be where we are today.

C. ARC Update: (Rob Peters read the ARC committee report)

The Architectural Review Committee currently consists of 3 members – Bob Spieker, chairperson, Tim Hathorne, and Jerry Felice.

2020 has been a busy year for the ARC! For the first half of 2020 there were 60 requests as compared to a total of 64 requests for all of 2019.

A large majority of the requests were for landscaping - including planting trees, expanding existing flower beds, installing new flower beds, installing mulch bed borders or just replacing undesirable plantings. The year to date total for landscaping requests is 26.

The remaining requests included installation of new decks and patios, pergolas, patio and deck awnings, storm doors, railings for front porches, rear patios and decks, lattice work around existing and new decks, and staining cement patios, porches, and walkways that were discolored during home construction. There were a total of 34 requests for these types of projects.

Due to the Covid restrictions, requests were initially slow coming in early this year; however, once contractor restrictions were lifted, residents started getting their projects moving. From the beginning of May to the present there was a significant increase in requests - 18 in May and 22 in June. We expect similar numbers of requests for the next few months while the weather allows for outside projects.

To date, the feedback from residents on how the ARC committee has moved the process approval along has been very positive – spending time with each resident to review the details of their project, making recommendations when necessary, and moving the approval process along in a timely manner. Most approvals have been completed within a week from being received by the committee from WooCat.

The ARC feels that their success in moving projects through the approval process can be attributed in large part to the cooperation of the residents themselves. Most ARC requests are submitted with all the required paperwork and project intent in good detail, allowing the ARC committee to gain a good understanding of the project prior to meeting with the resident. The ARC wishes to thank the residents for your cooperation with this process, enabling all of us to enjoy a beautiful community.

D. Outreach Committee, Social Committee Updates, Newsletter, and Veterans' Committee Reports: (Fran Cannon read the below committee reports)

OUTREACH COMMITTEE REPORT:

The purpose of the Outreach Committee is to provide an avenue for the Watson Run residents to make a concerted effort to assist those in need in our surrounding communities.

Through the generosity of our Watson Run neighbors, the Committee has been able to provide toys and clothes for children in need at Christmas time, Easter baskets for those children living at Christ's Home, supplies needed to make sewing kits for the homeless, books for the Laundromat Library, supplies for the Humane League, and furniture and other small household items for one of the homeless shelters in Lancaster.

Because of the pandemic, our activities have been curtailed. However, thanks to one of our members, Connie Felice, support for the Humane League has continued with donations being dropped off at her home at 49 Pleasant Drive. She is currently also accepting school supplies at her home during the month of July which will be given to Cross Net in New Holland.

We are hoping we might be able to hold the book drive for the Laundromat Libraries in August and the toy/clothing drive for The Factory during the holiday season. We will keep you informed of our activities through email and Next Door.

We are always looking for those who might be interested in joining us on our Committee. We meet the first Tuesday of the month at 1:30 p.m. in the Clubhouse. Email Carol Otto at clwotto@gmail.com if you are interested.

SOCIAL COMMITTEE REPORT:

The social committee is anxiously waiting to resume indoor group social activities upon HOA approval to allow a group larger than 16 in the clubhouse. We will provide as many activities as possible outdoors until this happens. These activities include the Lickety Split ice cream truck, mini-golf, a September BBQ, and our Oct.10th Garage Sale. If anyone has some new ideas please contact Linda. We miss seeing everyone and providing good times but our health and safety comes first.

Linda Madge, Social Committee Chairperson

UPDATE FROM NEWSLETTER COMMITTEE:

The Watson Run “Voice” committee is made up of 11 members dedicated to sharing interesting and informative community and local information. We recently added a column for birthdays and anniversaries, an outreach effort for those in need of assistance, a welcome for new residents and an Executive Board Update. It has been my pleasure to work with Rhonda and Bill Watkins in the transition of editorship, and I enjoy creating the monthly Voice very much. The deadline for insertions is generally the 25th of the previous month, however, the enthusiasm for this newsletter is high and it is generally filled around the middle of the month. Many thanks to our very active and helpful committee members who contribute articles, proof-read each issue, check schedules, and distribute printed copies to the club house and those without technology:

Rhonda Watkins, Viki Eberly, Eileen Stauffer, Amy Murray, Linda Madge, Janie Perry, Marian Hess, Mary Patton, Gail Morris, Jeff Hausmann. -submitted by Kathy Hazelett, Editor

UPDATE FROM VETERANS’ COMMITTEE:

Since mid-March: We flew the armed services flags in front of the clubhouse on Armed Forces Day, Memorial Day, and the 4th of July. On Memorial Day we had a brief ceremony honoring all those men and woman who died in combat.

Two of our members Joe Laskowsky (Navy vet) and Ray Heller (Army vet) installed an ADA approved railing for one of our disabled veterans.

We continually keep our members updated on all pertinent information distributed by the Veterans Administration

Submitted by Charlie Becker

B. Berks’ Updates (WCPAM) *Combined with New Business Review with homeowner questions*

C. Bylaw Updates Timeline & Review (Dan & Dave)

Bylaws were originally created by Berks. Imperative that we write the bylaws from our point of view (HOA). Conflict of interest clause. Rules & Regulations received at time of purchase of home. Continue to be modified.

D. Review of Submitted Homeowner Questions and/or Concerns (WCPAM & EXECUTIVE BOARD)

Notes: Similar questions were condensed to one question per subject area. Name(s) of homeowners were removed from questions and/or comments.

1. I would like the HOA board to supply financial statements to the residents quarterly. We appreciate all the board can do for us.

Quarterly financial statements can be requested from Woo Cat via email.

2. When will action be taken on the Plum Tree Circle playground?

No children’s playground on property. Recreational games have been completed but not the standard of the executive board and there are ongoing discussions with Berks. Survey also sent out to homeowners to gauge homeowner feelings regarding the games’ area.

3. Will the cracks in the blacktop on the walking trail be filled in? The one at the main entrance between the concrete and blacktop is a tripping hazard. When will the sidewalk on Pleasant be finished? When will all the blacktop be finished?

Sidewalk on Pleasant was completed by Berks' Contractor prior to the annual meeting. Other maintenance work was noted by Berks that they expect to finish by end of July but that is dependent on a number of factors. Conversion of basins is an extensive job but expected to be completed by early-Fall.

4. Will the drainage pipes that cross the walking path be buried?

To be completed by winter. Berks will start as soon as they finish up the retention basins.

5. Will curbing be repaired before paving Section 3? When will phase 3 be paved?

To be completed by winter. Berks will start as soon as they finish up the retention basins.

6. Are there any potential HOA financial issues that we are not aware of?

Not anymore. All invoices discovered that were not paid by previous management company have now been paid.

7. Update on walking path entrance on Pleasant circle, grading and seeding along path, update on Plum Tree Place open area.

To be completed by winter. Berks will start as soon as they finish up the retention basins

8. When will Berks finish the open spaces, the trail, the sidewalk on Pleasant, etc.?

To be completed by winter. Berks will start as soon as they finish up the retention basins.

9. When will the water situation at (name removed) property be fixed by Berks so that the hose, which is a hazard, can be removed from the trail?

To be completed by winter. Berks will start as soon as they finish up the retention basins.

10. Who is responsible for the maintenance of the flowers, shrubs, and trees in the open spaces in Phase 3?

Berks is still responsible for taking care of those areas.

11. When will this unsightly dirt mess behind 69 Pleasant area be finished?

During the final finishing by Berks which expects to be by fall.

12. What is being done by Woo-Cat and/or the HOA to ensure Dooley-Pyne will be 1) more careful and considerate of homeowner's property, and 2) much timelier in responding to issues caused by their employees? Does DP supervisor indeed inspect the community or was this only lip service at the time?

Woo-Cat spoke with Dooley-Pyne. Builder error regarding siding coming down too low for specific homes that it affects Dooley Pyne's ability to trim. Supervisor is Bill and has worked with Board and Woo-Cat and does walk around the property. If there are other concerns please contact Woo-Cat.

13. Homeowner asked a question about why the executive board felt it necessary to make a rule that would not allow homeowners that receive compensation to serve on the executive board?

We changed this question – condensed for more professional question. Conflict of interest clause standard in all business.

14. Is there a reason the Unit Owners section was removed from the by-laws?

Unit-owners section? All information still there. Nothing has been removed.

15. Way too many decisions are being made by 5 people based on personal views without Individual homeowner input about the cost and effect on our lives (please note that Woo-Cat sent an email to this homeowner asking for specific details regarding this comment and the homeowner did not respond).

Homeowner did not respond – Board is unable to respond because we do not know the specifics to the question.

16. What will happen to our \$25.00 water fee? Will that still be charged? If so, what will be done with our money?

There is no \$25 water fee, as of December 2019. Dues were not reduced because we will have additional financial obligations with making improvements throughout the community and as Berks' turns over phase 3 to the HOA.

17. Why was the community not given the opportunity to decide what interior refurbishing was needed for the clubhouse? Also, input regarding paint, wall decor, and flooring was not allowed. We walk into the clubhouse and it is a do-over! How much did it cost?

Clubhouse was not painted when the flooring was being done. Pictures were provided by previous board president. The current board unanimously chose the flooring.

18. It was disappointing the lack of communication between the board and the social committee regarding all the kitchen new rules/changes. At one time we had a kitchen committee. Someone not involved with all our events should not determine what is best for the kitchen use.

Kitchen rules were changed with COVID in mind. Board is obligated to keep the kitchen safe and clean. Introduction of Serv-Safe instructions. Applicable rules were implemented.

19. Why are there stakes in the common area in the water basin behind Wildflower Ct.

Stakes in ALL the water basins throughout the development. Berks is bringing everything into compliance for storm water and drainage.

20. The mailboxes in the phase 1 and phase 2 are looking worn and faded. Numbers need to be replaced. The posts need painting too. Can the board investigate maintenance on them?

Something that will be discussed at the next board meeting as this is a new maintenance request.

21. After all the time & effort put into verifying that Myron Stoltzfus owns the Water Company. Are we now going to request that Myron get his own Tax ID Number for the Water Company or continue to let him use the HOA TAX EXEMPT ID number?

Water system is no longer affiliated with Watson Run HOA.

22. Did the HOA spend any HOA money to pay Water Company Invoices in 2018 or 2019 or 2020?

Woo-Cat cannot answer for that since we were not your management company in 2018. In 2019 - 20K from Operating Account was utilized because you were required to transfer it to the water reserve account. There were reimbursements for water fees and previously paid invoices.

23. When was the last audit of the monitoring of residents connected to the mandatory Fire Alarm System? Although Fire Alarm monitoring is paid for in HOA dues; some residents do not use HHH; but use outside vendors.

HHH alarm is currently servicing 150 homes for \$12/month = \$1800 per month that the HOA pays. Homes not on with HHH Alarm will be notified.

24. Is there a current audit of the required \$500.00 per sale to the Reserve Account? Last Audit I remember found some sales did not pay, this issue was corrected. But when was the last audit performed?

Last Audit performed (even though not contractually obligated to do so), 16 home sales for 2019. Found 6 extra's from 2018 that were not collected in 2018, so in 2019, WCPAM collected for 22 home sales.

25. And since the pool was being drained. I reported to the board that the HOA's initial pool vendor reported that the Pa. Dept of Health said our pool drain lid was unsafe and refused to service our pool unless drain was corrected. Did anyone check out the drain safety issue while the pool was drained?? I have no idea if this claim is true; only know what initial pool vendor stated when they refused to renew our contract. And since we already have had an incident where a resident had to jump into the pool to assist a child. Checking out the drain issue (true or not) while the pool was drained seemed like an appropriate safety measure. Note-- Berks did not address this issue; just got another pool vendor who would service the pool.

Don Orner recalls the conversation but not the outcome. Sitting executive board and Woo-Cat did direct Aqua Docs to fix anything needed.

26. Will we continue to receive actual and proposed budgets for the year?

Yes

**At this time, Fran announced that any additional questions should be utilized on the Chat Feature.*

Additional Questions that came in through the chat during the voting process:

New Question: Fencing at entrance. One of the many projects that need to be attended to and why we are soliciting volunteers for the Helping Hands Committee. 12-year old development that needs some upkeep and maintenance.

Several new questions regarding bylaws – Bylaws have been available for review for several months.

New Question: Question on how to vote for the new board members. Log into the Watson Run website.

New Question: Benches being placed around the walking trail. Can't do anything about it until the paving is done and walking paths are done. Revisit next spring.

Fran took the opportunity to thank Don Orner for his service to the community.

New question: Underground sprinkler system – clubhouse does have the system but it is not used at this time.

Reviewed question regarding paving of roads in Phase 3 done before winter hits.

Fran Cannon asked Dave Schultze to name all members of the Transition Committee.

4. FINANCIALS & LEGAL

A. WCPAM will provide a financial update.

WATSON RUN HOA 2019 FINANCIAL SNAPSHOT

2019 Bank Statement Noted Income & Expenses:

| | INCOME | EXPENSES |
|----------|---------------|-----------------|
| JAN | 129871.43 | 16742.67 |
| FEB | 28669.56 | 25397.78 |
| MARCH | 35674.91 | 23105.45 |
| APRIL | 29424.48 | 46177.62 |
| MAY | 39114.76 | 33155.39 |
| JUNE | 32958.52 | 32743.23 |
| JULY | 25660.96 | 39077.35 |
| AUGUST | 45178.98 | 24326.55 |
| SEPT | 31472.5 | 33788.78 |
| OCTOBER | 36552.24 | 81001.39 |
| NOVEMBER | 36632.01 | 17460.77 |
| DECEMBER | 45855.48 | 68489.16 |
| TOTALS: | 517065.83 | 441466.14 |

*Please note that Checking Account 2018 Ending Balances from Esquire Management for General Fund and Water Checking Account(s) are noted in January 2019 income and expense totals.

Watson Run HOA - 2019 Watson Run Budget vs. Actuals - Bank Statement Condensed

| 1/1/2019 - 12/31/2019 | | | |
|-------------------------------------|--------------------|--------------------|--------------------|
| Account | Actual | Budget | Over Budget |
| Income | | | |
| Association Fee Income | \$431759.20 | \$425340.00 | \$6419.20 |
| Interest Income | \$56.57 | \$750.00 | -\$693.43 |
| Other Income | \$4912.49 | \$0.00 | \$4912.49 |
| WR Unsold Unit Income | \$6295.93 | \$5000.00 | \$1295.93 |
| Opening Balance CH Transfer from EM | \$35706.25 | Equity | Equity |
| Opening Balance CH Transfer from EM | \$31536.11 | Equity | Equity |
| Opening Balance Water CH from EM | \$2889.44 | Equity | Equity |
| Opening Balance Water CH from EM | \$3909.84 | Equity | Equity |
| Total for Income | \$517065.83 | | |
| Expenses | | | |
| Administrative Costs | \$100.00 | \$0.00 | \$100.00 |
| Association Fees | \$3163.42 | \$0.00 | \$3163.42 |
| Bank Fees | \$1696.55 | \$0.00 | \$1696.55 |
| Capital Reserve Transfer | \$2000.00 | \$0.00 | \$2000.00 |
| Legal and Professional Fees | \$14840.56 | \$0.00 | \$14840.56 |
| Reimbursement | \$168.45 | \$0.00 | \$168.45 |
| WR - Admin & Postage | \$2207.35 | \$1750.00 | \$457.35 |
| WR - CH Cable | \$1942.06 | \$2500.00 | -\$557.94 |
| WR - CH Carpet Clean | \$0.00 | \$1500.00 | -\$1500.00 |
| WR - CH Cleaning | \$4250.00 | \$5400.00 | -\$1150.00 |
| WR - CH Maint Supplies | \$444.05 | \$5004.00 | -\$4559.95 |
| WR - CH Propane | \$4618.46 | \$7000.00 | -\$2381.54 |
| WR - CH Security Alarm | \$2920.39 | \$1500.00 | \$1420.39 |
| WR - CH Sprinkler System | \$771.14 | \$500.00 | \$271.14 |
| WR - CH Water & Sewer | \$7333.42 | \$1000.00 | \$6333.42 |
| WR - General Maintenance | \$7366.33 | \$1000.00 | \$6366.33 |
| WR - Grounds & Maintenance | \$154146.39 | \$170714.00 | -\$16567.61 |
| WR - Landscape Special Projects | \$46.94 | \$5000.00 | -\$4953.06 |
| WR - Liability & Casualty Insurance | \$7241.99 | \$7000.00 | \$241.99 |
| WR - Management Fees | \$37822.00 | \$36720.00 | \$1102.00 |
| WR - Replacement Reserve | \$29250.00 | \$25500.00 | \$3750.00 |
| WR - Security Alarm Monitoring | \$16902.66 | \$24480.00 | -\$7577.34 |
| WR - Snow Removal | \$11327.43 | \$40000.00 | -\$28672.57 |
| WR - Tax Return | \$3272.50 | \$275.00 | \$2997.50 |
| WR - Trash Removal | \$31882.83 | \$32000.00 | -\$117.17 |
| WR - Water Association Fees | \$31156.29 | \$0.00 | \$31156.29 |
| WR - Water Company Monthly Usage | \$43296.70 | \$51122.00 | -\$7825.30 |
| WR- CH Electric | \$5351.01 | \$3000.00 | \$2351.01 |
| WR- Electric Street Lights | \$9111.03 | \$3000.00 | \$6111.03 |
| WR Pool | \$6836.19 | \$8000.00 | -\$1163.81 |
| Total for Expenses | \$441466.14 | \$433965.00 | \$7501.14 |
| Net Operating Income | \$75599.69 | | |

2019 Bank Statement Considerations

- Net Operating Income Per the 2019 Bank Statements: \$75,599.69
- However, because of the change of management companies, Equity Account Monies were accounted for in the new bank accounts.
- Therefore, the noted monies below are removed from the Bank Statement profits of \$75,599.69 to be re-directed to their appropriate accounts (equity accounts for WR checking or equity accounts for WR water):

| | | |
|-------------------------------------|------------|--------|
| Opening Balance CH Transfer from EM | \$35706.25 | Equity |
| Opening Balance CH Transfer from EM | \$31536.11 | Equity |
| Opening Balance Water CH from EM | \$2889.44 | Equity |
| Opening Balance Water CH from EM | \$3909.84 | Equity |

- Subtract \$74,041.64 from bank statements profit of \$75,599.69 for a total actual profit of \$1558.05 for 2019 with \$4912.49 of “other income” which is a transfer reimbursement from your water account to pay for electric bills associated with the water plant and \$56.57 of bank earned interest for your checking account.

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| 2019 WR HOA | | | | |
|--------------------|------------------|---|----------|--|
| GF Savings Account | | | | |
| Month | Credits | Explanation | Debits | Explanation |
| January | 5 | Opening balance required by Bank | | |
| January | 155,918.91 | Carry-Over from Esquire | | |
| January | 23,403.42 | Carry-Over from Esquire for Water Funds | 23403.42 | Transferred to Water Savings Account |
| January | 11.24 | BANK INTEREST | | |
| February | 2125 | CAP RESERVE TRANSFER 4 JANUARY | | |
| February | 1500 | 3 RESALES | | 2019 SAVINGS ACCOUNT BREAKDOWN |
| February | 2125 | CAP RESERVE TRANSFER 4 FEBRUARY | | Beginning Balance = \$0.00 NEW ACCOUNT |
| February | 12.08 | BANK INTEREST | | Equity Funds Total = \$155,918.91 |
| March | 500 | RESALE | | minus Water Funds = \$23,403.42 |
| March | 2125 | CAP RESERVE TRANSFER 4 MARCH | | 2019 Actual Income = \$39,755.00 |
| March | 13.78 | BANK INTEREST | | 2019 Total Interest Income = \$170.19 |
| April | 2125 | CAP RESERVE TRANSFER 4 APRIL | | 2019 Total Income = \$39,925.19 |
| April | 13.52 | BANK INTEREST | | Ending Balance = \$195,844.10 |
| May | 500 | RESALE | | |
| May | 2125 | CAP RESERVE TRANSFER 4 MAY | | 2019 Resale Breakdown |
| May | 14.19 | BANK INTEREST | | (22 Homes Collected for & 16 SOLD in 2019) |
| JUNE | 2125 | CAP RESERVE TRANSFER 4 JUNE | | 1500 |
| JUNE | 13.92 | BANK INTEREST | | 500 |
| JULY | 500 | RESALE | | 500 |
| JULY | 2125 | CAP RESERVE TRANSFER 4 JULY | | 500 |
| JULY | 14.58 | BANK INTEREST | | 1000 |
| AUGUST | 1000 | 2 RESALES | | 2000 |
| AUGUST | 2000 | 4 RESALES | | 500 |
| AUGUST | 500 | RESALE | | 500 |
| AUGUST | 2125 | CAP RESERVE TRANSFER 4 AUGUST | | 1000 |
| AUGUST | 14.87 | BANK INTEREST | | 1500 |
| SEPTEMBER | 500 | RESALE | | 500 |
| SEPTEMBER | 2125 | CAP RESERVE TRANSFER 4 SEPTEMBER | | 500 |
| SEPTEMBER | 14.78 | BANK INTEREST | | 500 |
| OCTOBER | 1000 | 2 RESALES | | 11000 |
| OCTOBER | 2125 | CAP RESERVE TRANSFER 4 OCTOBER | | |
| OCTOBER | 15.55 | BANK INTEREST | | |
| NOVEMBER | 1500 | 3 RESALES | | |
| NOVEMBER | 500 | RESALE | | |
| NOVEMBER | 3750 | CAP RESERVE TRANSFER 4 NOVEMBER | | |
| NOVEMBER | 15.37 | BANK INTEREST | | |
| DECEMBER | 500 | RESALE | | |
| DECEMBER | 500 | RESALE | | |
| DECEMBER | 3750 | CAP RESERVE TRANSFER 4 DECEMBER | | |
| DECEMBER | 16.31 | BANK INTEREST | | |
| TOTAL | 219247.52 | | | |

WATSON RUN HOA
2020 FINANCIAL SNAPSHOT

2019 Checking Account Ending Balance 12-31-2019 - \$76,245.19

2020 Checking Account Ending Balance 06-30-2020 - \$142,488.11

2020 Budget to Actual (01-01-2020 to 06-30-2020):

| Watson Run HOA - 2020 Watson Run Budget vs. Actuals | | | | |
|--|-----------------------------|--------------------|--------------------|----------------------|
| | 1/1/2020 - 6/30/2020 | | | |
| Account | Actual | Budget | Over Budget | Yearly Budget |
| Income | | | | |
| Association Fee Income | \$242111.88 | \$222678.00 | -\$19433.88 | \$445356.00 |
| Interest Income | \$33.49 | \$375.00 | -\$341.51 | \$750.00 |
| Reimbursement | \$1804.00 | \$0.00 | \$1804.00 | \$0.00 |
| Total for Income | \$243949.37 | \$223053.00 | -\$20896.37 | \$446106.00 |
| Expenses | | | | |
| Bank Fees | \$180.20 | \$0.00 | \$180.20 | \$0.00 |
| Legal and Professional Fees | \$9755.73 | \$5000.00 | \$4755.73 | \$10000.00 |
| SWM | \$0.00 | \$5250.00 | -\$5250.00 | \$10500.00 |
| WR - Admin & Postage | \$1098.74 | \$600.00 | \$498.74 | \$1200.00 |
| WR - CH Cable | \$1641.99 | \$1250.00 | \$391.99 | \$2500.00 |
| WR - CH Carpet Clean | \$0.00 | \$500.00 | -\$500.00 | \$1000.00 |
| WR - CH Cleaning | \$6731.30 | \$2700.00 | \$4031.30 | \$5400.00 |
| WR - CH Maint Supplies | \$0.00 | \$1000.00 | -\$1000.00 | \$2000.00 |
| WR - CH Propane | \$1965.51 | \$3500.00 | -\$1534.49 | \$7000.00 |
| WR - CH Water & Sewer | \$3360.00 | \$600.00 | \$2760.00 | \$1200.00 |
| WR - General Maintenance | \$4082.23 | \$4000.00 | \$82.23 | \$8000.00 |
| WR - Grounds & Maintenance | \$54049.25 | \$94904.00 | -\$40854.75 | \$189808.00 |
| WR - Landscape Special Projects | \$250.00 | \$0.00 | \$250.00 | \$0.00 |
| WR - Liability & Casualty Insurance | \$9407.98 | \$3500.00 | \$5907.98 | \$7000.00 |
| WR - Management Fees | \$19224.00 | \$19224.00 | \$0.00 | \$38448.00 |
| WR - Replacement Reserve | \$22500.00 | \$22500.00 | \$0.00 | \$45000.00 |
| WR - Security Alarm Monitoring | \$13366.12 | \$12000.00 | \$1366.12 | \$24000.00 |
| WR - Snow Removal | \$1485.00 | \$20000.00 | -\$18515.00 | \$40000.00 |
| WR - Tax Return | \$0.00 | \$550.00 | -\$550.00 | \$550.00 |
| WR - Trash Removal | \$17293.33 | \$16000.00 | \$1293.33 | \$32000.00 |
| WR - Water Association Fees | \$6.55 | \$0.00 | \$6.55 | \$0.00 |
| WR- CH Electric | \$777.19 | \$2500.00 | -\$1722.81 | \$5000.00 |
| WR- Electric Street Lights | \$1835.01 | \$3750.00 | -\$1914.99 | \$7500.00 |
| WR Pool | \$8696.32 | \$4000.00 | \$4696.32 | \$8000.00 |
| Total for Expenses | \$177706.45 | \$223328.00 | -\$45621.55 | \$446106.00 |
| Net Operating Income | \$66242.92 | | | |

2020 Bank Statement Ending Balances

| Watson Run HOA | | |
|----------------------|------------------|------------------|
| 2020 Income/Expenses | INCOME | EXPENSES |
| JAN | 53024.85 | 23948.25 |
| FEB | 38266.7 | 24388.02 |
| MARCH | 40819.5 | 23,309.54 |
| APRIL | 36518.33 | 19098.25 |
| MAY | 37037.66 | 23562.82 |
| JUNE | 38282.33 | 63399.57 |
| Total | 243949.37 | 177706.45 |

B. WCPAM will review legal agreement(s) the HOA has executed regarding the water system. Association is now cut free from water system. No legal obligation.

5. EXECUTIVE BOARD ELECTIONS (3 open seats with 4 homeowners running)

A. WCPAM will announce the results of the election. A homeowner that is not an executive board member and/or candidate will oversee WCPAM as they certify the votes).

Voting Results for Executive Board Election:

Don Ranck. 65 Pleasant Road was utilized to ensure fairness and accuracy.

112 Total Votes submitted = 63% of total eligible voters casted a ballot.

Fran Cannon, Vicki Michuck, and Dan Sweeney elected to serve on the Executive Board.

Results of Bylaws:

Total of 109 votes: 64 yes votes and 45 no votes.

Last Minute Remarks: *Fran Cannon thanked everyone for their participation and cooperation concerning the new meeting format. President Cannon wishes to focus the HOA's attention on the future and transition with Berks.*

Fran Cannon made a motion to adjourn at 7:35, the motion was seconded and the meeting adjourned.

NOTE: Let the record reflect that directly after the annual meeting, four of the executive board members met and decided to keep all executive board member officers the same until the newly elected board member was able to meet with the full board and vote on officer changes at that time.

Let the record reflect that prior to the annual meeting, the executive board met to review the annual meeting agenda and discuss the flow and format of the annual meeting:

Executive Board Meeting 4:51pm – 5:50pm

Review who is speaking by topic on agenda

A. WCPAM will give the exact numbers of property owners for the Quorum to Fran for her opening remarks

B. WCPAM will review.

Items 2: Introduction of Officers/Committee Chairs/Vendors (Each officer will introduce themselves and their positions)

Fran, President

Dave, Vice-President and Secretary

Dan, Treasurer

Don and Rob, members at large

Committee Reports, (Dave, Transition; Rob, ARC; Fran, Outreach, Social, Veterans and Newsletter)

Questions Submitted to Board from Homeowners

1. Financial Statements can be obtained by Woo-Cat quarterly (Dan)
2. No children's playground on property. She will also read a response from Berks. (Fran)
3. Sidewalk on Pleasant is done. Contractor has committed to finish work by end of July. (WCPAM)
- 4, 5, 7, 8, 9 Dan Will handle this: To be completed by winter.
6. (WCPAM) Not anymore
10. Berks is responsible. (Fran)
11. During the final finishing by Berks (WCPAM)
12. Woo-Cat spoke with Dooley-Pyne. Builder error for specific homes that it affects with siding – not conducive to how it should be. Too much of a gap. (WCPAM)
13. We changed this question – condensed for more professional question. (Dave)
14. Unit-owners section? All information still there. Nothing has been removed. (Dan)
15. Homeowner did not respond – Board is unable to respond because we do not know the specifics to the question (WCPAM)
16. There is no \$25 water fee. (Fran)

17. The current board unanimously chose the flooring. Board's due diligence (Rob)
18. Kitchen rules were changed with COVID in mind. Board is obligated to keep the kitchen safe and clean. Applicable rules were implemented. (Dave)
19. Fran will cover.
20. Something that will be discussed at the next board meeting – new maintenance request (Rob)
21. Water system is no longer affiliated with Watson Run HOA. (WCPAM)
22. WCPAM will review.
23. WCPAM will handle.
24. WCPAM will handle.
25. Don recalls the conversation but not the outcome. Sitting board and Woo-Cat did direct Aqua Docs to fix anything needed. (WCPAM)
26. Yes (Dan)