

MINUTES of the 8<sup>th</sup> Annual Meeting of the Shareholders of MILLENNIUM HEIGHTS ASSOCIATION INC. held at the Clubhouse, Millennium Heights, Welches, St. Thomas, Barbados on Saturday 15<sup>th</sup> December, 2012 at 9:45 a.m. (originally scheduled to commence at 9:30 a.m.)

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**Present:** Mr. Patterson K.H. Cheltenham, Q.C. Chairman

*The following persons in their capacity as Directors of the Company :-*

Mr. James Cole  
Mr. Andrew Hutchinson  
Mr. Mark Prescott  
Mr. Arthur R. Edhill, FRCS.  
Mr. Selwyn Smith  
Mr. Aldo Ho-Kong-King

*The shareholders and guests attendance list is in the attached Schedule*

**Also Present:** Mrs. Kynara Roett-Banfield Secretary  
Mr. Lee Gooding Representative of Gooding's Property Management  
Mr. Martin Frost By invitation

**1. Chairman and Secretary**

On a motion duly made by *Mark Prescott*, seconded by *Basil Scantlebury* and unanimously carried:

**IT WAS RESOLVED** that Mr. Cheltenham, Chairman of the Board of Directors, chair the meeting and

**IT WAS FURTHER RESOLVED** that Mrs. Roett-Banfield act as recording Secretary of the meeting and record the minutes of the meeting.

**2. Notice and Quorum**

Mrs. Roett-Banfield tabled the Notice of the Annual Meeting which had been scheduled to commence at 9:30 a.m. Mr. Lee Gooding and Mrs. Roett-Banfield having confirmed a quorum being present at 9:45 a.m., the Chairman called the meeting to order and declared the meeting to be regularly called and properly constituted for the transaction of business.

### **Apologies**

Apologies were recorded on behalf of James Cole, Bill Bradley, Diane Chandler, Mark Lucas, Dan & Christina Christaldi

### **Attendance**

On a motion duly made The Chairman acknowledged and agreed that a list of persons present at the meeting would be made available in the attached Schedule of the minutes.

### **3. Approval of the Minutes of Previous Meeting**

The minutes of the Seventh Annual Meeting which was held on 19<sup>th</sup> March, 2011, having been circulated, were taken as read.

On motion by *Mark Prescott*, seconded by *Aldo Ho-Kong-King* and unanimously carried:

**IT WAS RESOLVED** that the minutes of the Seventh Annual Meeting which was held on 19<sup>th</sup> March, 2011 be and are hereby approved.

### **4. Matters arising from the Minutes**

Minutes were examined and a few grammatical and spelling errors noted on pages 2, 3 and 4, and Mr. Ryan Highland's name was noted as having been stated in error as 'Ryan Brathwaite' (3<sup>rd</sup> paragraph, page 5).

**Insurance of Buildings** (especially Townhouses) : *Mark Prescott* enquired into the status of the insurance of the buildings and whether there was any follow up on the uninsured properties. He made the point that in the event of a fire at a neighbouring unit whereby one's unit is damaged, it would not be possible to recover against the neighbour if there is no insurance coverage. *The Chairman* apologised for not following through and confirmed that he would have a discussion with the property manager, Mr. Gooding and deal with the matter.

*Mark Prescott* noted that one needs to consider the potential scope of danger or damage, for example, the potential spread of a fire, when determining the extent of the proposed coverage. *Andrew Hutchinson* sought clarification, for the benefit of everyone present, that this policy structure only applied to duplexes, not townhouses. He further enquired whether any right existed to actually force other unit owners to obtain insurance coverage and suggested that perhaps a request could be made. Common concerns were expressed on the issue of whether owners could be coerced into obtaining coverage or into using their own funds to repair any damage that may occur in the potential scenario discussed. It was felt to be a difficult issue because

there did not appear to be anything in the company by-laws to completely control owners' rights and obligations in this respect.

*The Chairman and Mark Prescott* indicated that the by-laws would have to be carefully reviewed to discover the extent of these obligations. *Mark Prescott* suggested that it be put on the Agenda for the next Board meeting as a matter of priority.

Mr. Goddard enquired whether there was knowledge of a specific owner without insurance coverage and the Chairman confirmed there was no such situation and explained that it was a matter that arose at the last Director's meeting in the context of the hurricane season. *Mark Prescott* indicated that the Board will investigate whether all owners have insurance coverage.

Use and Expansion of the Gym : *Mr. Lee Gooding* noted that it was proposed to expand the gym towards the west of the property however, there are presently not enough funds on reserve to facilitate the expansion. He recounted the proposal to construct extra units to the West of Millennium Heights with a view to generating revenue for the expansion.

In response to a few queries, *the Chairman* confirmed that it is a common area and 100% vote of the shareholders would be required in order to effect that change.

It was noted that the gym may not be in heavy use in the mornings but was indeed heavily used at key times, with increasing numbers and that the current space had become cramped. *The Chairman* acknowledged the point and agreed with the need for expansion, noting that when Phase 2 is completed and occupancy of Millennium Heights increases, there would definitely be a need for expansion.

Questions arose as to the consideration given to any other similar projects, such as the squash courts and a 3<sup>rd</sup> pool in Phase 2. In reference to the pool, the Chairman confirmed that the pool was indeed a plan in the works but it was not felt to be the best time to invest in such a project. The Developer (Mr. Ralph Williams), concurred that now was indeed not the best time.

#### Capital Contributions

As regards the contributions to water rates, *Mr. Lee Gooding* explained that water is included in the Phase 1 contributions, but Phase 2 has separate meters. The water rates have also been increased \$50.00 for a 1 bedroom, \$75.00 for a 2 bedroom and \$100.00 for a 3 bedroom.

He indicated that it was preferable to have individual metering for every unit, however due to the significant installation costs, the individual metering has not been executed as yet. He confirmed that in the interim, management has been diligent with following up on reported leaks and on making independent routine checks. He commented that

some may have noticed a significant decrease in the water bills (\$1500 monthly was reduced to \$800 monthly) –which was a result of the recent repairs. He further suggested that unit owners be diligent with their water usage and maintenance of their plumbing and should seek the assistance of plumbers as soon as a problem is discovered.

Discussion ensued on the water metering system. Points were made on the long term benefits which may outweigh the initial cost and the system of different tiers or bands.

*Andrew Hutchinson* explained the current situation in the context of the age of the fittings, especially in the toilets, presently 10-12 years old so it was reasonable to expect issues with leaks or the need for replacement of certain fittings. He further noted that the Barbados Water Authority already stated that they are not remotely inclined to read approximately 78 different meters in one small area, so it would have to be dealt with as an “internal water meter audit”.

Query was raised whether a decision was made on the meters. *Lee Gooding* confirmed that the Board is awaiting complete information from the companies who would be providing the equipment. *Mark Prescott* noted that the Board has to get the information and thereafter write and inform the homeowners so that they have an opportunity to consider the matter and make a decision. It was noted that the Association would not be financing this project so it would be an independent expense for the individual homeowners.

*Lee Gooding* and the *Chairman* agreed with the suggestion by *Basil Scantlebury* that there should be a minimum rate or fee for the water bills once the system is set up.

Issues of Pets not being controlled: *Basil Scantlebury* noted that the situation remains an issue. He shared that one owner’s tenant restricted their children from playing outside in one area because of the “over friendly” dogs. *Lee Gooding* indicated that he would seek confirmation on the extent of the rules relating to pets as it seemed they were permitted in Phase 2 (reference made to the by-laws and covenants).

*Basil Scantlebury* noted that certain areas of Phase 2 were being used as “pet bathrooms” and that this needed to be stopped. *Lee Gooding* indicated that some stray dogs were also removed by the RSPCA in Phase 2.

General Issues with Rules and regulations and Legal Documentation for purchasers/owners :

*Mark Prescott* enquired into the manner in which owners were made aware of the rules and regulations. *The Chairman* noted that they are stated in the by-laws and that the respective Attorneys acting on behalf of the purchasers should make their clients aware of all matters concerning the property they are purchasing.

*Lee Gooding* also noted that the management is nearing completion of a website on which this information would be made readily available for reference. They propose to upload the by-laws, other rules and regulations and the AGM minutes.

*The Chairman* enquired into the time frame for completion of the website and *Lee Gooding* indicated that the end of January was the target date.

Upon enquiry from *the Chairman*, Peter Bourne confirmed that he had received his share certificate. As regards the other outstanding shares, *Lee Gooding* summarised the efforts made by Kynara Roett-Banfield, Attorney-at-Law, in preparation of some outstanding share transfer deeds and in liaising with the Corporate Affairs Registry on behalf of Millennium Heights Association Inc. (MHA Inc.), to resolve the recording of those deeds and others which were submitted previously but had not yet been reviewed and recorded by the Registry. As requested by the Registrar, letters of consent were issued by Kynara Roett-Banfield, authorising the Registry to release the completed transfer deeds to the individual Attorneys who had previously acted for the homeowners at the time of purchase of the properties.

Ryan Highland enquired into the option of spreading out the insurance risk as opposed to having all the reserve in Barbados National Bank (BNB). *Martin Frost* confirmed that it is indeed spread between BNB and CIBC First Caribbean Barbados Limited.

*Mark Prescott* questioned whether it was not the individual boards of the Proprietors Unit Plans (PUPs) that were in charge of managing the business and affairs of the relevant PUP. *The Chairman* confirmed that in principle it is the responsibility of the individual Boards but for practical and operational purposes, the central Board of Directors manages it. *Andrew Hutchinson* also recalled a resolution some time ago whereby the individual boards passed that power/responsibility to the central Board.

*Mark Prescott* asked that the rules/laws on condominiums regarding the meetings of the PUPS were reviewed to ensure that the actions are within those rules. *The Chairman* indicated the confirmation would be sought.

Ryan Highland queried the emphasis on paying the contributions on time as he noticed that the cheques did not appear to be negotiated the next day. *Lee Gooding* explained that the management company schedules the banking every two weeks so cheques would not necessarily be negotiated within 24 hours of receipt from the homeowners.

#### Hurricane Preparedness

Rather than outlay capital to purchase a generator it was felt to be more cost effective to rent one from Williams Equipment and Rentals as the need arose. In answer to a few questions *Lee Gooding* confirmed that while the electrical logistics had been explored generally, Mr. Ralph Williams has offered to provide information on the

specific requirements enabling a final decision to be made. *Andrew Hutchinson* suggested that consideration be given to formalizing an arrangement that could ensure that MHA Inc. can have priority for rental in such circumstances. *Lee Gooding* confirmed that pursuant to enquires on whether such a priority was an option, *Stuart Williams*, of *Williams Equipment and Rentals* indicated that their priority is to *DEMA* (formerly *CERO*) and would not be able to commit to such a priority to MHA Inc.

There was brief discussion on the logistics for the number of generator sets needed. It was noted that the issue will be revisited following the input from Mr. *Ralph Williams* on the cost and logistics and a decision will be made.

## **5. The Chairman's report and Audited Financial Statements**

### **Chairman's Report**

The Chairman's remarks attached to the Agenda were reviewed and discussed.

#### **Electricity/Lighting:**

Clarification was given that the MHA Inc. website was not yet live. It was noted that the pools are now heated and that they are cleaned three times a week and that *Millennium Heights* was commended in a government report as having some of the cleanest pools observed. In answer to a query *Lee Gooding* confirmed that solar heating was not used. However, the same pumps for the electrical heating of pools were changed and are now more efficient.

It was noted that all of the light bulbs were changed to LED bulbs saving significant costs. It was also noted that the supply company promised that broken bulbs would be replaced within the initial 3 – 5 year period. In answer to the *Chairman's* query on the impact that the LED bulbs had on the electrical consumption, *Lee Gooding* confirmed that the bill had decreased and that the LEDs were selected because they are one of the safest options. He stated that the management company endeavours to save cost wherever possible.

#### **Water:**

*The Chairman* was pleased to be informed that the new cost of the meters was now \$1,500.00 rather than the \$5,000.00 as previously estimated.

#### **Plant Nursery:**

*Lee Gooding* confirmed that the on-site nursery is flourishing and management has been replacing the plants from the reserve in the nursery thereby avoiding having to purchase.

Gym:

*The Chairman* noted that the floor coverage which was a serious issue has now been dealt with.

Security:

*Basil Scantlebury* commented that the security has definitely improved and the guards seem to be more efficient. However, there remains the general issue of the guards not calling the homeowners to inform them of their visitor's arrival. *Mark Prescott* also observed that the guards were in the habit of calling the owners from the intercom at the gate in the presence of the visitors instead of calling from the Guard Hut. *Aldo Ho-Kong-King* enquired whether the guards could not perhaps be given portable phones and *Lee Gooding* stated that they do in fact already have portable phones. *Basil Scantlebury* took the opportunity to discourage the homeowners from encouraging vendors into the development. He pointed out that a barrage of individual vendors could cause a serious problem if this practice is not discouraged.

*Dr. Edghill* observed that there was a particular food vendor allowed on a regular basis and queried why the vendor was given special treatment. *Lee Gooding* stated that the vendor has been providing food to the staff for the last 13 years.

General:

Mrs. Bourne raised a concern that Phase 2 did not seem to be treated as being as important as Phase 1 with respect to the water supply and *Lee Gooding* allayed her concerns and stated that provisions were made for both Phases of Millennium Heights Development.

*The Chairman* noted that the main issue of concern for Phase 1 and Phase 2 is with the Main Gate. It was then noted by Mrs. Bourne that if the gate is to be opened permanently, they should definitely consider speed bumps. There was a brief discussion on the concerns of the speed at which the motor cycles were being driven through the development. It was concluded that while a restriction cannot be placed on the use of motor cycles, the management would speak to the owners and remind them of the common courtesy and consideration that is required.

Lawn Maintenance:

*Basil Scantlebury* raised concern that the current maintenance company was not being diligent in trimming and cutting in the main area; the open lots are not being maintained properly and a significant amount of rocks and debris is left all over the road. *The Chairman* noted that this is a management issue and he would see to it that *Lee Gooding* addresses it. *Basil Scantlebury* noted that when construction takes place on any lot that the sites are not well kept and debris and garbage is left around. Mr. Bourne took the opportunity to reiterate the request not to throw bread onto window sills to feed the birds as the bread 'finds it's way' to other window sills.

Ryan Highland was pleased to note that the trees by Arthur Seat have been cut back but wondered whether there could also be some uniformity with trimming all the other trees. There was brief discussion on the most suitable type of tree for specific areas.

Mr. Nigel Arthur questioned why the auditor was not present. There was a brief discussion and *the Chairman* indicated that he would speak to the auditor who could perhaps send a representative if they were unable to attend.

On a Motion duly made, seconded and unanimously carried :

**IT WAS RESOLVED** that the Chairman's report as presented and amended be and is hereby adopted.

### **Review of Financial Statements**

The Chairman invited Martin Frost to review and explain the financial report. *Mr. Frost* then tabled the report of Ronald Wilkinson, the company's auditor, and the audited financial statements of the company for the years ended April 2011 and April 2012. *Mr. Frost* extended an invitation for persons to privately ask questions after the meeting or via his contact numbers. *Mr. Frost* noted that where there are a few levies outstanding, Attorneys have sent out demand letters and those matters are being addressed. In reviewing the assets *Mark Prescott* queried why the Club House building was not listed in the assets. *Mr. Frost* advised that the building cannot be used for any other purpose; it cannot be sold or used as collateral.

*Mr. Frost* explained the need for the replacement reserve (as summarized in clause 4 of the notes to the Financial Statements) which enables the members to act on matters as they arise rather than seeking to acquire funds for each project.

The Operating Costs have changed as MHA Inc has now undertaken greater responsibilities. It was also noted that certain expenses have increased due to the increase of the number of occupied lots. The gardening expense has decreased due to the change in the basis of the rate regarding the allocation of the water bill for the respective units (one bedroom, two bedroom, three bedroom).

The Chairman noted that the Board adopted a new practice for this year's A.G.M. and sought the assistance of a few members to review the accounts and offer their specific input in advance of the general meeting. The brevity with which the accounts were reviewed was therefore possible as the substantial discussion and input was already obtained, leaving time for general questions and explanation.

On a Motion duly made by *Mark Prescott* and seconded by *Andrew Hutchinson* :

**IT WAS RESOLVED** that the audited financial statements of the Company for the year ended April 2011 together with the report of Ronald Wilkinson, the Company's auditor, be and are hereby adopted.



**IT WAS FURTHER RESOLVED** that the audited financial statements of the Company for the year ended April 2012 together with the report of Ronald Wilkinson, the Company's auditor, be and are hereby adopted.

**6. Election of Directors**

The Chairman indicated that all of the retiring Directors had signified their consent to continue to act as Directors of the Company.

On a motion made by Mrs. Deseree Cherubin, seconded by Mr. Ralph Williams and unanimously carried :

**IT WAS RESOLVED** that the following persons be and are hereby elected as Directors of the Company :

Patterson K.H. Cheltenham Q.C.  
Arthur R. Edghill F.R.C.R.S.  
Andrew P. Hutchinson  
Mark G. Prescott  
James F.C. Cole  
Aldo Ho-Kong-King  
Basil Scantlebury  
Selwyn Smith

**7. Appointment of Auditors**

On a motion made by *Basil Scantlebury*, seconded by *Dr. Edghill* and unanimously carried:

**IT WAS RESOLVED** that Mr. Ronald L. Wilkinson be and is hereby re appointed as the Auditor of the Company at a fee to be agreed and that the determination of the remuneration remain the discretion of the Directors.

**8. Any Other Business**

The Chairman invited Lee Gooding to provide an update :

*Mr. Gooding* noted that they were experiencing challenges with cleaning the roofs thoroughly and explained the various issues with breakage of tiles, manoeuvring over the solar panels and bleach killing the plants etc.

One member noted that in some areas the plants were growing all over the walls and noted that these plants should be removed. The Chairman agreed and noted that the plants are to be removed.

There was general discussion over the options for cleaning the roofs. Steam cleaning was also suggested by Mr. Ralph Williams. *Lee Gooding* indicated that management

could look into the logistics but was concerned that the solar panels used for energy efficiency may cause it to be difficult to manoeuvre over the roof tops.

Mr. Ralph Williams and *The Chairman* agreed that it may be best to leave the roofs to weather and forego further efforts to clean them.

*Andrew Hutchinson* felt that further explanation on Insurance should be given, noting that the increase that was discussed whereby after January, 2013 a 2% deductible would be set aside and the fund would be built up slowly and a small levy would be raised on the homeowners after January 2013.

*Mark Prescott* noted the distinction between condominium owners and townhouse owners and the fact that the insurance deductible contribution would be different. The condominium owners pay 2 deductibles, one as owner of a condo and second one for common property, whereas the freehold owners would pay only one for the common property because they pay their individual deductibles for their properties.

There was discussion on the policy for the use of the clubhouse as one member was concerned to enquire but did not wish to be a "sour apple". *Aldo Ho-Kong-King* assured him that the concern has been raised by others and that as an owner all persons are entitled to query any matter that is of concern to them.

Questions were put to *Lee Gooding* on the policies for the supervision of children by the gym and the pools as there was a general concern over the unsupervised children. The abuse of safety equipment by the pools was also noted. There was discussion over how the rules could be enforced and *Lee Gooding* confirmed that the rules were enforceable against anyone who used the pools, regardless of whether they are an owner or a guest.

One member noted an increase in rats and noticed that the cost of sanitation had decreased and queried whether there was anything more that could be done with pest control. *Lee Gooding* noted that pest control treats the premises as scheduled, every Monday. Regular diligent efforts are made. *Mr. Gooding* also suggested that the homeowners be diligent with addressing the pest control on the inside while management continues with outside. *Mark Prescott* observed that rat bait did not appear to be consistently laid down and suggested that management check up on the pest control and ensure the job is being done thoroughly.

Mr. Nigel Arthur noted that he receives recurring notices for maintenance contributions due and noted that he always pays and would wish not to receive them. *Lee Gooding* noted that the notice also states to ignore if contribution is paid already and indicated that in such a case the notice should be discarded. The website will also enable persons to check their balances and other similar information.

*Basil Scantlebury* congratulated *Lee Gooding* and the management work being done over the past year and wished them well in the coming year.

There being no further business, the Chairman declared the meeting closed at 12:09pm.