

MINUTES of the 10<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 14<sup>th</sup> May, 2016 at 9:30 a.m.

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**Present:** Mr. Mark Prescott Acting Chairman

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

Mr. James Cole  
Mr. Andrew Hutchinson  
Mr. Bassil Scantlebury  
Mr. Aldo Ho-Kong-King  
Dr. Arthur E. Edghill  
Richard Bourne

*The shareholder and proxy attendance list attached in the Schedule*

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

**1. Chairman and Secretary**

On a motion duly made by *Andrew Hutchinson*, seconded by *Richard Bourne* and unanimously carried:

**IT WAS RESOLVED** that Mr. Mark Prescott, Director, chair the meeting, (in the absence of the Chairman of the Board, Mr. Patterson Cheltenham, who submitted apologies for absence.

On a motion duly made by *Bassil Scantlebury*, seconded by *Richard Bourne* and unanimously carried:

**IT WAS FURTHER RESOLVED** that Mrs. Kynara 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 Judith St. John and Catherine Nock King and Ray King and Patterson Cheltenham, Q.C., Chairman of the Board of Directors

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

The minutes of the 9<sup>th</sup> Annual Meeting which was held on 18<sup>th</sup>April, 2015, having been circulated, were taken as read.

Minutes were examined and a few amendments were noted :

- page 8 (item 3 of ‘General Maintenance etc.’), “to” replaced with “too”
- page 9, (above item 5) - the words “to” and “which” were appropriately inserted into the last sentence.
- page 9, (after item 7) the word “portion” was substituted with “purpose” in the last sentence.
- page 9 (last paragraph), the words “in” and “or” were replaced with “of” the last sentence of that paragraph then read “..... can be assured of the quality and level of work and maintenance.”
- page 10 (first sentence of third paragraph under ‘Review of Financial Statements’) spelling of receivable corrected and “.” inserted after “MHA Inc”page 11 (3<sup>rd</sup> paragraph under ‘Any Other Business’), “as a more recent owner”, was deleted, line 3 “a” inserted between “have” and “better”
- page 12 (first line ), “there” replaced with “here.”

On motion by *Andrew Hutchinson*, seconded by *Harold Dunn* and unanimously carried:

**IT WAS RESOLVED** that the minutes of the 9<sup>th</sup> Annual Meeting which was held on 18<sup>th</sup> April, 2015 be and are hereby approved.

**4. Matters arising from the Minutes**

The request to have the register of names of shareholders present at the last meeting was raised and *the Chairman* promised to have them forwarded to the shareholders.

Use and Expansion of the Gym:

The matter surrounding the Construction of extra units to the west was noted to have been superseded by the erection of solar panels. (Discussed later under “Any Other Business” )

*Lee Gooding* noted that due to the heavy increase in the use of the existing gym the Board was currently investigating the expansion by way of an outdoor ‘CrossFit’ style gym .

Water: Meters, Usage, Impact on Capital Contributions

*Andrew Hutchinson* enquired and *Lee Gooding* summarised the subject of the water meters which proved to be helpful. Of particular note was decrease in monthly water expenses (estimated around \$12,000 monthly has decreased to \$6,000.00 - \$6,000.00 monthly)

Queries were raised on the nature of the maintenance contract for the water meters. *Lee Gooding* responded that it is a monthly service contract and online support is provided .

*Desiree Cherubin* expressed her concern as to whether there is some system of monitoring the water meters. *Lee Gooding* explained that the hand held system scans the meters electronically to alert them of the changes in usage, which would be either leaks or additional usage. He noted that these systems are very effective in identifying changes and fluctuations.

*Mark Prescott* noted that the solar water heating tanks need to be monitored by owners. Especially the pressure release valve which can become faulty and result in leaks. As these have been the result of some of the undetected leaks.

Issues with Pets (Dogs)

*Bassil Scantlebury* commented that the issue of persons not scooping pet faeces still persists and needs to be addressed again.

*Desiree Cherubin* remarked that rather than just send a reminder notice to the occupiers, such notices should be sent to the homeowners as well.

**IT WAS RESOLVED** that the Property Manager will send reminder notices to both tenants and homeowners.

*Ryan Highland* noted that a few stray dogs are still frequenting the compound. *Michelle Hunte* stated that MHA Inc. has called the RSPCA for the dogs as well as some stray cats.

### Website

*Lee Gooding* confirmed that the website is functioning. Minor issues with the designers to have information uploaded, is being resolved presently and statements can now be uploaded. Non home owners will have access to specific areas only and owners will be allowed to see all areas of the website. The hope is that home owners will be able to access their account and see what they own as well as to read the covenants, rules, by-laws and minutes.

*Harold Dunn* queried being able to upload pictures and other relevant information and all persons were asked to direct all queries and suggestions to the website committee manager in an effort to have smooth channel for requests and information updates.

*Andrew Hutchinson* later reverted to express concern over the newsletter on the website being accessible to the public at large. The Chairman and Lee Gooding agreed and stated that it should be left under the private access section, which requires persons to log in .

*Harold Dunn* asked how the tenants would be able to view the newsletter. There was discussion on the options for keeping tenants informed. Usually a hard copy is - put in their mailbox, however, the changing of the website platform currently used, will allow a separate private category for tenants. The Property Managers will consider all the options and re-structure accordingly.

### Security

*There was a discussion on the logistics of the programming of the security barrier, at the East Gate*

*Lee Gooding* confirmed that the system only allows for 10 days pre-programmed and appreciated that this may impact on the operational logistics as there are more than 10 bank holidays per year.

*Bassil Scantlebury* noted an incident where one Sunday a male construction worker was waiting on the outside of the gates to go work and admirably called his boss and said he saw the sign on the East Gate that said “No construction work on Sundays” and he did not enter. This instance shows that the signs were somewhat effective.

There was further discussion over the guards. *Richard Bourne* noted that security has greatly improved. *Bassil Scantlebury* agreed but noted that when the guard on duty is

a substitute there is a tendency to be more lackadaisical. He observed that there are still a few guards who have fallen asleep once or twice while on duty during the day.

*Peter Bourne* remarked that there should be a discussion with the security firm to which the guards are attached. *Lee Gooding* said that there were a few improvements being worked on, for example, getting internet at the guard huts so that cameras could be installed, giving the guards more time to carry out their function.

*Desiree Cherubin* suggested that MHA Inc. speak to the Security Company in an effort to ascertain if they have any suggested security improvements they would like to make.

*Harold Dunn* asked whether there was a protocol for guards to follow and *Lee Gooding* confirmed that there was. *Lee Gooding* commented that MHA Inc. was actually not originally established to be a gated community, however the first few homeowners had requested it, hence why the infrastructure was not provided from the outset. Consequently, for example there is no lay-by lane and no space provided for a second lane to assist with entering and exiting the complex.

*Harold Dunn* further queried whether homeowners were informed of the protocols. *Michelle Hunte* and *Lee Gooding* confirmed that all notices and related information was available on the website. This information is also sent via hard copy to all residents.

A concern was then raised over the numerous occasions where persons call the wrong number on the keypad. *Mrs Bourne* mentioned that she often gets wrong calls. *Lee Gooding* noted that unfortunately it is hard to prevent that because there is a keypad and it is set up at the gates.

### LED Lights

*Bassil Scantlebury* enquired about the progress on the installation of the lights around the walking track. *James Cole* explained that consideration had to be given to the fact that the units near the path would be affected by the lights invading their space.

### Rules & Regulations & Legal Documents, Capital Contributions & Shares as relates to Homeowners

The Secretary gave a summary on the reason for issuing of shares to homeowners and the link to homeownership, rights and obligations and the duty or need for the respective attorneys involved in the sale and purchase transactions, to inform the parties and corporate affairs. *Andrew Hutchinson* sought clarity and a brief discussion ensued on this point.

*Ryan Highland* queried the obligations related to capital contributions. *Richard Bourne* clarified that this contribution was a one-time fee to be paid by the original purchaser.

#### Solar Panels:

*Ryan Highland* made a general enquiry about the solar panels. *Lee Gooding* briefly explained the positive results, giving an example of the electricity bill having been reduced from \$5,000.00 to \$2,500.00. Mr. Gooding acknowledged that the repayment period may be closer to 5-7 years rather than 4-6 years originally estimated but the new system would also assist favourably with the fuel surcharge.

Upon enquiry, *Mr. Gooding* confirmed the size of the solar system is 40 kilowatts and currently “covers” the clubhouse, some common areas and one of the pools.

Further comments were made on the saving of electricity usage regarding the pool system. It was noted in relation to Mr Roett, a homeowner who has been helpful in setting the timers for the pump at certain times to try to reduce the electrical usage.

#### Food Vans/Vendors

There was a brief query on the old lady walking through Millennium with a cooler. *Lee Gooding* stated that management was aware of her presence and have allowed it, understanding that she is just trying to “make ends meet” but he appreciates the concern over the need to prevent wandering.

*Mark Prescott* suggested that the shareholders ponder on this matter a bit longer in order to determine how best to deal with it.

**IT WAS RESOLVED** that the Board will review the situation and provide and update.

#### Fish Feeder

This is now working well.

#### Painting of Condominiums

A query was raised on this and *Mark Prescott* noted that this was more appropriately dealt with under ‘any other business’ but confirmed that the goal is to have them painted before the end of the year. *Richard Bourne* noted that the Directors had decided that the duplex owners would be issued with letters shortly, outlining the observation that the properties needed to be painted and maintained. *Lee Gooding* noted that the aim is to obtain permission from the homeowners so that MHA Inc could ultimately manage the painting and maintenance, which could be executed in a

more uniformed fashion. It was highlighted that due to the freehold nature of ownership, each townhouse owner is individually responsible for their maintenance. The same applies to Phase 2 for both duplex and lots.

### Charging Ports-Electric Cars

*Lee Gooding* informed the members present of the installation of charging ports for electric cars. The decision was taken to install the infrastructure necessary for the charging ports while the solar panels were being installed. It was noted that there is presently a low wall, to prevent vehicles from driving into the solar panels and a hedge will be planted to beautify the area, (when the water usage restrictions are lifted).

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

### **Chairman's Report**

*Mark Prescott*, the Chairman of the meeting indicated that the chairman's report was circulated and should be taken as read.

### General Maintenance, Renovations & Improvements

#### 1. Pool Umbrellas & Fences :

A new PVC fence was erected by the first pool, located by Blocks H & J. New gazebos were built at both pool locations with a more permanent structure, to reduce the yearly maintenance. A query was raised in connection with the fence around the other pool (by the townhouses) and *Lee Gooding* noted that a new fence would later be erected with PVC but it would be deferred until the fence is in need of replacement.

#### 2. Charging Ports:

*Andrew Hutchinson* sought clarification on metering the charging ports. *Lee Gooding* confirmed the brand is Mega Power. *Aldo Ho-Kong-King* questioned the compatibility with other brands and *Lee* confirmed that they were compatible with others but that there were also plans to make provision for space for other ports which could be activated later

*Lee* also stated that the charging ports will not be profit making for MHA Inc. There is not much paperwork involved. MHA Inc. will issue Mega Power one bill and in turn Mega Power will deal with the users directly.

*Peter Bourne* noted that he was aware of additional infrastructure and agreed that in future if other charging ports are needed they could simply be installed.

*Bassil Scantlebury* queried whether the ports would be available to be used by all and sundry. *Lee Gooding* noted that residents and guests would be the only ones

permitted to utilise the charging ports. *James Cole* made reference to the map of charging ports already on the island and the fact that a request has already been made that MHA Inc. not be placed on this map.

## **Review of Financial Statements**

*Martin Frost* reviewed and explained the financial statements and reminded all present that they could ask questions at any point or could call and have their queries addressed privately at a later time. Discussion ensued, questions were answered and salient points were highlighted.

Statement of Financial Position : *Mr. Frost* noted that the common levies receivable have decreased but highlighted that MHA Inc. has the right of a lien over owners' properties/units until all levies are settled. Homeowners should rest assured that all levies (including late payment penalties) will be collected even if it takes some time to receive the funds. The Board regularly monitors the outstanding receivable position and takes the necessary action against the few delinquent homeowners Security deposits : The security deposit seen are related to light and power.

Property plant equipment: this amount increased due to some work to be done : water metres, installation of gym equipment, PVC fencing etc.

Retained earnings : *Mr Frost* highlighted that MHA Inc. is not a profit making entity hence retained earnings is nil. Any excess of income over expenditure is included in replacement reserves, which is used for improvements in common areas which benefit all homeowners.

Notes to the Financial Statements :

*Andrew Hutchinson* requested clarity on note 8 (Taxation).

*Mr. Frost* indicated that MHA Inc. had a tax loss of approximately \$23,000. At this time, it was prudent not to show it as an asset on the statement of financial position as utilisation of this tax loss was uncertain. However, the tax loss carried forward would not be forgotten and would be utilised in the event that this was required.

Statement of Income:

Electricity : the increase in this expense resulted from a change in allocation of electricity usage related to warming of the pool in Blocks H and J, previously treated as a PUP 69 expense but which was treated as an Association expense during this year. The Board was cognisant that this change of allocation should have been done before and that PUP 69 unit owners had borne a proportionately higher share of electricity costs than was fair. A commitment was given that some future relief would be provided to PUP 69 unit owners to compensate for this allocation error



Water: the increase in this expense arose primarily due to several leaks experienced, which had now all been rectified.

*Desiree Cherubin* noted a decrease in gardening expenses. *Lee Gooding* and *Martin Frost* explained that MHA Inc. has been doing things more efficiently and there were also some “one-off” expenses in previous years that were not incurred in 2015.

*James Cole* enquired whether recent legislative changes with regards to group tax loss relief could benefit the PUPS. It was noted that PUPS are not companies and therefore it was not possible for any MHA Inc. tax loss to be transferred to, or accrue to the benefit of, a PUP.

*Harold Dunn* raised a question on the allocation of the billing for the pool heating systems: *Martin Frost* gave clarification with respect to the location of the various meters in different parts of the development. It was explained that Blocks H & J (PUP 69) are identical, however, Block H’s electrical bill includes the running costs for the pool, which therefore needed to be separated and allocated to the MHA Inc, as the pool is used by everyone. This was the reason for the allocation changes on the accounts.

There being no other queries, on a Motion proposed by *Richard Bourne*, seconded by *Harold Dunn* and unanimously carried:

**IT WAS RESOLVED that** the audited financial statements of the Company for the year ended April 2015 together with the report of Ronald Wilkinson, the Company’s auditor, be and are hereby adopted.

## **6. Election of Directors**

*Mark Prescott* indicated that Dr. Arthur Edghill did not seek re-election on the Board for personal reasons. He expressed his gratitude and acknowledged Dr. Edghill’s sterling contribution from the inception, ( as Dr. Edghill was one of the first homeowners at MHA Inc.); recalling fondly that Dr. Edghill always made himself available to any persons around who experienced medical issues and generally has been there for people over the years. He recalled once when a gardener had a stroke Dr Edghill was the first to recognise what was happening and stayed with him until the ambulance arrived..

All directors with the exception of Dr. Edghill, (who for reasons expressed would be unable to continue), have expressed their interest in continuing to serve on the Board.

Harold Dunn was nominated to take the place of Dr. Edghill and Mr. Dunn consented.

On a motion made by *Peter Bourne*, seconded by *Lee Gooding* 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.  
Andrew P. Hutchinson  
Mark G. Prescott  
James F.C. Cole  
Aldo Ho-Kong-King  
Bassil Scantlebury  
Richard Bourne  
Harold Dunn

**7. Appointment of Auditors**

The Shareholders, being satisfied with the service of the current auditor, On a motion made by *Andrew Hutchinson*, seconded by *Richard Bourne* and unanimously carried that he be reappointed:

**IT WAS RESOLVED that** Mr. Ronald L. Wilkinson be and is hereby re appointed as the Auditor of the Company at a fee and on terms to be agreed by the Directors.

**8. Any Other Business**

*Bassil Scantlebury* raised the query on the proposed pool and gym for Phase 2, recounting that homeowners were promised these amenities when they purchased the property. *Lee Gooding* confirmed that it was indeed a promise made by the Developer and is not a responsibility of MHA Inc. Another homeowner *Ryan Highland*, noted that the promotional material contained several things that did not materialise and observed that they were not felt to be feasible at this time.

It was felt that issue was something that could be reviewed by the homeowners in Phase 2, who would have to determine what is feasible and noted that if there were more owners, such amenities would be more affordable. *Lee Gooding* indicated that Phase 2 owners would have to decide whether they are willing to accept increased costs for these amenities and instruct the management company personnel who would be willing to assist the owners in liaising and communicating with the Developer.

Mark Prescott suggested that the original offer document should be reviewed to ascertain whether it was an artistic rendering or an actual commitment.

Clarity was sought on the use of and payment for the pools. Technically the pool by Blocks H and J was part of PUP 69. However, MHA Inc. would pay for the operating expenses so that it could be used as a common area property. Millennium Ridge

owners and all other residents can use either pool because the pool by the townhouses cannot hold the capacity of all the residents in Millennium.

*Harold Dunn and his wife* shared a list of questions / concerns passed to them by other owners not present; as follows:

- i. **Date of AGM:** It was queried whether the AGM could be held when more homeowners are on the island as many of them wished to attend but could not be present. Discussion ensued where this concern was acknowledged but it was noted that the majority of homeowners in Millennium do live on the Island, therefore it has not been raised as a particular issue for the majority of these owners. However, the Directors would do their best to find a date that would suit everyone, including the overseas owners.
- ii. **Minutes:** a question was raised as to whether the minutes could be sent out within a month of the AGM or sometime sooner to enable homeowners to keep abreast of the information. Consideration would be given to making this possible in the future.
- iii. **Voting Rights:** some felt that it was not clear as it relates to the common areas and the proportionate burden
- iv. **By-Laws:** Mr Dunn noted the requirement for 100% voting with regards to any issues on this and mentioned that he was contemplating going around getting consent from the homeowners in an attempt to get a more feasible percentage to be inserted in the by-laws. *Lee Gooding* agreed that this approach is reasonable and could be worked on but noted that all of the homeowners would have to be reached in order to effect it in the first place. *Lee Gooding* noted the main challenge presented was that unfortunately there are some homeowners that MHA Inc. has not been able to reach for years, however they will continue their efforts to reach them and give further consideration to this issue.

*Ryan Highland* sought and received confirmation that MHA Inc. has met all of its statutory obligations and licences with the relevant authorities (Barbados Revenue Authority , Corporate Affairs Registry, National Insurance, etc.)

*Harold Dunn* raised the concern of dust in relation to the ongoing construction at the PUP site. *Mark Prescott* noted that the shareholders of the various PUPs would have to address this at their separate meetings in order to find a suitable solution.

*Lee Gooding* noted that MHA Inc. endeavours to establish a social committee that can be chaired by someone living on site. The property management office is available and more than happy to assist and coordinate with this committee.

*Andrew Hutchinson* extended thanks and compliments to the Corporate Secretary. *The Chairman* reiterated the sentiments of Mr. Hutchinson, extending thanks also to the Board of Directors, Management Staff and all persons who have taken a keen

interest and have been making great contributions. The Chairman thanked the members for attending and having a peaceful productive meeting.

There being no further business, the Chairman declared the meeting closed at 12:10pm