

MINUTES of the 9<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 18<sup>th</sup> April, 2015 at 9:40 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. Bassil Scantlebury

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

**Also Present:** Mrs. Kynara Roett-Banfield Corporate Secretary  
Mr. Lee Gooding Representative of Seaside Realty Inc.  
Property Management  
Ms. Michelle Straughan Representative of Seaside Realty Inc.  
Property Management  
Mr. Martin Frost By invitation

**1. Chairman and Corporate Secretary**

On a motion duly made by *Mark Prescott*, seconded by *Andrew Hutchinson* and unanimously carried:

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

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

Mr. Cheltenham, Chairman of the Board of Directors, chaired the meeting and Mrs. Roett-Banfield acted as Corporate Secretary of the meeting and recorded 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 9:40 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 Aldo Ho-Kong-King, Dr. Arthur E. Edghill, Judith St. John and Catherine Nock King.

## 3. Approval of the Minutes of Previous Meeting

The minutes of the 8th Annual Meeting which was held on 15<sup>th</sup> December, 2012, having been circulated, were taken as read.

Minutes were examined and a few amendments were noted :

- page 1, as to the absence of James Cole and the attendance of Bassil Scantlebury and the spelling of Dr. Arthur Edghill's name was corrected.
- Page 4, the figures for the water bills were noted as \$15,000.00 (not \$1500.00) reduced to \$8,000.00 (not \$800.00)

On motion by *Bassil Scantlebury*, seconded by *Mark Prescott* and unanimously carried:

**IT WAS RESOLVED** that the minutes of the 8th Annual Meeting which was held on 15<sup>th</sup> December, 2012 be and are hereby approved.

## 4. Matters arising from the Minutes

*Mr. Peter Bourne* reminded the Chairman that he wished to have sight of the register of names of shareholder's present at the last meeting as was promised.

### Use and Expansion of the Gym :

Dr. Garth Alexander expressed concern of the expansion of the gym moving closer to the Units in Block H as these owners could be affected by an increase in noise with the chatter and the television. He therefore wanted to clarify that this expansion would require the approval of 100% of the shareholders as was noted in the previous minutes. The Chairman confirmed 100% of the votes would indeed be required.

*Mr. Lee Gooding* recounted the proposal to construct extra units to the West of Millennium Heights with a view to generating revenue for the expansion



*Richard Bourne* asked about the option of removing the television in an effort to reduce the noise but *Onika Stewart* and *the Chairman* noted that persons do make use of the television, watching the news and other shows while exercising and it would not be feasible to remove the television.

*Stuart Gill* enquired about expanding the gym into the clubhouse or the basement. *Lee Gooding* and *the Chairman* confirmed that on a functional level, these were not feasible options. The basement is used partly for storage and preserved as a hurricane shelter. The clubhouse is widely used and it would not be possible to replace such a facility elsewhere.

*The Chairman* noted that whatever options are explored for the expansion of the gym or for changes to Millennium generally are considered with the rationale of increasing the value and appeal for the owners and potential tenants, thereby also increasing the marketability of the development.

#### Water : Meters, Usage, Impact on Capital Contributions

Queries were raised on the situation with the water leaks and wastage. *Lee Gooding* assured the shareholders that he will see that all leaks are fixed and anticipates that within the next two weeks, the repairs will be completed and all exposed pipes will be covered up.

*Lee Gooding* gave a summary of the reasons why the individual metering system has its benefits. He noted that in the past there have been leaks that were unnoticed for months and generally, owners do not then bear full responsibility for their leakages and other causes of excessive water usage. The individual metering system prevents these situations. *Michelle Straughan* brought the reader machine to show the shareholders and *Lee Gooding* briefly explained how it works : the meters can be read at a distance and the data that is recorded can be entered directly into their quickbooks accounting system dispensing with the need for manual entry.

*Lee Gooding* also noted further benefit of more accuracy of the reading of the water bills. As opposed to a fixed figure allotted in accordance with number of bedrooms etc, a specific amount will be read for each meter. He noted that the machine also has a "leak detection device" which would detect for example where there is constant running water. This helps to identify leaks and other problems much faster.

*Hussein Brewster* noted that the device is more of an excess water usage detection device, not so much a leak detection device as this is a different device whereby specific place of leaks can be detected. *Lee Gooding* acknowledged the difference and confirmed that the machine is not specifically leak detection in that sense, rather that the effect of the monitoring of the water usage enabled the better detection of leaks.

*Mark Prescott* enquired about the metering of the water for the common areas and *Lee Gooding* explained that it would be very difficult to get a break-down of this usage



because of how the system is plumbed. The water usage in the common areas would still have to be estimated and then pro-rated.

*Stuart Gill* noted that the toilet valves (flex lines and flappers) are his main concern as relates to leakage and feels that the flex line poses the biggest risk for flooding. This is of particular concern as he rents his unit and his tenant is often travelling.

*James Cole* noted that all homeowners should review their insurance policies, especially with a view to whether the policies cover flooding. He further noted that the lower levels are particularly at risk.

Questions were raised about the installation of water tanks to be used for irrigation. *Lee Gooding* said that when the pumps and irrigation system were installed in Phase I they found that frequent repairs were needed and it was costly. Dr. Alexander enquired as to why those pipes were still there and *Lee Gooding* noted that the gardeners modified the pipes and re-used them for a different irrigation system, in an effort to make use of materials already purchased.

*Ansar Juman* queried the water rates and asked for confirmation that there would be no minimum charge. *Lee Gooding* confirmed there will be no minimum charges, the meters will be read and homeowners charged only for what they use. Mr. Juman then enquired about discounts for early payment as sometimes it is easier for him to pay some of his many bills in advance. *Lee Gooding* indicated that this is not possible, explaining that the budget is structured for covering expenses as opposed to making profit per se and there is no provision for any excess to cover such costs. *Michelle Straughan* suggested to Mr. Juman that he come and speak with them after the meeting and they can discuss a payment system that works best for him.

#### Issues with Pets (Dogs)

*Bassil Scantlebury* commented that the problem is still present though it has definitely improved.

*James Cole* asked whether notices could be sent out to owners insisting on the use of poop scoop bags. *Michelle Straughan* and *Lee Gooding* confirmed that such letters and several notices have been sent, but it seems to no avail. It was suggested that notices be sent out periodically as owners may have tenants and tenants change from time to time. *The Chairman* acknowledged the suggestion for periodic notices and indicated that this would be done.

*Harold Dunn* noted that they have dogs that bark at night for extended periods. *Michelle Straughan* acknowledged that several concerns have been brought to them and they have spoken to the homeowners about it and apparently the owners in question have tried to fix it by separating their 2 dogs. She noted that the problem arises when stray dogs come onto the property and agitate the dogs. Others noted that the loud barking also occurred when persons walked past the property. *Mrs. Dunn*



noted that she loves dogs but the pet owners have to be considerate of the other occupiers in Millennium as well.

*The Chairman* noted that it is a delicate issue as the homeowners indicated that the dogs are their security but other persons should be able to walk freely through Millennium. The issue will be addressed carefully.

*James Cole* later made brief mention that he appreciates the desire or need to have dogs for security but insisted that management needs to be diligent with ensuring the homeowners prevent such great disturbance. *Lee Gooding* agreed that this will be done so as to preserve the integrity of Millennium as a peaceful, enjoyable place.

#### Website

*Michelle Straughan* gave an update on the progress. The website ([www.millenniumheights.com](http://www.millenniumheights.com)), is live. Newsletter which used to be posted will be sent via email and will also be posted on the website. There will also soon be a contact section to facilitate queries by the shareholders and aspire to a reply within 24 hours.

*Lee Gooding* indicated that once they complete the water meter upgrade project, their attention will be given fully to the website project.

#### Security

*Richard Bourne* expressed concern over the issue with the back gate being left open. He suggested that management consider a 'gate attendant' who would not be a guard but simply someone to open and close the gate. *The Chairman* acknowledged and said it can be put to the Board of Directors for consideration.

*Stuart Gill* queried whether the back gate could not be closed or if persons could be given gate openers. *Lee Gooding* explained that neither suggestion would be possible given the small numbers of houses built in that section of the development. That gate is what is used for construction and other utility vehicles.

There was general discussion on the security concerns and there was a general feeling that the guards don't yet have the security under satisfactory control. *Michelle Straughn* noted that she is constantly testing and monitoring the security guards and gave a few examples. A suggestion was made to consider setting up a security camera. *Lee Gooding* noted that there would be some logistics to work through before making such a decision. *Bassil Scantlebury* noted that the security point at the back gate definitely needs to be addressed in this 'climate'. He also expressed concern over the random vendors that seem to be frequenting the development.

*Peter Bourne* commented that he has observed an improvement in the security guards service / conduct. He made one small request that if the guards, as they should, stop



to speak to any visitors, that they ask the drivers to bring the vehicle a bit further up so that persons behind with remotes can swipe and pass along

*Ansar Juman* noted in relation to the security point that he has two different vehicles he uses and depending on which one he is driving (old jeep or Mercedes), the guards often either stop him or let him pass through.

*Hussein Brewster* made a motion that the reference to the front and back gates be 'renamed' the North and East gate. This was seconded by the Chairman.

**IT WAS RESOLVED** that the two gates be referred to the North and East gate.

Some persons noted that they have been a part of Millennium for about 10 years or more and hoped that management would soon truly resolve the issue of the gates and security.

*Dr. Garth Alexander* expressed concern about the less secure East gate as it still impacts on the security of Phase I where he resides. He observed that Phase I security is better or a bit more improved than that of Phase II and it really needs to be made even.

*Lee Gooding* made the point that additional security can surely be brought in or considered, though the shareholders would have to bear in mind that it will result in some form of increase in cost which would be noted in the monthly budget. If the shareholders are prepared for that then it can be done.

*Stuart Gill* expressed that in the advent of the spate of crimes and security issues facing the island generally, security should be increased and that he would be willing to pay for additional security. All in attendance agreed generally that the increase in security would be acceptable.

*Desiree Cherebin* suggested that a keypad could also be placed on the pedestrian gates.

On motion duly made by the Chairman and unanimously carried :

**IT WAS RESOLVED** that security generally will be increased.

*Ansar Juman* expressed that it should be made clear that such a decision would also result in an increase in the monthly cost. *The Chairman* confirmed that this was already stated and expressed that he would be a diligent trustee of the homeowners funds and would try to 'shave off' where possible so that there would be as little

increase as possible to the monthly contributions. *The Chairman* would like to maintain the monthly budget as it is at least for the coming year.

*Bassil Scantlebury* observed that the security personnel have been doing more walking. *Mark Prescott* felt that the security personnel were more lax in Phase II

*Harold Dunn* suggested that this discussion could also be facilitated through the website's new structure and *the Chairman* agreed.

General Issues with Rules & Regulations and Legal Documentation for purchasers / owners : Share Certificates

*Dr. Alexander* enquired about the share certificate as he has never seen one or has any in his possession. *Lee Gooding* and the Chairman made brief mention of the share certificates and confirmed that the Attorneys representing the owners and prospective purchasers are the persons who would be aware of and would be dealing with these certificates on behalf of their clients.

*The Corporate Secretary* gave a brief summary of the process. Essentially ownership of the share is inseparable from ownership of the respective property to which it relates. When ownership is transferred, the share transfer deed is processed and old certificates have to be surrendered and new ones issued.

LED Lights

*Bassil Scantlebury* asked how these were working and *Lee Gooding* confirmed that they were working very well.

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

**Chairman's Report**

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

General Issues facing MHA Inc. and Land Tax

The Chairman noted that there are several issues that face the Development as a whole. He has observed a lack of understanding of the structure of Millennium and certain elements of the transactions. Several have occurred within the Government departments and Registries and with some Attorneys conducting transactions.

The next major issue was the Land Tax. The difficulties with resolving this matter were tied to the fractured relationships during the course of time. After some years, the Attorney for the Developer was no longer representing the Developer and as result Millennium Heights Association Inc. (MHA Inc.), was not in possession of several documents and bills etc. Several gaps in information created several issues for MHA Inc.



Several land tax bills had accumulated in the Attorney's office (totalling approximately \$740,000.00) and were much later brought to the attention of the Board of MHA Inc. In addition to incurring penalties for late payment, the previously resolved issue of what property was chargeable for land tax appeared to have resurfaced.

*The Chairman* expressed that he takes full responsibility for not holding a meeting last year and that he could not hold one simply to tell the homeowners that they would now have to pay the estimated \$740,000.00. Rather, he felt it best to take that time to address the serious issue. It would have been an immeasurable burden and thus he chose to take the additional time to persevere in resolving the matter. He was pleased to report that they were successful in having the penalties and overall amount due, reduced from \$740,000.00 to \$48,000.00

*Desiree Cherebin* noted her official thanks to the Chairman and the Board for their efforts in this issue.

*The Chairman* noted the importance of dealing with an intelligent officer at the land tax department as it is crucial to the success of resolving issues that arise. He noted that the only outstanding bill to be dealt with is the Municipal Solid Waste Tax bill. As this is linked to the land tax, it will be adjusted and then settled.

*Mark Prescott* noted that it would likely be an ongoing issue to guard against the land tax charge over the common areas element. *Peter Bourne* supported Mr. Prescott's comment, agreeing that one has to be so diligent with taxes and bills and query where necessary and ensure that everything is in good order.

#### General Maintenance, Renovations & Improvements

*The Chairman* noted that renovations and improvements are very important in order to maintain the value of Millennium. He noted however that the Board had no jurisdiction over the inside of the units. It is in the interest of the community that the individual homeowners do their own diligent maintenance and renovations as needed.

*Lee Gooding* discussed and updated the shareholders in attendance on the general maintenance and improvements of Millennium as was noted in the attached copy of the Chairman's address of 15<sup>th</sup> April, 2015 :-

1. Solar lights and solar panels
2. Gym upgrades
3. Fountain : noted that it has proved to be challenging to locate new parts as the company that installed it is no longer in operation. Consideration is being given to changing the system.
4. Fish Feeder : A coin operated fish feeder has also been installed. There are a lot of koi fish and the fish feeder enhances the use of the pond area.



Onika Stewart asked about the access to the pond by small children. Lee Gooding confirmed there is no access the pond is behind the fence for safety.

5. Security : *Lee Gooding* noted that it would be good for the homeowners to report details of any security breaches to them. This can be done via text or email also. He also noted that gate codes being given to friends can pose an issue for owners as these persons may not remain friends. He asked that owners please come and let him know when they need the codes changed.
6. Benches : *Lee Gooding* noted that the management was undertaking this project "in house" and had saved some costs. *Dr. Alexander* requested that the benches not near the clubhouse also get cleaned as it seems they are neglected.
7. Painting of Townhouses : *Lee Gooding* updated on this : they are using the Benjamin Moore paint (one coat tinted primer and one coat paint) and it seems to be more cost effective. He suggested that the painting charges could be included in the monthly fees for the owners of the townhouses.

*Onika Stewart* noted that consideration should be given to making the painting compulsory so that the buildings all look more uniformed. *The Chairman* also made the point that consideration would be given to a portion of the monthly dues being kept in a separate account for this portion so that funds are ready when it is time to paint.

*Desiree Cherebin* agreed with the Chairman's suggestion to include this expense in monthly dues and to keep a reserve fund ready.

*Hussein Brewster* noted his agreement with the Chairman's suggestion to paint every five years.

On a Motion made by the Chairman and by a show of hands, unanimously carried :

**IT WAS RESOLVED** that the townhouses should be painted every five years.

*Ansar Juman* queried the effectiveness of the chosen Benjamin Moore paint. *Hussein Brewster* gave a summary of how the paint works and the benefits. It is well suited to our climate and the 2 coat system works well. Although you have incremental increase in cost of material, it is offset by the decrease in labour cost (less coats required).

*Lee Gooding* assured *Ansar Juman* and the general body of shareholders that he is diligent to use only professional and reputable services so that they can be assured in the quality and level of work and maintenance.

On a Motion duly made, seconded and unanimously carried :



**IT WAS RESOLVED** that the Chairman's report as presented 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 2013 and April 2014. *Mr. Frost* extended an invitation for persons to privately ask questions after the meeting or via his contact numbers.

*Mr. Frost* reviewed the balance sheet. He noted that the structure was a bit complex because there are common areas and 4 proprietor's unit plans (PUPs). The 4 PUPs do not have separate bank accounts, they are part of MHA Inc.'s accounts and these accounts are held as separate sub-accounts under the umbrella of MHA Inc. So as to avoid having all funds in a single institution, he noted that the company uses 2 banks, CIBC First Caribbean and Republic Bank.

*Lee Gooding* noted in relation to outstanding dues (Assets-common levies receiveable), that MHA Inc is not at any risk in relation to the debits shown as there are only a few and in any event, before the sale of a property or unit is completed, all outstanding dues must be settled with MHA Inc. Within the next 2-3 weeks, they expect to receive about \$100,000.00, which would significantly reduce the deficit.

*Mr. Frost* gave a brief review of the replacement reserve.

*Ryan Highland* queried the structure of the levies and refunds on the income statement. *Mr. Frost* explained that the structure chosen was to ensure that it did not appear that there was any gross revenue that was not declared. The common levies offset the common expenses.

On a Motion duly made by *Mark Prescott* and seconded by *James Cole* :

**IT WAS RESOLVED that** the audited financial statements of the Company for the year ended April 2013 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 2014 together with the report of Ronald Wilkinson, the Company's auditor, be and are hereby adopted.

### **6. Election of Directors**

*The Chairman* indicated that Selwyn Smith had resigned from the Board. He nominated Richard Bourne to take his place. He indicated that all of the remaining retiring Directors had signified their consent to continue to act as Directors of the Company.



On a motion made by *Desiree Cherebin*, seconded by *Dr. Alexander* 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  
Bassil Scantlebury  
Richard Bourne

#### **7. Appointment of Auditors**

On a motion made by *The Chairman*, seconded by *Andrew Hutchinson* 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**

*Bassil Scantlebury* noted that the removal of the trees caused more monkeys to move into Phase 2. *Lee Gooding* clarified that the trees were removed because they were suffering from a disease. He offered if the monkeys were too many in number that they could arrange for them to be caught and relocated.

*Andrew Hutchinson* enquired about the increase in the 2% for insurance and the increase in the deductible. *Mark Prescott* noted for clarity that the townhouse owners pay their own deductible

*Harold Dunn*, as a more recent owner, enquired of the plans for the development of the remainder of Phase 2 and any timelines for when development would be finished so that he may have better understanding of Millennium as a whole. *Michelle Straughan* confirmed that there is no time limit for commencing construction after purchase but there is a time period for completing construction once commenced.

*The Chairman* extended an official thanks to the members for attending and having a peaceful productive meeting. He extended thanks to the management staff, *Lee Gooding*, *Sophia Sealy* and *Michelle Straughan*, commended them on a great job of



maintenance of Millennium which he said makes it a pleasure to live there. The Chairman thanked the members for their tolerance with the past deviance in the meeting schedule. Now that major issues have been resolved, there will be no further deviance.

There being no further business, the Chairman declared the meeting closed at 12:22pm