

Side, 18. May 2016

Arcadia AGM 2016
Minutes on Meeting 17/5-2016 by B4

Dear Arcadia Homeowners

The official report from the meeting will be in the Control Book stamped by Notary. For those homeowners that do not read Turkish this report might be useful.

AGENDA:

1. Survey - Résumé of the most important events and issues 2015 - 2016.
2. Accounts for the previous period discussion and approval
3. Election of Control Board members for 2016 - 2017. Please inform our property manager Mete Tanis (mete@sidepropertymanagement.com) or about candidates
4. Specification of Control Board duties
5. Election of Property Manager for 2016 - 2017. Please inform the Control Board about candidates you may suggest (use <http://www.arcadiaside.dk/contact/>).
6. Explanation and legal situation for unpaid site fees
7. Approval of base-budget and fees for 2016 - 2017 (available at Arcadia internet)
8. Determination of duties and paying conditions
9. Watchmen salaries and task assignments
10. Installation of watchmen toilet & storage building
11. Solar panel subject required by some owners
12. The necessary precautions for flooding
13. Installation of security cameras and front gate lock
14. Discussion of Reserve fund for future building maintenance
15. Approval of Investment & Reserve budget and fees
16. Other items of homeowner's concern.

The meeting was held at Conny's restaurant 17. May 2016 from 14:00 to about 18:30.

Our Property Manager (PM), Mete Tanis, was leading the meeting. He started to read from Turkish Condominium Law about the meeting and voting rules.

The meeting was held in English and Turkish.

Agenda item 1a - Survey of attendees

10 homeowners were present and 13 homeowners were represented by proxies. This was 23 out of 32 potential apartments votes.

Agenda item 1b - Resume of events during 2015-2016

The Control Board had prepared a document that can be seen in the internet, but only a few statements was given from the Control Board members. You can obtain the full "Report on 2015-2016" from the Control from our website.

Agenda item 2 - Accounts for 2015-2016

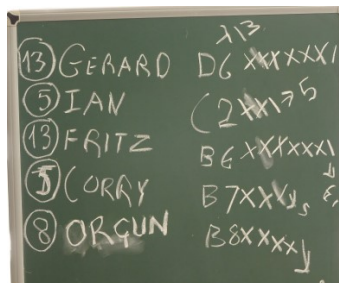
The Payment sheet was distributed and discussed. There was no objection to the figures in the payment statement, but there was a relevant discussion on the 14.629 TL not paid in due time. This makes it very difficult for our PM to pay staff salaries as promised.

The Expenditure sheet was distributed and discussed. Questions were asked about different figures and there was a discussion about the old water bill (5.597 TL) that should have been paid by Lotus last year. Orcun (he is a lawyer and lives in B8) suggested that he would try to get the money from LotusM. Of course everybody was happy about that initiative.

The Accounts were approved by a majority without voting.

Agenda item 3 - Election of Control Board for 2016-2017

There were five candidates: Fritz (B6), Ian (C2), Gerard (D6), Corry (B7) and Orcun (B8).



Voting procedure: 23 small sheets were distributed and each sheet could carry two names. Gerard, Fritz and Orcun was elected as Control Board for 2016-2017.

Agenda item 4 - Specification of Control Board duties

Basically the control board duties are laid out in TCL. A more detailed description can be found on our internet in the "Governance" section.

Agenda item 5 - Election of Property Manager (PM) for 2016-2017

Our current PM, Mr. Mete Tanis from SMP, had given Arcadia a renewed offer for 2016-2017. Tasks and duties can be seen on the internet, and the monthly price is 1.000 TL. There was no other proposals and Mete Tanis from SPM was elected by majority.

The Control Board members signed the Contract with Mete Tanis from SPM.



Agenda item 6 - Legal situation for unpaid fees

Our PM informed us about the legal situation for D2 ex-owner and D5 who had not paid their service fees for a long time. Their cases were sent to solicitor in spring 2016. Both homeowners are now registered in the Attachment Court and we get a monthly interest of 5 percent until they pay. Our solicitor has informed us that D2 ex-owner now has promised to pay, but we have not seen any money on our accounts so far.

Agenda item 7 - Approval of Base Budget for 2016-2017

The Base Budget has been prepared by our PM and the Control Board and was presented at the meeting. For the first time we have separated the Base Budget from the Investment Budget and Reserve Budget. The Base Budget is covering what it takes to run Arcadia for one year without any investments or other improvements. Investment Budget is covering new facilities and Reserve Budget is covering unforeseen expenditures (hazards).

The Base budget of 287 TL per month from 31 apartments was approved. D5 is not expected to contribute next year because he is now being handled by our solicitor and the Attachment Court.

Arcadia Base Budget in Turkish Lire		
	2015-2016 Actuals*	2016-2017
Staff salary	65.700	67.200
Staff overtime	6.900	7.000
Garden	1.500	1.800
Garden Petrol	400	400
Pool Expenses	2.200	2.600
Internet	920	1.100
Electricity	5.100	5.100
El-generator	200	200
Water	4.200	4.400
Repairs	4.890	4.400
Mgmt Fee	12.000	12.000
Legal cost	200	300
Other costs	200	200
Yearly	104.410	106.700
Monthly	8.701	8.892
Year/Apartment	3.368	3.442
Month/Apartment	281	287

Agenda item 8 - Paying Conditions

As reported earlier on we are in a difficult financial situation having problems with paying our staff and suppliers in due time because several homeowners are not paying their service fee timely. After some discussions we came to a conclusion that we voted for. The agreed procedure is from now:

- Monthly fees are prepaid so we can pay our monthly wages and bills
- If a homeowner does not pay the PM will sent him a reminder after 30 days and inform that 5 percent per month will be added if not paid within two weeks.
- If not paid after 1½ month a last warning will be sent to the homeowner and he will be informed that if no payment within two weeks we will turn his case to our solicitor. Also 5 percent per month will be added.
- If the service fee is not fully paid after 2 months the Control Board evaluate the situation and demand our PM to initiate legal actions to bring the case to Attachment Court via our solicitor.

Agenda item 9 - Watchmen task and salaries

The control board proposed that our staff could do more valuable work in the communal areas. That will save us money and the staff would have a more meaningful job. This would of course require a gate lock because the watchmen could be away from the gate to do proper work. A majority supported that proposal and it is up to the Control Board and our PM to work out the details.

It was also discussed if staff could work for homeowners by collecting garbage etc. This was not accepted at the meeting. Our staff are working for all of us - not for the individual owner, because we may fear this can be misused and depriving for our staff. Of course it does not prevent our staff to give us a hand when we arrive with luggage etc.

It was stated clearly that the personal garbage is a private matter. It must never be placed in the communal areas, but should be kept inside the apartment until it is carried by the resident into the bin outside the Arcadia complex.

Agenda item 10 - Installation of staff toilets and storage building

The Control Board informed that staff toilets was mandatory and should be provided very soon. It would also be very convenient to built a storage room at the same time. Two Control Board members proposed a storage room for both garden equipment and sun beds not in use. One Control Board member proposed that a storage room for garden equipment was enough.

It was decide to set aside 12.000 TL in the investment budget for a staff toilet and a storage room behind block D. It is up to the Control Board to obtain the most suitable offer (architecture important) and give staff toilet and storage room for garden tools first priority and then give second priority to storage room for sun beds.

Agenda item 11 - Solar panels at the roof

Some of the homeowners that are also used the apartments in winter time would like to install a private solar panel system for water heating. Especially it was a major problem to get hot water in winter time when electricity could be out for a long time.

Because there was no specific proposal nothing was decided. But there was some understanding of the problem. No homeowner can make changes to the communal areas without permission, but the interesting parties can work with the Control Board for a detailed proposal.

Agenda item 12 - Precautions of flooding

All 16 lower apartments were badly damaged by flood in October 2014 and our PM was asked how well we are prepared if we get a similar amount of rain again - and we expect that to happen.

Our PM gave a detailed explanation (can be seen on internet) why the water was not drained away in October 2014. Today the drain system is restored and we have a gasoline pump to get water out of the Arcadia complex. But we have not installed a non return valve. This could be considered in the future. In general our PM explained that we are well prepared for the next heavy rain period like the one we had in October 2014.

Agenda item 13 - Security Cameras and Front Gate Lock

As mentioned in Agenda item 9 we decided to let our staff perform additional duties where they have to be away from the front gate for some time. We discussed a solution, where the front gate could be locked and opened by Arcadia guests by a security key of some sort. When the staff is not at the gate there should be a signpost in the watchmen shet window with a mobile number if help was needed.

We definitely don't want a gate lock with a pin code, but prefer a solution with a card or a token. The price of a gate lock will be around 900 TL and security cards about 8 TL each. We decided to put aside 1.250 TL in investment budget for that solution. We also decided that each apartment would get one card/token and that additional must be paid by the homeowner. The Control Board and our PM are authorized to find the best solution within the budget and get this solution implemented.

Security cameras is not yet mandatory, but we expect it to be so in the near future. Security cameras will also give us extra security if correct installed and managed. One homeowner pointed out that it is important that our staff get sufficient education in using the system correct.

It was decided to allocate 4.500 TL in the investment budget to get a security camera solution implemented. The Control Board and our PM are authorized to find the best solution within the budget and get this solution implemented.

Agenda item 14 - Reserve fund and Building Maintenance budget.

Right now the Reserves are negative due to reasons explained in the "Report on 2015-2016" from the Control Board mentioned under Agenda item 1. We do not have official loans, but three homeowners (B6, B4, C1) have voluntarily paid extra advanced fee for a sum of 18.500 TL. We plan to reduce the negative reserve fund by a few thousands TL in 2016-2017, but a reserve fund is difficult to predict.

We do not plan to set aside any money for future building maintenance in the next budget year because of many investments in 2015-2016 and 2016-2017.

Agenda item 15 - Approval of Investment Fees and Reserve fund.

Arcadia Investment Budget in Turkish Lire		
	2015-2016 Actuals*	2016-2017
Garden Tools	5.850	0
WiFi	6.950	0
Garden Repair	2.150	0
Pool Repair	1.650	0
Staff Toilet + shed	0	12.000
Gate Lock	0	1.250
Security cameras	0	4.500
Yearly	16.600	17.750
Monthly	1.383	1.479
Year/Apartment	535	573
Month/Apartment	45	48

The investment of Staff toilets and storage building was approved with a budget of 12.000 TL. Gate Lock with 1.250 TL and security cameras with 4.500 TL.

Al together the investment budget is 48 TL per month per paying apartment. This is on top of the base fee of 287 TL approved in Agenda item 7.

Reserve fee of 5 TL was also approved.

Together the total fee for 2016-2017 was approved to be 340 TL.

Agenda item 16 - Other items of Homeowner's Concern.

One homeowner (B7) raised the question of annoying problems with stray cats. The problem is that some residents are feeding the stray cats which is against the agreed Complex Rules. We agreed that the Control Board and our PM should do more to enforce the Complex Rule regarding "not feeding the stray cats". It was also expressed that we are not against stray cats and dogs, but when they are feeded they will become too many and a burden for us. We also discussed if pets were allowed and a majority said "no". Our PM said that there are strict regulations by law and this should also be taken into account.





Arcadia photo from D6.

Garden and pool in a very nice condition.