

**Lincolnshire Apartments, Inc.**  
*Lincolnshire North Apartments, Inc.*

**Board of Directors' Meeting**  
**MINUTES**

**March 13, 2007**

A concurrent meeting of the Boards of Directors of Lincolnshire Apartments, Inc./Lincolnshire North Apartments, Inc. was held on Tuesday, March 13, 2007 at 12:16 p.m. in the Board Room at Audubon Area Community Services, Inc.

***Board Members Present:***

Ms. Cathy Lamar *	Ms. Melody Lanham */**
Ms. Carrie Blackham **	Mr. Michael Morton *
Mr. Jerry Manning */**	

\* Lincolnshire members

\*\* Lincolnshire North members

***Staff Present:***

Ms. Cheryl Calloway	Ms. Sheila Boling	Ms. Denise Marcum
Mr. Terry Payne	Mr. Ron Logsdon	

***Others Present:***

Mr. Charles Kamuf, II	Ms. Jeanette Manning
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Chairperson of the Lincolnshires' Boards, Mr. Jerry Manning, called the meeting to order at 12:16 p.m. Both the Lincolnshire and the Lincolnshire North Apartments, Inc. Board had a quorum present.

***Minutes of Prior Meeting***

The minutes of the concurrent meeting of October, 2, 2006, were reviewed for approval.

*Ms. Cathy Lamar made a motion to accept the minutes and Mr. Michael Morton seconded the motion. Motion carried.*

***NEW BUSINESS***

***Review of the FY2006 Financial Audits.***

***Lincolnshire Apartments, Inc.*** Mr. Payne distributed copies of the audits for Lincolnshire and Lincolnshire North. Mr. Payne stated that on the third (3<sup>rd</sup>) page was the opinion page. The statements are presented fairly. There were no problems. As for the balance sheet, everything is consistent from year to year with the prior year. Mr. Payne stated that on the fourth (4<sup>th</sup>) page was the liabilities page, and that everything is consistent from the prior year. The debts are smaller than last year. On page five (5), the net income was down this past year to about \$40,000.00. Mr. Payne mentioned that this is not a big concern. There was \$10,000.00 in heating and repairs. The supplies were up somewhat. Mr. Logsdon mentioned that on the vacancy loss report, we are doing well on the percentages.

***Lincolnshire North Apartments, Inc.*** Mr. Payne stated that the opinion page was the same thing, clean opinion, no problems found. On page three (3), net assets are very consistent from year to year. Page four (4) is the same thing, liabilities are consistent. On page five (5), net rental revenue is very consistent from year to year with the utilities being up a little bit, which is to be expected. Page six (6) shows the profit loss, which is down this year and being similar to Lincolnshire. On page seven (7), shows the cash flows and notes to financial statements. Mr. Logsdon said that this was the best part of the audits. Mr. Payne stated that we have been able to generate enough cash to pay back what has been loaned by AACCS, Inc. to Lincolnshire. We were able to pay back almost all of it, Mr. Payne said. Mr. Payne mentioned that by HUD guidelines, if having excess cash, HUD requires you to set it aside in a residual account in case something happens. Mr. Payne also stated that you can get special requests from HUD to pay back as well. Mr. Morton asked which of the two has been paid off. Mr. Payne explained that we still have the mortgages, but this was money that was owed to AACCS after Lincolnshire had to borrow several years ago. Mr. Manning asked if this was something that usually happens. Mr. Logsdon stated that due to the tornado ripping through Owensboro in 2000, we put agency money in there, and very little of that debt is left. Approximately \$20,000 is still owed to AACCS by Lincolnshire North.

*Mr. Morton made the motion to accept the audit reports for Lincolnshire and Lincolnshire North. Ms. Blackham seconded the motion. Motion carried.*

***Review of Lead Based Paint Report.*** Ms. Boling stated that they had received a report to remove lead based paint from the gas lines in Lincolnshire back in the summer. That has been taken care of. A couple of months ago, we received a report on Lincolnshire North. Some of the exterior doors were included in the report. Ms. Boling said that the doors have not been done yet because of the weather. There are very few doors left with this problem since some doors have been replaced due to resident turnover. This will be taken care of as soon as weather permits.

***Report on the Vacancy of the Lincolnshire North Tenant Representative Seat.*** Ms. Boling stated that notices were sent out twice for needing a representative. The first time, there were no responses. The second time that notices were sent out, there were 3 (three) people that were interested. Ms. Boling stated that out of those 3 (three) that applied, the one that the residents selected has not paid rent yet and in eviction proceedings. If this person does not pay their rent, Ms. Boling said, they will have to start over. Mr. Morton asked about the ratio of men and women that were nominated. Ms. Boling stated there were two (2) women and one (1) man.

***On-Site Property Manager's Report.*** Ms. Cheryl Calloway stated that there were concerns on the actual vacancies. There are twenty-one (21) vacancies at Lincolnshire and Lincolnshire North. At Lincolnshire North, there are no (0) 1-bedrooms. There are fourteen (14) 2-bedrooms vacant with two (2) ready to rent, and there is one (1) 3-bedroom ready to rent. Ms. Calloway stated that at Lincolnshire North there are fifteen (15) vacancies. There are three (3) 1-bedrooms. If the carpet cleaners show up, then there will be two (2) apartments ready. Ms. Calloway mentioned that in Lincolnshire, there are three (3) 2-bedrooms vacant, and no vacancies open for a three (3) bedroom apartment. She also stated that they are having to wait on future tenant's deposit and paper work to be turned in. Mr. Logsdon asked about the quantity of evictions. Ms. Calloway stated that there are a few evictions, and that there are five (5) files that are ready to be taken to Mr. Kamuf's office. Ms. Calloway stated that she has faith in one of the five (5) of paying their rent. She also mentioned that the evictions are getting smaller in numbers. Ms. Boling stated that they will get an influx due to the sale of Lamplite Estates. Numerous people are moving out of the mobile home park after it was sold. Mr. Manning asked about the procedure for an applicant. Ms. Boling stated that receiving back police records, and landlord reports take a while to get back. Ms. Calloway said that she can move someone in an apartment without having a social security card and/or birth certificate, but we had to have the landlord references and police reports.

## ***DISCUSSION***

**Vehicles being backed into parking spaces.** Mr. Morton stated that there is a tenant who backs their vehicle into the parking space instead of pulling in. Mr. Morton also stated that this tenant upon starting the vehicle, guns the engine and carbon monoxide is released. Mr. Morton stated his concern about speaking with the tenant about this situation, and that tenant has had an attitude with Mr. Morton. Mr. Logsdon stated that he didn't know if we could put this specific rule in the guidelines. Mr. Manning asked Ms. Boling if there was a noise ordinance. Ms. Boling said no, and that the House Rules do address backing into the parking spaces. Mr. Manning asked if we could enforce this. Ms. Manning asked about posting a sign. Ms. Boling stated that handicapped signs and unauthorized parking signs are already in the parking lot. Mr. Kamuf stated that if the tenant that is complaining, can do so in writing, and pass it on to Ms. Calloway, for the start of a paper trail. Mr. Logsdon asked about the written complaints and if they are kept confidential. Mr. Kamuf stated that his office tries to keep it confidential, but if it ends up going to court, the resident will be asked to testify in court. Mr. Kamuf also stated that the tenant needs to send a written complaint to Ms. Calloway before his office can pursue the issue. Mr. Kamuf stated that unless a tenant is willing to report a problem — then perhaps even go to court to testify regarding the problem, there is quite often little or nothing the staff can do.

**Excessive traffic.** Mr. Morton stated that there is a lot of traffic, at least ten (10) cars parked on the street. Ms. Calloway stated that they are unable to do anything about the vehicles being parked on the street. Mr. Logsdon asked about apartment #1109. Ms. Calloway stated the police were called concerning a group of men having bats and they were looking for someone this past weekend. Ms. Calloway also stated to Mr. Morton that there should probably be documentation on the ongoing traffic in certain apartments. Mr. Logsdon asked about a certain “drug house” and if it was in one of our buildings. Ms. Calloway said no, and that it is next to our buildings, and since it is a rental property it has changed residents four (4) times in the past year.

**Issues from last meeting.** Mr. Logsdon looked through the minutes from the last meeting on October 2, 2006, and asked about the tenant issues. Mr. Morton stated that there are a lot of older people that live in the apartments, but don't have vehicles. If someone offers them a ride, they will not accept, Mr. Morton said. Mr. Morton also stated that the tenants do not get involved, because they feel that if they were to “tell” on someone that is causing trouble, that they will be retaliated against. Mr. Morton says the tenants constantly complain, but they do not want to help out. Mr. Manning asked for any more questions on this issue. None were brought forth.

Mr. Logsdon stated that Lincolnshire will hold their next meeting in September 2007, which will be the annual meeting.

*Mr. Morton made a motion to adjourn the meeting and Ms. Lamar seconded the motion. Motion carried.*

## ***ADJOURNMENT***

There being no further business,

*The meeting was adjourned at 12:50 p.m.*

Mr. Jerry Manning  
Chairperson