

TALL TIMBERS HOMEOWNER'S ASSOCIATION 2012 ANNUAL MEETING MINUTES
AMERICAN LEGION MEETING ROOM
NORTH BRANCH, MN 55056
January 22, 2013 6:00pm

I. ROLL CALL AND ESTABLISH QUORUM:

A sign in sheet was located at the meeting room's entrance. Of the 48 homes within the development, 30 Lot Owner's were either present or represented by proxy establishing a quorum. There was representation of 63% of the Lot Owners of Tall Timbers.

II. CALL TO ORDER:

TTHA President, Vince Schoon, called the meeting to order at 6:15 pm. Board members present: Vince Schoon, Randy Berglin, Julie Wermerskirchen, Scott Ingram and Karen Johnson. Vince gave the reminders that parliament rules will be followed as order of procedure and only one vote per Lot will be counted. New vote counting procedures were reviewed, with those voting for their Lot and/or those who held proxies for other Lot Owners. Also, new this year was not counting abstentions, as per Robert's Rules; these votes do not need to be counted. Two parties will be counting votes, one being a member of the Financial Review Committee member Lori Berglin, another association member, Nancy Schoon, was the second person.

III. Approval of the 2012 TTHA Annual Meeting agenda:

Randy Berglin moved to accept the meeting agenda as presented. Mark Hughes seconded. 30 ayes, 0 naves. **Motion passed.**

IV. WELCOME REMARKS:

Vince Schoon welcomed all present to the meeting. He thanked Randy Berglin for his significant contributions for getting all equipment ready for the annual meeting along with preparing all overheads used during the presentation. He also thanked all the people involved on the various committees. New homeowners, Eric and Jodi Schoon and Jill Johnson and Dennis Faith were welcomed.

V. ELECTIONS OF BOARD MEMBERS:

Vince discussed where each current board member is in their terms, and added his term ends at the conclusion off tonight's meeting. He asked for volunteers for the remaining 1-year term needing to be filled which had been Karla Johnson's term. And he asked for new board member(s) for three-year terms. Our By-Laws state we must have no fewer than 5 board members. LouAnn Hughes volunteered for the 1-year term. Carol Randall moved to accept LouAnn's nomination. Jim Skroch seconded. 30 ayes, 0 naves. **Motion passed.**

V. COMMITTEE MEMBERS NOMINATIONS:

Vince sought new committee members for all committees: VAC, Septic, Website, and Volunteer. The volunteer committee has in years past been working with the City of North Branch on the Adopt a Park program. If this project is to continue the association will need to organize and coordinate. The city's response to our involvement has been somewhat lackluster and Board member Randy Berglin posed the question of possibly working on another project. A discussion was held among the Lot Owner's who suggested volunteering for the local food shelf as another project. Vince did outline the time commitments for the remaining committees: VAC, Septic, and Website. The other committees will continue to seek assistance.

VI. CORRESPONDENCE:

There was no correspondence received this year that needed to be brought forth to the association.

VII. APPROVAL OF THE JANUARY 29, 2012 MEETING MINUTES:

Scott Johnson moved to accept the meeting minutes as presented. Lori Berglin seconded. 30 ayes, 0 naves. **Motion passed.**

VIII. APPROVAL OF THE APRIL 22, 2012 MINUTES:

Randy Berglin moved to accept the meeting minutes as presented. Scott Johnson seconded. 30 ayes, 0 naves. **Motion passed.**

IX. FINANCIAL REVIEW OF 2012 FINANCES:

Lori Berglin presented. Trudy Lundeen has offered to be part of the financial review committee. The audit went well this year, all was well prepared and the committee followed a checklist this year to insure accuracy. They had two suggestions. One was to keep a general reserve fund register in the folder along with the other two registers for the general septic fund and the lift stations maintenance fund. And secondly, add the savings interest to the general septic fund in the year the interest was earned. The Board will act on their suggestions.

X. TREASURER'S REPORT:

Julie Wermerskirchen presented.

1. An update on the invested septic funds was given. The association was told about the new treasurer position procedures and the reason for them to help avoid inconsistencies and to make sure all things are covered.

2. 2012 Financial Review-At the 2011 annual meeting, the association voted to invest \$20,000 in two CD's at Associated Bank in North Branch. These CD's were opened 5/12/12. \$10,000 was invested in a 5 year CD at the rate of 1.3%. This will earn a total \$647.47 at maturity. Another \$10,000 was invested in a 3 year CD at the rate of 0.7%. This will earn a total of \$211.03 on maturity. The 3-year CD will mature on 5/12/15. At this time the association will have to either collect this money or reinvest it in another CD. This will be added to the 2014 annual meeting agenda for the association to vote on.

Another procedure that was implemented in 2012 was to separate the septic funds. In past years, all dues were put into the same fund. Julie went back to the year 2005, the first year the 8 homeowners on the shared lift station starting paying an additional \$50.00. Now this money is accurately reflected into a shared lift station maintenance fund and will be separate from the general septic fund.

The 2012 budget vs. actual numbers were reviewed and explained. Numbers shown reflected the end of the year balances for 2012. Every expense is categorized for accuracy. Tom Davis asked the question about our taxes of \$59.00. He questioned what this was for. This was explained to the association that this is a tax we have been charged the last three years as part of being in the wastewater district within the Sunrise River Township. Tom Davis would like the board to possibly check into this as we may already be paying this as part of our own property taxes. All account balances were given. And all funds were explained. No motion was needed to approve the treasurer's report.

3-6. Julie proceeded to present the 2013 proposed budget. Randy Berglin moved to amend the 2013 annual budget eliminating the \$50.00 additional annual charge to each of the 8 Lot owners on the shared lift stations. Mark Hughes seconded. Vince Schoon called for the question. Vote was taken on the motion. 1 aye, 25 naves. **Motion defeated.** No other motions were made. Julie Wermerskirchen asked for a motion to approve the 2013 proposed budget. Tom Davis moved to approve the 2013 proposed budget. Mike Selbitschka seconded. 30 ayes, 0 naves.

XI. STANDING COMMITTEE REPORTS:

Landscape: Scott Ingram presented. He thanked all the volunteers and this year landscape rock will be added at the monument as it is getting sparse in areas and hasn't been redone since constructed.

ACC: Nothing to report this year. There has been some self constructed fence like structure placed within a homeowner's property. This does not comply with our covenants and this homeowner will be contacted to remove.

Septic: Reviews to what is proper documentation was done. The committee will be striving to get everyone on a spring/summer/early fall pumping schedule and try to get homeowners to eliminate any pumping November through March. A reminder was given that if for some reason, especially weather related conditions hinder a Lot Owner for septic pumping, a variance request should be submitted to the Board. Lift station pumping of the two shared lift stations was completed in 2012. The inspection of the drain fields will need to be completed next in 2014. Tree coverage on the drain fields will continue to be monitored for removal.

Website: Randy Berglin presented. Our aging website has experienced programming problems with the upgrading of our host Media Junction's server. Of particular note, the septic pumping reminder notification not working properly is the latest problem. Some association members are receiving reminders for pumping that is not due, and some are receiving daily reminders. Randy is interested in creating and developing our own website with the help of Go Daddy or similar company. He asked for association member help if anyone has the experience or desire to help him. Electronic media has allowed us to cut down on printing costs and mailing costs and the viability of our website seems to have merit. Randy will report back to the association.

VAC: Julie Wermerskirchen presented. 5 letters were sent this year. Other miscellaneous concerns were addressed throughout the year. Four variance requests were submitted and all four were approved. Lot Owners were encouraged to let the Board know about any problems or violations. The Board's job is not to police the neighborhood; concerns need to be brought to the Board if a homeowner has questions.

National Night Out: Julie Wermerskirchen presented. 74 neighbors participated. We had a band, the city of North Branch brought a fire truck, food and fun were all part of this annual celebration. This is always the first Tuesday of August. Julie is interested in organizing again next year; any homeowner interested in assisting her should contact her. A list of specific jobs she needs help with will be distributed shortly before the 2013 celebration.

XII. UNFINISHED/OLD BUSINESS:

1. TTHA COVENANT NON-COMPLIANCE COMMITTEE REPORT: Mark Hughes presented as the committee representative. Julie Wermerskirchen was the board liaison to the committee. The objective of this committee was restated: The committee was to ask Lot Owners regarding covenant violations, of these violations which ones would the Lot Owners feel strong enough about to proceed to litigation to enforce. And to find out which covenants they did not want to pursue legally. Surveys were sent out to all Lot Owners October 2012. Of the 48 Lot Owners, 47 Lots were occupied at the time of the survey. 8 Lot Owners choose not to participate. 39 Lot Owners responded. The findings were listed in order by the highest number of "yes" answers. Board President, Vince Schoon spoke to a non-compliance issue. At the special meeting, there was a question that was asked by the association regarding covenant Article VIII, Section 4. There was concern that if a Lot Owner had legal action started against them and they didn't choose to comply before the case went to court, could we as an association recoup our legal costs for the money already spent? The Board consulted with our attorney, Glen Boyce, who stated the wording of this covenant is concise and accurately reflects that we as an association would be able to recoup all costs. This is true even if the association has chosen in the past not to enforce prior infractions. A letter received from our attorney's office in March 2012 supports these facts. In further related business, Vince spoke to the Board's recommendation to establish a legal fund. Vince Schoon moved to establish a dedicated legal fund for the sole purpose for addressing non-compliance matters that cannot be resolved through normal channels and this would be reassessed at

XII. UNFINISHED/OLD BUSINESS: (CONT).

each annual meeting. This would include a \$50.00 assessment for the coming year. Mark Hughes seconded. Discussion. A legal fund would enable the board to start the process of litigation against a Low Owner who is in violation of a covenant. Jim Skroch called for the question. Tom Davis seconded. Vote taken. 0 ayes, 30 naves. Motion defeated.

Scott Johnson moved to establish a dedicated legal fund for the sole purpose of addressing non-compliant matters. Randy Berglin seconded. Discussion. Randy Berglin also called for the question at 2:00. Vote taken. 20 ayes, 4 naves. **Motion passed.**

Cory Bombard moved to take \$2400 one time from the general septic fund to set up a dedicated legal fund. Joe Hopp seconded. Discussion. Tom Davis called for the question. 25 ayes, 3 naves. **Motion passed.**

It was clarified to the association that if more than \$2400 is needed a special meeting would be called for approval.

Scott Johnson moved to include costs in the certified letter to initiate legal proceedings and also include *approximate* enforcement expenses incurred by TTHA. Mike Selbitschka seconded. Discussion. 30 ayes, 0 naves. **Motion passed.**

Cory Bombard moved for the Board to be able to use the dedicated legal fund to pursue non-compliance without clearance by the association. Joe Hopp seconded. Discussion. 28 ayes, 1 nay. **Motion passed.**

2. In other business, Tom Davis has posted 10 no hunting signs and would like to post more due to the thickness of the brush in the woods. He will pursue getting this done. He will seek reimbursement from the Board for any expenses incurred.

XIII. NEW BUSINESS:

1. **Vote to initiate legal action for septic**-this homeowner came into compliance two days prior to the annual meeting. This concern is resolved.

2. **Establishing a volunteer project committee**, this was discussed earlier in the meeting.

3. **Proposed By-Law change to Article IV, Number 2.** Randy Berglin moved to accept the By-Law change as presented. Cory Bombard seconded. There was no discussion needed. Vote taken, 29 ayes, 0 naves. **Motion passed.**

4. **Slow Children present signs**-discussion was held if the association wants to pursue having signs put up in the development or not. The association did not want to pursue at this time, the Board will not be pursuing this responsibility.

5. **Establishing operational review (audit) of current procedures/processes for the year ending 2013.** This has never been completed before for TTHA. Vince Schoon has volunteered to complete this review. Randy Berglin moved to establish an operational review of current procedures at the close of business 2013 and Vince Schoon to head this up. Cory Bombard seconded. 29 ayes, 0 naves. Discussion. **Motion passed.**

XIV. Other Business from TTHA:

Scott Ingram spoke to the covenant review committee survey and what exactly was asked for, as there may have been some confusion among the intent of the survey. Scott Ingram suggested considering putting out a survey to all Lot Owners asking which covenants should be reworded or changed. He suggested having homeowners check off which covenant they'd like to see this done to and the Board could present 3 or 4 of these changes at next year's annual meeting. Scott Ingram moved to establishing a committee to review the covenants for possible changes and/or revision. Linda Fulton seconded. Discussion. 0 ayes, 30 naves. **Motion defeated.**

In other business, Linda Mossbarger spoke that any correspondence not postmarked, but put in to a mailbox is a federal offense. Correspondence cannot be left in mailboxes without proper postage. The Board will be reviewing their policies for delivering official TTHA business.

XV. ADJOURNMENT:

Joe Hopp moved for adjournment of the 2012 annual meeting at 9pm. Scott Johnson seconded. Discussion. The 2012 annual meeting was adjourned after unanimous vote at 9:04 pm. 29 ayes, 0 nays. **Motion passed.**

Respectively submitted by:

**Karen Johnson
TTHA Secretary**

Approved by:

**Vince Schoon
TTHA President**