

Woodlands of Livonia Homeowners Association Minutes of Board of Directors Meeting 04.01.13

Location: Arlis Olson Residence
Convened: 6:35 p.m.
Adjourned: 8:15 p.m.

Present: Joel Rademacher (President), Eric Lindell (Vice President), Kate Steffens (Director), Arlis Olson (Secretary/Treasurer)

Notes: Agenda Items appear in large boldface type. Information, Discussion and Decisions sections appear in bold. Abbreviations are as follows: HOA- Homeowners Association, HO- Homeowner, BML- Board Member Lindell, BMR-Board Member Rademacher, BMS- Board Member Steffens, and TO- Treasurer Olson—Paul Erickson (BME) elected to three year Director term at 2013 HOA Annual meeting.

Review of Minutes

Decision

- Motion by BML to approve minutes of the 01-27-13 Board meeting; second BMR, carried unanimously.

Treasurers Report

Information

- TO gave a brief review of HOA expenses for January-March vs. budget; the status of checking and money market accounts and projections for cash flow through June.
- TO reviewed aged receivables of \$4,105.00 noting that amount is skewed as it includes credits for residents that have prepaid some of their quarterly dues. Therefore, the actual receivable amount was \$5,439.00, however, that is all related to the 2nd Quarter dues and the majority of it should be received within the next week.
- TO reviewed the aged payables of \$1,935.82 which was comprised of Connexus Energy - \$1,284.42 for monthly electrical costs and Arlis Olson - \$651.40 (\$625.00 for 1st Quarter treasurer services, \$25.30 for printing costs for the annual meeting material mailed to HOA members, and \$1.10 for postage costs for 1099-Misc. forms sent to the IRS). The Connexus cost is an autopay item that does not require any action, therefore the only item requiring action is the Arlis Olson item.

Decision

- Motion by BMS to approve payment to Arlis Olson - \$651.40; second by BMR, carried unanimously.

Audit Report – 2012 HOA Activity

Information

- TO reported that the audit firm had completed their audit of the HOA 2012 activity and distributed draft copies of the audit report. He summarized the report by indicating the audit was conducted in accordance with United States generally accepted auditing standards and concluded that the financial position of the HOA as of 12-31-12 and the results of its operations and cash flows for the year ended in conformity with U.S. generally accepted accounting principles. He further indicated that in order to get the final audit report the Board would have to accept the audit findings and authorize Treasurer Olson to send a “rep” letter to the audit firm.

Discussion

- Board members were pleased with the audit results and that the results of the audit could be made available to HOA members at the annual meeting.

Decision

- Motion by BMR to accept the audit of the HOA 2012 activity and authorize Treasurer Olson to send the required “rep” letter to the audit firm; second by BML, carried unanimously.

2013 Annual Meeting Discussion

Information

- TO indicated that the 2013 annual meeting is scheduled for Monday, April 8th and suggested that certain agenda items be rearranged. A representative of the Sherburne County Sheriff’s Department will be attending the meeting to address the Neighborhood Watch program and they wish to be on the agenda as early as possible. Agenda items were rearranged to accommodate their request and then the items reviewed to determine who would be presenting each item. The agenda items were divided amongst the Secretary/Treasurer and each Director. All agreed to meet at the American Legion early to assist with setting up for the meeting.

2013 Irrigation Services

Information

- TO indicated that only one bid had been received for the 2013 irrigation services at this point. BMR reported that he had contacted another firm that has expressed interest and will be meeting with them in the next few days to review the work and presumably get another bid. If they do submit a bid the review can be accomplished by email.

Annual HOA Liability Insurance

Information

- TO reported the advance information on the HOA annual liability insurance has been received and a summary of the cost and coverage was distributed. He expects the actual invoice will arrive within the next two weeks. The coverage, etc. is identical to previous policies and the premium is \$3,441.70; however a paid in full discount of \$320.67 is offered bringing the premium down to \$3,121.03. We have been taking advantage of the paid in full discount for several years. The last discounted premium was a little over \$3,300.

Decision

- Motion by BMS to approve payment to Auto-Owners Insurance - \$3,121.03 for the annual renewal of the HOA liability policy upon receipt of the actual invoice; second by BMR, carried unanimously.

Informational / Miscellaneous items

Information

- Requests for relief from garbage/recycling costs—TO indicated that two owners of undeveloped lots within the HOA have requested they be granted relief from the garbage/recycling costs that are covered by the quarterly HOA dues assessment as they do not use the service. Quarterly dues are currently invoiced at \$219/quarter to all owners of lots within the HOA (developed or undeveloped) and the dues are utilized for the expressed purpose of meeting HOA obligations for the benefit of all HOA members. The policy established several years ago is that owners of undeveloped lots are invoiced the full dues amount, however, the HOA assumes responsibility for mowing the individual lot(s) boulevard areas to maintain a consistent presence within the development. Consideration was given to builders in that if they built a model home, the dues on that lot were waived until the model was sold. For individual homeowners, a garbage/recycling credit is only considered under one circumstance—if a homeowner also owns an adjacent lot and maintains the boulevard area themselves.

Discussion

- Board members understood the lot owner's position but also felt the established policy is valid and reasonable. The dues are basically the only revenue source for the HOA and are used collectively to maintain the development to the benefit of all HOA members. The dues amount and corresponding payment were never intended to be a "menu selection" whereby certain elements could be selected or not selected. The Board cannot set a precedent of allowing home/lot owners to "not pay for" garbage/recycling, trail system maintenance, pavilion facilities, etc. because "they don't use them".

Decision

- Motion by BMS to deny the requests for garbage/recycling relief consistent with current policy; second by BMR, carried unanimously.

Email Motions

- Motion by BMR on 04-28-13 to appoint Kori Crippes to the Architectural Committee position vacated by Christine Imbra; second by BME, carried unanimously.

Meeting Adjourned at 8:15 p.m. 04-01-13

Minutes prepared by Arlis Olson, approved on May 2, 2013 by:

Joel Rademacher

Eric Lindell

Paul Erickson