

**TIMBER RIDGE PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING – June 8, 2014**

The Annual meeting of the Timber Ridge Property Owner's Association was held on June 8, 2014, 1 pm inside the PCI Golf Club. The meeting was called to order by President Kim LaRosa at 1:00 pm. The number of members attending the meeting and signed in were 75. All members attending did not sign in.

President Kim LaRosa welcomed everyone and apologized for the conditions, noting that the A/C units at the PCI Club House had been struck by lightning and had not been repaired. She proceeded to introduce the Board members and POA Staff present and acknowledged Gwen Voigts and Joan Donnow, members of the TR Woman's Club who were soliciting the POA membership for the upcoming TR Directory.

Board Members Present: Kim Larosa, President/Capital Improvements; David Goff, VicePresident/Covenants; Joey Niolet, Secretary/ Grounds & Maintenance; Charlie Reymond, Treasure Point, Wendy Webb, Pool & Tennis Courts.

Absent: Brian Kett, PCI Liaison, Jim Hoskins, Treasurer; Gene Rogers, City Liaison.

POA Staff – Misty Dienes; Terie Velardi, Office Staff and Steven Hammons, Handyman.

President LaRosa reviewed the agenda that was provided to everyone. Members were asked to write down their questions on the cards that were available at the sign in desk. Questions would be categorized and would be given to the applicable board member to address.

Presidents Overview:

K. LaRosa noted that several questions and concerns were expressed over the fence that was installed on the property of the former Anchor Condo Association which was not part of the POA. The new owner expressed interest in joining the POA until he was informed his proposed fence, which borders the circumference of the property did not meet the covenants of the neighborhood. The owner chose his fence over joining the POA. K. LaRosa noted that it was not under the POA authority to require and or enforce the POA covenants as this property was a separate, multi-family association going back several years.

Board Positions – There are three board positions, three year terms each that will be announced at the conclusion of the meeting.

Board minutes – Board minutes are posted on the web-site with the exception for the month of June, or if there is not a quorum of directors when no actions can be taken, as is the case of this past November.

Improvements – A review of the many new and renewed improvements made to the TR community over the past year were identified.

Treasure Point:	30' x 40' pavilion; Fish cleaning station; playground; security cameras and bulkhead repairs that are ongoing.
Pool/Tennis courts:	New pool filters, storage shed to protect the equipment; pool decking; barbecue grills; playground and security cameras. Tennis net stanchions.
Entrance Signs:	New signage is underway at the North Street and Henderson Street entrances. A smaller version is proposed for the TR-North entrance at Orange St.

Covenant Enforcement – The covenants committee continues to periodically canvass the subdivision identifying violations and sending letter to property owners. Most property owners address the issues promptly which results in a cleaner more desirable neighborhood.

Financials - Drafts of the financial reports were made available to view in the back of the room. The tax accountant had not yet completed their work; as such the board has not yet approved the year end nor the proposed 2014-15 budget. Anyone interested in receiving a copy of the financials once they are approved were asked to sign up to receive a hard copy. There was a slight increase this year of \$10.00 as opposed to the \$50 increase from the previous year.

Timber Ridge Directory – The POA is assisting the Timber Ridge Woman’s Club in the development and printing of the TR-Directory.

Facebook – We are now on Facebook at Timber Ridge POA. For anyone who is not internet savvy can always have hard copies of the quarterly newsletters and other printed documents sent to their homes via the USPS. Simply let the POA office know and they will include your name on the mailing list.

Treasurer’s Report – In Jim Hoskins absence Kim LaRosa reviewed the financial reports highlighting significant line items.

Over the past year we saw a 100% increase in transfer fees from the previous year indicating strong activity within the subdivision.

Revenues were on line and where expected; Bad debt was up, mostly due to foreclosures. However, when foreclosed properties are sold the POA is typically able to collect from the foreclosed date, not before; Depreciation is down slightly since our fixed assets are coming on line later than expected. The weather played a significant part in delaying this year’s projects. Auto expense is higher this year and is due to bringing Steven Hammons, handyman on board. The increase is offset by the reduced need to use outside vendors to do routine work. Collections- We billed \$327,550 and collected \$219,000 leaving 33% (219 property owners) outstanding from what was just billed. \$57,110 remains on the book for last year, representing 18% and FY 2013 \$38,000/13% remains uncollected.

Collections; the focus continues to be on uncollected property owner’ dues. 10-15 cases are filed every other month along with the monthly collection letters.

Covenants and By-Laws – David Goff, Vice President

D. Goff identified himself as an attorney, not for the POA but one who has worked on several other HOA’s by-laws and covenants. Noting, organizations should review their covenants every 10 years. He proceeded to review the current TRPOA documents citing they go back to 1979 - with subsequent amendments and or changes. Some of the changes may not have been procedurally/correctly adopted by previous boards. Overall they are poorly organized and in a horrible format. The amended covenants that have been presented to the membership incorporate the old covenants in an updated format; some items were added, some deleted.

D. Goff specifically reviewed the voting procedure to amend covenants and or by-laws noting that in 2008 he went before Judge Steckler to demonstrate that the procedure outlined in the original documents were not reasonable nor effective. The original procedure required a majority vote of all members along with a signed and notarized document by each person voting. When the POA would send out the 1,000+ ballots they may only receive 200 returns. Judge Steckler agreed and amended the documents to where a 60% vote in person or by proxy of the membership participating in the vote is a reasonable and acceptable means for the POA to amend its covenants / by-laws.

Reviewing the difference between by-laws and covenants D. Goff defined the *Covenants* as promises that run with the land; you are bound by them. It is a contract between you as a member / property owner and the POA. The *By-Laws* are how you run the corporation. How you elect board members; the details on the annual meeting; what the officers do. We removed things from the by-laws that belong in the covenants. When you talk about assessments in both the by-laws and covenants you get ambiguities or inconsistencies.

Voting protocol - D. Goff reiterated that the amended covenants and by-laws were posted on the TRPOA web-site for some time with little to no questions and or responses. With several questions and requests for clarifications D. Goff reviewed options for going forward and began to address questions.

D. Goff acknowledged Jim Simpson, counsel for a couple of property owners.

Mr. Simpson thanked the Board for the opportunity to speak on the behalf of a couple of property owners and a few of their concerns. Mr. Simpson stated his focus was on the changes to the by-laws and the expressing the member's interest in having a more open, transparent process. He noted that the ballot to vote on the amended by-laws and documents only offered two options, either for or against.

1. Board nominations – the current by-laws state any member can run for the board, either by being nominated by the nominating committee or providing 10 signatures. You have removed the 10 signature provision and the members would like to know why. They would like to ensure their opportunity to run for the board by keeping this provision.
2. Removal of a Director from the Board – the process to removing a director was changed from needing a 10 day notice and a written explanation to neither requirement being needed. Again, Why? If the homeowners elected a person and if you're going to kick them off, there should some type of written notice with an explanation.
3. Complete removal of the section that deals with the dues and assessments. Mr. Simpson acknowledged D. Goff's comments that dues and assessments belong in the covenants and not in the by-laws. Mr. Simpson continued by saying that in doing so you limit the rights of the members to vote on limiting the budget...they have almost no right to participate in anything except they can periodically elect members and annually they can adopt a budget. Please leave in or provide some provision in the by-laws where the homeowners can vote on what the budget is every year.
4. Board meetings – Mr. Simpson noted that the belief is that the board meetings are closed to the general membership. He continued by saying that the board meetings are for the board members to get the work of the organization done and not for everyone, the annual meeting is for everyone. However, if you hold the meetings at a regular time and place and allow folks to walk in, sit there and observe they will feel better about the process. They will know if they want to know what is going on then it's up to them to get up and come to the meeting.
5. BOD elections – Mr. Simpson noted that his clients are concerned how the votes were counted last year and how the proxies were distributed. Mr. Simpson acknowledged that if the board does the nominating and then counts the ballots, the perception of transparency is questioned.

Mr. Simpson recapped by saying all of the items mentioned revolves around transparency and with transparency you breed confidence.

Additional Questions/Responses - Not all members were identified by name and as such the questions and responses are reviewed by category. Responses are provided by the board member who chairs or oversees the specific area.

1. **Board Nominations:**
D. Goff - The amendment to remove the 10 signature requirement was to make the process easier to run. Typically we have to beg folks to run for the board. If you want to run, call the office and as long as you are a member in good standing you will be placed on the ballot.
K. LaRosa - The current method requires 10 signatures of members in good standing. In previous years - most recently last year, candidates have come in with signatures of those who were not in good standing. This led to the office staff chasing the candidate down so they could get their 10 signature in time to be placed on the ballot. What David is proposing ensures a member in good standing's intent to run.
2. **Board Meetings:**
K.Larosa / D. Goff - Our board meetings are open. We meet every second Monday of the month at 5:30 pm inside the PCI club house banquet room. This information is available on the web site. Members are more than welcome to come. Members who want to address the Board will be allowed to do so at the beginning of the Board meeting and are asked to notify the Board 7 days prior to the meeting regarding the topic of their discussion.
3. **Board Elections/Voting:** Individuals spoke with different methods of counting ballots and allocating proxy votes. [special committee to count ballots, publish the results and equitable distribution of the proxy votes]
K. LaRosa - D. Goff - This year there were 74 proxy votes. They were equally distributed among the top 3 candidates. The general membership indicated their choices for the 3 open positions so we honored their decision and split the votes among the top 3 candidates.
4. **Short Term Rentals:**
K. LaRosa - Acknowledged that weekly and weekend rentals are not desirable noting there is a minimum of a 6 month lease. This issue was addressed previously with the membership. Results and/or outcome to be confirmed.
5. **Assessments on improved and unimproved lots:**
K.Larosa - Dues are assessed equally for improved and unimproved lots. Members owning an unimproved/vacant lot have available to them the same amenities as a member who owns an improved lot.
Property owners who own adjacent lots can reduce their dues by legally combining their lots with the City and County. The POA will adjust your account once you obtain a single parcel number from the County Tax Assessor.
6. **Designated Parking - Parking on lawns:**
W. Webb - Parking of vehicles is allowed on driveways, not on lawns. When the covenants committee sees a violation a letter is sent to the property owner. If you see something that is not appropriate you should call the office and the information will be forwarded to the covenants compliance committee.

7. **Restrooms at Treasure Point:**
K. LaRosa - we are prohibited in having plumbing, specifically sewage hookups at Treasure Point. We will look in to alternatives and report back.
8. **Street Paving**
K. LaRosa - Street paving is a responsibility and function of the City and all questions should be directed to the City. The POA will continue to communicate to the membership information provided by the City. Specific questions should be directed to City leaders.
9. **Covenants and By-Laws - Vote :**
D. Goff addressed a proposal by property owner, L. Henderson to table the vote; and create a member committee to review the by-laws and covenants.

Further discussion clarified the committee's charge and process to bring the covenants and by-laws back to the membership for a vote.

The committee will communicate with the entire membership to solicit their input; make recommendations; report the recommendations in writing to the Board for their consideration.

The general membership will be informed when the Committee plans to present their findings to the Board.

The Board will consider all recommendations. Once the recommendations are reviewed and the Board considers appropriate action, a special meeting will be called to vote on the covenants and by-laws.

Although a formal vote was not taken the consensus of the membership was in agreement of the formation of the member committee.

D. Goff - Ms. Henderson has agreed to chair the By-laws/Covenant Committee. Anyone interested in serving on the committee was instructed to see Ms. Henderson at the end of the meeting.

2014-15 Board of Directors Results -

K. LaRosa reported to the membership that the three (3) open positions on the Board; each serving a three year term are: Kim Reinike -new member- received 137 votes; Cary Trapani, also a new member received 153 votes and Charlie Reymond has been re-elected with 156 votes.

K. LaRosa acknowledged Charlie Reymond as being preset and noted that Cary Trapani and Kim Reinike were out of town on family matters.

There being no further business the meeting was adjourned at 3:10pm.