

**TIMBER RIDGE PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING – June 13, 2015**

The Annual meeting of the Timber Ridge Property Owner’s Association was held on June 13, 2015, 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 was 66. All members attending did not sign in.

President Kim LaRosa welcomed everyone and introduced the Board members and POA Staff present.

Board Members Present: Kim Larosa, President/Capital Improvements; David Goff, VicePresident/Covenants; Joey Niolet, Secretary/Member Liaison; Charlie Reymond, Treasure Point, Cary Trapani, PCI Liaison/Elections and Kim Reinike, Security.

Absent: Brian Kett, Treasurer and Gene Rogers, City Liaison.

POA Staff – Misty Dienes; Terie Velardi, Office & Steven Hammons, Handyman. Also in attendance; was Jim English, Security & PC Alderman Victor Pickich.

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:

Proposed Covenants & By-laws - K. Larosa acknowledged that the office received a number of calls regarding the proposed covenants and by-laws and wanted to assure the membership that the covenant process has not been done quickly. The process has taken over a year and several people were involved in the process. There were member committees comprised of and chaired by non-board members who were charged to review and make suggestions to the Board on proposed changes. The format has been broken out the way it is so you can vote yes, or no on individual items.

Kim noted that the Board is here to answer your questions so everyone can make an informed decision. Also noting, there will be a couple of correction coming out; one on the “animals running freely” ... to say animals not running freely. A request by the committee to address short term rentals was inadvertently omitted and will be included in the revised document. The committee was concerned about weekly rentals and wanted to put on there that rentals would be limited to a minimum of six (6) months. In addition the Board wants to include a statement allowing the POA to place a levy on the property when we pursue collection of unpaid dues. Currently we file against the individual and when they leave town without a good address our opportunities to collect diminish greatly. The lien will stay with the property and not go away when the individual goes away.

Kim clarified the grandfathering of construction parameters of existing homes. Noting that the change in the covenants was similar to the changes the City made when the Smart Code was adopted. If your home was built prior to the City adopting the Smart Code & your home didn’t meet smart code at the time it was adopted, you were grandfathered in. You did not have to go back and make your home compliant with the new building code. It works the same way with the covenants. The new covenants say that the minimum square footage of a home is 1500 sf. And if your home is 1100 sf, you do not have to build another 400 sf on to your home. You are grandfathered in.

Kim concluded saying that that the covenants and by-laws would not be reviewed line by line today, but any and all questions would be addressed.

Department of Marine Resources – Member Guest

K. Larosa introduced Jim Kelly, Hackberry Dr. noting Mr. Kelly has been doing a lot of work on what it will take to get some of the canals in TR dredged.

Mr. Kelly explained his need & interest in having Young Bayou and surrounding canals dredged. He also reviewed the process he undertook to ultimately get support to request MS Tideland monies to dredge the mouths of the above mentioned canals.

Mr. Kelly stated he enjoys fishing and boating and he purchased his home in TR five years ago for that reason. Throughout his tenure in TR ingress and egress of the canals proved to be difficult, especially during the winter months when the tides were lower. Mr. Kelly began to research what it takes to dredge a canal. Subsequently he contacted and met with DMR officials and Harrison County Supervisor Ladner. Mr. Kelly invited DMR officials and Supervisor Ladner to tour the canals by boat. The results were eye opening for all parties. Supervisor Ladner and a DMR engineer acknowledged there was a need to dredge the areas surveyed and Mr. Kelly realized that the process was much more in depth than he originally believed. Supervisor Ladner indicated that 2016 Tideland money was available and can only be used at the mouths of the canals on the Bay of St. Louis. Studies including but not limited to depth reading and if protected sea life was present would need to be addressed. Once the findings were conducive to proceeding the State legislature would need to approve the allocation of funds. The estimated cost for the studies, permits and the actual dredging of Young Bayou and the canals immediately surrounding Young Bayou is \$250,000. Once approved by the State legislature the project would be slated to occur in 2017. Mr. Kelly acknowledged that Supervisor Ladner was extremely helpful and instrumental in pursuing the dredging project.

Mr. Kelly was thanked by the Board and applauded by the audience for his efforts.

President Kim Larosa continued with the program stating there are three board positions, three year terms each that will be announced at the conclusion of the meeting.

Highlights from the past year and some ongoing projects were reviewed.

Timber Ridge North Sign – Timber Ridge North residents have not been forgotten. The POA and MS Power are waiting for the property owner to sign the easements allowing the project to proceed.

Treasure Point – 400+ feet of bulkhead has been replaced with an additional 900+ feet still in need of being repaired. The marine contractor indicated vehicles' parking close to the edge is not conducive to maintaining the integrity of the bulkhead. Signs have been placed asking members not to park within fifteen (15') of the bulkhead. If this does not work the POA will take further steps to restrict access to the affected areas. Pet waste stations have been placed for the convenience of pet owners at TP and near the pool area. The POA has purchased another Katrina cottage like the one at the swimming pool. It is in the process of being converted over to men's and women's room and will be placed at TP for use. Until then a port-a-let is available.

Financials – In the absence of POA Treasurer, Brian Kett, Kim LaRosa reviewed the financial reports highlighting significant line items. Anyone wanting a copy of any of the documents displayed should

sign up on the respective sign-up sheets at the back of the room. Kim noted that under accrued liabilities there is \$66,000 accrued for additional bulkhead repairs. While there is a couple of hundreds of thousands of dollars' worth of repairs needed to be done the Board is tackling the project as the finances allow. In reviewing the income statement Kim pointed out that Bad Debt expense is up over prior years and is due to cleaning up some older accounts receivables. Bad debt and depreciation are non-cash items; they are paper entries and do not relate to cash.

The POA continues to be aggressive with collections and the number of delinquent accounts continues to decrease. There are 30-40 fewer names listed on the members not in good standing list (MNIGS) from the previous year. Transfers continue to rise indicating strong growth within the TR community. In the first 2 months of the current year there have been 18 transfers as compared to 11, or a 64% increase over the same time period last year. During the 2013-14 fiscal year we averaged 4 ½ transfers per month and during 2014-15 we averaged 6 transfers per month.

K. LaRosa noted that Vice President David Goff would address the ballots and amendments to the covenants and by-laws and Director, Cary Trapani would facilitate the question and answer process.

D. Goff noted that the process has not been a quick process that the POA has been working on them for 1- 2 years. He continued saying organizations should review their covenants every 10 years. He proceeded to review the current TRPOA documents citing they go back to 1979 and overall are poorly organized and are not in the proper format. 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. Last year the membership asked to vote on each item rather than the documents as a whole. As a result the process appears to be cumbersome and time consuming but we tried to make the changes as clear as possible.

C. Trapani reviewed the process stating for the sake of providing equal opportunities for the pros and cons of each question Roberts Rules of Order would be followed. Time limits would be set for the initial questions, responses and follow up Q & A. Only the recognized individual will have the floor. Once the individual has finished or their allotted time expires Cary will recognize the responding party.

Cary recognized Mary Sue McLaughlin; 217 Basswood Dr.

M. McLaughlin addressed two issues; the first being the limited time the membership was given to vote/respond to the ballots for the 2015-16 board of directors. The second concern was the format in which the ballots for the covenants & by-laws were presented. Noting, typically the old language is redlined with the new verbiage presented. She also noted that it was unclear if entire sections or just portions were affected. She questioned how new language, as in the definitions which are "Xed" out on the ballot, could be added without the membership being given the opportunity to vote on the new language.

K. Larosa responded to the ballot for the BOD stating that the process that was followed was in compliance with the stated by-laws; the process followed in the previous years did not follow the by-laws. Kim noted that the Board is in total agreement and the Board has recommended an amendment

to make it easier for anyone interested in running for the board as well as provide ample time for the ballots to be distributed.

D. Goff responded to the format again noting that the old documents are poorly organized. Covenants are listed in a series of paragraphs. The proposed format allows for a more organized document. David suggested that folks take the old covenants, read them and then compare the two documents.

Cary Trapani thanked everyone for their comments and staying within their allotted times and proceeded to recognize Ken McLaughlin; 217 Basswood Dr.

K. McLaughlin acknowledged the time and effort the board & committees put forth in this process. Ken expressed that at some point the covenants needed to be updated but not in their current form. Having been on the architectural committee since 2006; he understands the covenants but found it very difficult to track the proposed changes. K. McLaughlin cited as examples some of the definitions as being nebulous. Ex. The definition of a dwelling unit and the use of a small "p" for property as opposed to the use of the capital "P" for Property.

D. Goff, C. Trapani & K. LaRosa all acknowledged that the changes Ken identified could easily be changed and incorporated when the revised ballot was sent out. David expressed that he believed everyone understands what a dwelling unit is and that is was a matter of semantics; "P"roperty can be changed to subdivision or development.

K. McLaughlin indicated that if and when the documents were to be challenged in court; the words mean everything. Ken continued to say there were a lot of "things" that needed to be addressed and simply does not feel the covenants are ready to be voted on.

Cary acknowledged Verna Jackson, 133 Country Club Dr.

V. Jackson made a motion to "retract the by-laws and covenants presently distributed to the membership for voting upon and to postpone any vote on the by-law and covenant changes for a minimum of ninety (90) days to allow the membership to review and comment on all proposed changes."

The motion was second by Myra Helmstetter, 230 Pinewood Dr.

C. Trapani acknowledged the motion by V. Jackson and it being second by M. Helmstetter. Cary went on to explain there would be discussion on the motion.

VP, David Goff stated that the POA has already been down this road. The vote was postponed last year so the members could comment and make suggestions. Committees were appointed to review and make their suggestions to the Board for consideration and the result is what in front of you today. David acknowledged that V. Jackson was on that committee. The Board reviewed all suggestions; some were incorporated and some we rejected.

Jim Matthews, 214 Pinewood Dr. commented that additional editing was needed. J. Mathews focused on the use of the pronoun 'his' in the document language and the lengthy sentences stating that if the document should be tested in court it will be picked apart for such language. J. Mathews noted that the entire document needed to be edited to be specific so it will hold up in court. He recommended holding off on a vote until the document was edited.

Verna Jackson questioned the language to Article 8-1 (Amendments to the By-laws) noting that it is not what is recorded in the original by-laws as posted on the web-site. V. Jackson referred to a lawsuit filed by three board members in 2008.

D. Goff specifically reviewed the voting procedure to amend the 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. David explained the act of filing a suit against the POA was an accepted procedural method to facilitate the POA's needs to get things done and operate in the best interest of the POA.

Warren Poarch, 133 Ridgewood Dr.

W. Poarch asked V. Jackson if she was implying that the Board may be using their proxy and the roles to a greater extent than what was granted by Judge Steckler.

V. Jackson said no she was implying that the language on ballot and what is on the POA website are incorrect and recommend the new board address the changes.

Robert Andrew, 210 Youngswood Loop.

R. Andrew noted he has lived in TR since 1992 and he has personally witnessed similar reactions to proposed changes where there will always be some who are for and some will be against the changes. He went on to say if something is wrong on the website, correct it and give us an additional 30 days.

Cary thanked R. Andrew for his comments and asked if he wished to have the motion amended. Mr. Andrew acknowledged that he would like the motion amended to state that corrections to the website be addressed and that the vote be extended an additional 30 days. (From July 3rd to August 3rd). The motion was second by Kern Thomas, 411 Royal Oak.

Further discussion amongst the member revolved around postponing the vote to 90 days.

Keith Voigts, 108 Sweetbay called for a question to the amended motion.

The motion to correct discrepancies to Article 8 (referred to above by V. Jackson) on the website & ballot; And extend the vote on the amended changes to the by-laws and covenants 30 days; from July 3rd to August 3rd was rejected 19-17.

Cary Trapani called for a vote on the 90 day extension of the vote; from July 3rd to October 3rd. The motion carried 35-8.

Additional member questions on POA operations were addressed.

- Q. Why do we have lifeguards if a parent needs to be at the pool with children under the age of 15?
- A. Anyone under the age of 15 must have a parent or someone 15 and older with them while at the pool. It is a matter of safety, maintain order and liability.

Q. What is the total cost of our POA security?

A. \$40,000

Q. Has the PC Police patrol increased, decreased or has it stayed the same?

A. Director, Kim Reinike – Security noted that the PC police have been patrolling more, especially late at night. They work closely with the Swetman guard. Each of them vary their routes and frequency.

Security cameras have proven to be a deterrent and very helpful in resolving and aiding investigators if something occurs.

Security is a team effort. Between the PC Police, Swetman Security and POA staff Steven Hammons. Steven reviews multiple cameras on a daily basis keeping an eye out for mischief and unwanted activities.

Q. Why does a property owner of a vacant lot have the same say in what occurs in TR when they don't live in TR.

A. All Lots are assessed equally. Everyone pays the same amount of dues whether it is improved or vacant.

There being no additional questions Cary thanked everyone and encouraged those present and who expressed questions or concerns to become active in the POA whether on a committee or to serve on the Board.

Hank Wheeler, 133 Poinsettia Loop expressed his gratitude to the Board for their tireless commitment to the Community and thanked them for doing a great job.

Cary Trapani, Announced the election result. He thanked the four members who volunteered their names for the 3 open positions. The new 2015-16 board members; serving 3 year terms (2018) are Cathy Eagan, Ken McLaughlin and Ronnie Sedlak.

Cary thanked David Goff and Brian Kett for their service and commitment to the TRPOA.

There being no further business the meeting was adjourned at 2:20pm.

Board Minutes respectively submitted by Terie Velardi, POA Staff.