

Honestone Homeowner's Association

Annual Meeting Minutes

October 19, 2012

Call to Order AT 7:00pm

Introduction of Board Members

Reading and Approval of 10/14/11 minutes

Mr. Burgess stated he did not agree with the minutes because he had concerns with the financials. The agenda was modified and we began talking about the association finances.

Association Finances

Bob Welsch reminded Mr. Burgess that there was a poll taken during last year's meeting and the lot owners asked the board to table all financial discussions concerning years 2009 and back. Sixteen lot owners had positive responses and there was one dissenting vote.

Bob explained his audit process. The board examines the check book, the money market statement and the balance of each. This is done at each meeting.

Originally Bob was researching the special payment that Steve Weinrick brought up last year. Steve noted that we should have paid off the loan in August. Bob discovered that the bank only took out partial payments in two months, and no payments in two months. When PNC took over National Bank, PNC did not understand that the special payment was to go to principle. They assumed these were advance payments and had not taken the money out of our account.

Mr. Burgess requested we speak about the financials in 2006 – 2009. Bob explained that the board took the advice of the community and did not go back any further than 2010. The items mentioned prior to 2010 have been settled.

Fred read the minutes from 11/15/11. At that meeting the board discussed Mr. Burgess concerns and the request from the lot owners to table the financial discussion prior to 2010. In the minutes it is noted that the board tabled the financial discussions prior to 2010.

Bob asked Mr. Burgess if the question about the increase in delinquencies was for the meetings on 7/5 and 8/14 rather than the dates in his letter - 7/15 and 8/16. Mr. Burgess said the dates should have been 7/5 and 8/14. Bob explained that the delinquencies increased from 6 in July

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to 14 in August for two reasons. (1) Our meeting in July was early in the month and we had not received the statements from City and Village. (2) The special assessments were due and those who had not paid were considered delinquent.

Bob responded to Mr. Burgess question: In the 8/6/11 monthly report there were \$9,234 in delinquent payments. This same report stae[t]es that \$4,000 was received. How can the amount to be collected, according to the same report be \$7,330 when the difference is \$5,234?" Bob explained that the 8/6/11 minutes read, "We received 4 payments for \$1,000. This meant that we received 4 \$250 payments for a total of \$1,000.

Bob Welsch noted that we have reduced the delinquent assessment over the year:

- 2011: There were 24 late assessments for approx \$19,000
- 2012: There were 5 assessments for approx \$3,400.
 - Bob gave an update on the 5 late lot owner assessments.

Fred asked if there were any more questions concerning the minutes. There were no additional questions. Dave Walker made a motion to accept the minutes as read. Terry Graham seconded the motion. Everyone voted to accept the minutes.

^{HIGHENER ASKED IF}
Kathy Burgess we ^{COULD} have more than two months of minutes posted on the website. Bob Welsch stated that that would require modifying the website and we don't have the expertise. Liz told her she could contact any of the board to obtains copies of any of the minutes.

Communication With Lot Owners

Fred reviewed the communication sent to the lot owners over the last year. The lot owners requested we eliminate the Spring letter and keep the Fall letter. Board will discuss this request at their next meeting.

Connie Jacobs spoke about the Fall Festival. She needs volunteers and a hay wagon if anyone has one.

Road Repair

Connie presented the timeline of the road repair:

- May: The board looked at all the roads and mapped the areas requiring repair.
- June: Connie met with two different contractors. They said the roads were fairly good but we needed to do maintenance.
- July:

- Connie got bids from three companies. A 2" overlay would be approximately \$267K and the trap rock overlay would be \$153K. One of the firms told her that they had put the trap rock overlay on Tom Frost Road. Connie saw the road and thought it would be fine for our neighborhood.
- Connie forwarded the bids to Bob. Bob went to the bank to find out approximate payments and length of loan. The board selected 6 years with assessments raised from \$575 to \$650.
- August: Bob took loan application and required documentation to the bank. The bank was very slow approving our loan.
- September: The bank approved the loan. The contractors stated they could not start work until next Spring because the temperatures during September evenings were too low and would not allow the sealant to adhere properly.

Ken Howard suggested the board write up a yearly maintenance plan each year. The plan would include an examination of the roads and culverts, selecting maintenance on specific items, obtaining bids, and completing maintenance. The board will discuss his suggestion.

Another suggestion was made to turn the maintenance over to a single company. The board will discuss this recommendation.

Trash Trucks

Connie presented the problem with the trash trucks from four companies. The contractors stated that the weight of the trash trucks is causing damage to our roads. She asked if the lot owners were interested in using only one company. They were agreeable to the proposal only there was no way to enforce the use of one company. She presented bids from three companies. The lot owners requested the board send a letter to everyone explaining the damage the trucks were causing and ask all lot owners to use Huffmeir. The board will review their request.

Culvert Repair

Connie presented the latest information on the repair of the culvert. We have bids for a "quick fix" around \$15K and a permanent fix between \$56K to \$74K.

Ken Howard suggested we hire an engineer to look at the culvert and provide a recommendation on how to fix the problem. Ken agreed to provide Connie the name of an engineer that may be able to help us.

Connie will contact the engineer once she has the contact information.

2012 Budget

Bob Welsch presented the 2013 budget. We have \$38K in our accounts. Bob reminded the lot owners that the assessment was changing from \$575 to \$625 and we have to fix the roads and the culvert. Dave Walker made a motion to accept the Budget as presented. Terry Graham seconded the motion. Everyone approved the budget.

Election of Board Members

Liz presented the open positions on the board. We have two three-year positions open. <Insert chirps of a couple of crickets here>. Liz stated the board would have to dissolve if we did not have a quorum. <Insert chirps of a dozen crickets here>. Bob stated it would cost the subdivision \$65 per hour for an accountant to be the treasurer. <Add chirps of one hundred crickets here.> Richard Hultgren volunteered for the board.

Letter Requested by Homeowners

Lot owners requested a letter be written to all lot owners. The letter would include:

- 1) The cost of the road maintenance and culvert repair may require a special assessment.
- 2) The board may dissolve if we do not have more participation.
- 3) The number of trash trucks is damaging the road.

Additional Discussion from the Lot Owners

Ken Howard asked if the board had addressed the run-off from the Eastman property. The board stated they had and he had created a ditch for the runoff and put in rip-rap. Ken requested the board was required by the covenants to take care of the problem. He suggested the board have the work done and charge the lot owner. Ken suggested a surveyor should survey the land so the ditches had the correct slopes.

Ken Howard stated the culvert on Dunn Road is filling up from the silt.

Ken stated he had other items, but he would send them to the board via email.

Adjourn

Liz adjourned the meeting at 9:15.

**2012 Honeystone Homeowner's Association
Annual Meeting
Board Member Ballot**

Lot # or Address	
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Each lot has two votes to select the nominees of their choice. Indicate each vote in the Vote One and Vote Two column. The candidate receiving the largest number of votes shall be elected. **The nominees will fill three positions for three years.**

	Nominee	Vote One	Vote Two
Nominee 1			
Nominee 2			
Nominee 3			
Nominee 4			

EXAMPLE:

	Nominee	Vote One	Vote Two
Nominee A	Superman		X
Nominee B	Wonder Woman	X	
Nominee C	Batman		
Nominee D	Cat Woman		
Nominee E	Popeye		

The lot owner(s) used their first vote for Wonder Woman and their second vote for Superman.