

Woodlands Winding Brook HOA

Annual Meeting October 12, 2017

The meeting was called to order by Cindy Johnson at 7:01 pm. Board members present: Cindy Johnson, President; Jeanette Clausen, Vice President; Elizabeth Starr, Secretary; Cathy Brown, Treasurer; and Linda Blair, At-Large. Dave Thornbury and Geri McInerney from Tempo were present, along with special guest Scott Tanner, Attorney. Homeowners present were Donna Davis, Ed Gubar, Charles Hahn, Doris Hahn, Sherry Jeffers, Sarah Johnson, Kriste Lindberg, Keith Mize, Aran Mordoh, Susan Seitzinger, Ken Shafer, Cathy Stone, and Steve Wennerberg.

**October 2016 Annual Meeting Minutes.**

**Cathy moved, seconded by Jeanette, to accept the October 2016 Minutes. This was approved unanimously.**

**Property Manager's Report.** Dave and Geri reported they had had a productive meeting with Lester, Seth, and two members of the Board to discuss better communication on landscaping issues. They then proceeded to give a normal property manager's report, focusing on the recently completed projects and the in-progress projects. The property manager's report is appended to this document (see Appendix A). Tree removals generated the most questions/discussion. Tree removals will occur around Buildings 1 & 2 first so as to not interfere with the ongoing drainage project (i.e., complete the tree removals before the drainage trenches are dug). A map showing the current tree plan will be uploaded to the Google Drive for homeowner information. Other issues included the request to prune tree branches that cause damage to roofs and questions about the chimney cleaning (to occur early in November this year).

**Treasurer's Report.** Cathy first reviewed the 2017 financials, going over the year-to-date P&L statement that Carolyn had prepared. Overall, current assets are about \$145K, and due to several large projects this year (such as the deck staining and roof restorations), we've spent about \$10K more than we've taken in. (By the end of the year, once the payments for the tree removals, one more roof restoration, and the first phase of the drainage project are factored in, we will have spent approximately \$40K more than we will have taken in.) Cathy stressed that while we are in good shape overall, and are making good progress on needed improvements, if we are going to save for bigger expenses down the road (such as roof replacements in 7 to 10 years), we need to be thinking about this.

**2018 Budget.** Cathy presented the proposed 2018 budget. (See Appendix B attached below.) She explained that the "fee income" item represents the "old" monthly fee of \$210 per unit (what had been the standard fee for many years before the fee increase in January 2017) of 66 units x 12 months x \$210 = \$166,320. The additional \$25 per unit per month as a result of the January 2017 fee increase is separated out for illustration purposes under "Reserve Income-Fee Increase" (\$19,800). The idea is that we are saving this money for needed capital improvements (e.g., major roof replacements coming up in 7-10 years).

The budget shows a projected shortfall of about \$17K for 2018. I.e., our projected spending relative to our income from fees will require us to continue to dip into our savings.

There was some discussion of the best way to designate line items in the budget. One suggestion would be to align our two money market funds with different line items. For example, one of our money market accounts could be designated as a capital replacement fund (holding the money from the fee

increases) and the other could be an undesignated operational reserve fund to dip into should we run into deficits.

**Linda moved, seconded by Jeanette, to approve the budget. This was approved unanimously.**

**President's Report.** Highlights of the report:

- Cindy noted that there were two resignations this past year and two new Board members appointed. Randy West resigned and was replaced by Jeanette Clausen, who also took over Randy's office as Vice President. Ken Shafer resigned and Cathy Brown took over his role as Treasurer; then Linda Blair was appointed to take over Cathy's vacated At-Large position. Cindy thanked Randy and Ken for their hard work and service during their time on the Board.
- New this year was the Building & Grounds committee (with Jeanette serving as liaison with the Board). This committee was very helpful in helping to select the new landscaping firm.
- The Board collected bids and began some much-needed long-term projects—roof restorations and drainage. The drainage system will be installed over two years, as the price was guaranteed if the job would be done within two years.
- The Association joined CAI (Community Associations Institute), which helps with education on HOA issues and with networking with other Associations. Through our membership in CAI, Board members have met experts in the field such as Scott Tanner, our new attorney, as well as Comer Nowling, a CPA firm that specializes in HOAs and which has been hired to do an audit of our 2015 books and a review of our 2016 books. They will also do our taxes for this year. We will also talk with them about doing a reserve study.
- The embezzlement case was wrapped up this year upon the death of the Association's former financial manager. She died with no estate, which closes the case. At this point, there was some discussion of whether the \$25K that was not recovered could be claimed as a loss on our taxes.
- Carolyn is continuing to upload financial documents on Google Drive. Everything is in one folder now. Carolyn will be asked to resend the invitation to homeowners so they can receive permission to view the folder.

**Building & Grounds Report.** Jeanette reported on the B&G Mission Statement that was approved in January 2017. This established the purpose of the B&G committee to observe common areas and to make recommendations to the Board. Jeanette thanked the four members who were appointed to serve on the committee: Connie Beckwith, Sherry Jeffers, Kriste Lindberg, and Matt Odle. They worked on many issues this year, such as trash, roofs, landscaping, trees, exterior lighting, and parking. They also helped with the bid process by recommending companies to be invited to submit bids and coming up with questions to ask the companies. They are looking into how other communities handle their trash containers and discussing a proposal for a neighborhood watch program. During the discussion, Aran volunteered to serve on the committee; she will be officially appointed at the November meeting.

### **New Business**

**Introduction of Scott Tanner of Tanner Law Group, HOA New Legal Counsel.** Scott Tanner introduced himself to all present and gave an overview of his past training and experience. The Woodlands Winding Brook HOA is his first client in Bloomington, but he serves over 500 clients, all HOAs. His practice has been focused on association law exclusively for over 2 decades. He is also the current chapter president of CAI in Indiana and has given thousands of seminar presentations on HOA law over the years to CAI

members. As part of CAI, he sits on the legislative action committee and has even helped draft and tweak some of the bills that have gone through the legislature relating to HOA law.

There was lively discussion after his presentation with many comments and questions from homeowners. One important take-away is that it may be easier to amend our Bylaws than we had previously thought, and the Board will look more deeply into this once the review of our governing documents has been completed.

**Homeowner Comments.** Charles Hahn wished to thank the Board for what they have done this year. Ed Gubar seconded this sentiment.

President Cindy Johnson adjourned the meeting at 8:51 pm.

The next regular meeting will be at 7:00 pm Thursday, Nov. 9, at the Monroe County Public Library.

Respectfully submitted,

Elizabeth Starr  
Secretary, Woodlands Winding Brook HOA

APPENDICES:

- A. Property Manager's Report for October 2017
- B. WWBHOA Budget for 2018



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## Woodlands Maintenance Report

Tempo Properties Inc.  
10/12/2017  
Annual Meeting

### In Progress Projects

- Grading/Drainage plan – Hoosier Water Away
- Buildings #8 and #14 Exterior Wood Restoration
- Large Scale Tree Removal – Bluestone TBD
- Tree down behind Building 13 – Nature’s Link to chop and place in woods
- Garbage area door near Garage #5 to be repaired this week
- 2360 – Sidewalk slope – Scheduled for November 3<sup>rd</sup> (or sooner)
- 2303 – Bathroom ceiling repair – Reviewing Bids
- 2293 – Holes in Foundation – PPS to submit quote to fill in holes (no structural issues)
- 2394 – Crack in Foundation – Need Engineer Report
- Clean Garage Gutters – To schedule after leaves have fallen

### Completed Projects

- 2395 – Checked downspout drain, cleared line, re-set door frame – 10.10.2017
- Cleaned up Communication w/ Nature’s Link – 10.03.2017
- 2372 – Hickory Tree behind building removed 09.29.2017
- 2293 – Mulch raked 5” away from foundation – 09.29.2017
- 2354 – Adjusted and reset front door (settling in slab) – 09.26.2017
- 2295 – Replaced portion of fence – 09.15.2017

## Woodlands Winding Brook HOA Budget for 2018

	<u>Annual Budget</u>
<b>Income</b>	
<b>Income</b>	
<b>Fee Income</b>	166,320.00
<b>Garage Fee</b>	7,560.00
<b>Insurance Reimbursement</b>	48,000.00
<b>Interest Income</b>	600.00
<b>Other Income</b>	280.00
<b>Reserve Income-Fee Increase</b>	19,800.00
<b>Total Income</b>	<u>242,560.00</u>
<b>Total Income</b>	<u>242,560.00</u>
<b>Gross Profit</b>	<u>242,560.00</u>
<b>Expense</b>	
<b>Administrative</b>	
<b>Bookkeeping</b>	15,000.00
<b>Donation</b>	200.00
<b>Education</b>	200.00
<b>Gifts for Illness or Sympathy</b>	600.00
<b>Management Fees Contracted</b>	9,600.00
<b>Membership for Professional Org</b>	120.00
<b>Office Equipment</b>	
<b>Software Subscription</b>	192.00
<b>Office Equipment - Other</b>	500.00
<b>Total Office Equipment</b>	<u>692.00</u>
<b>Office Supplies</b>	
<b>Checks</b>	280.00
<b>Copies</b>	60.00
<b>Office Supplies - Other</b>	<u>900.00</u>

<b>Total Office Supplies</b>	1,240.00
<b>Other Administrative Expense</b>	120.00
<b>PO Box Service Fee</b>	80.00
<b>Postage</b>	392.00
<b>Printing and Reproduction</b>	120.00
<b>Tax Preparation</b>	350.00
<b>Total Administrative</b>	<u>28,714.00</u>
<b>Deferred Long Term Maint Expense</b>	19,800.00
<b>Exterior Maintenance</b>	
<b>Building Repairs</b>	3,675.00
<b>Building Maintenance</b>	3,075.00
<b>Chimney Inspect, Clean &amp; Repair</b>	1,665.00
<b>Garage Electrical Check</b>	120.00
<b>Garage Lighting Repairs</b>	120.00
<b>Maintenance Garage Repair</b>	100.00
<b>New Roofs/Roof Repairs</b>	25,150.00
<b>Pest Control</b>	625.00
<b>Total Exterior Maintenance</b>	<u>34,530.00</u>
<b>Grounds Maintenance</b>	
<b>Cleaning- Grounds</b>	440.00
<b>Grading and Drainage</b>	52,162.00
<b>Landscape Contract</b>	31,500.00
<b>Pet Waste Bags</b>	34.00
<b>Pond Maintenance</b>	0.00
<b>Snow Removal</b>	4,500.00
<b>Tree, Plant, Shrub, Etc</b>	20,234.00
<b>Total Grounds Maintenance</b>	<u>108,870.00</u>
<b>Insurance</b>	
<b>Liability Common Area and Homeowners</b>	48,000.00
<b>Total Insurance</b>	<u>48,000.00</u>
<b>Professional Fee</b>	
<b>Accounting Fees</b>	6,000.00

<b>Inspection Services</b>	400.00
<b>Landscape Design</b>	500.00
<b>Legal Fees</b>	2,400.00
<b>Structural Inspection</b>	500.00
<b>Total Professional Fee</b>	<u>9,800.00</u>
<b>Recorder Fees</b>	36.00
<b>Taxes</b>	
<b>Business Entity Fee</b>	22.00
<b>Federal Tax</b>	12.00
<b>Property Taxes</b>	186.80
<b>State Taxes</b>	4.00
<b>Total Taxes</b>	<u>224.80</u>
<b>Utilities</b>	
<b>Electric</b>	4,020.00
<b>Recycling Charges</b>	1,176.00
<b>Telephone</b>	492.00
<b>Trash Removal</b>	3,540.00
<b>Water</b>	382.80
<b>Total Utilities</b>	<u>9,610.80</u>
<b>Total Expense</b>	<u>259,585.60</u>
<b>Net Income</b>	<u><u>-17,025.60</u></u>