

TC HOA Open Annual Board Meeting

December 21, 2006

7:00 PM

Participants: There were approximately 60 homeowners present.

The meeting was called to order by President Linda South.

Good-Evening, I'd like to call the annual 2006 meeting to order. This is our meeting where we elect our new board members. Can everyone hear me?

Nominating Committee: Ladies and gentlemen – Starr Thurman, Ed Reitz, and Ron Falcon were introduced. Starr encouraged homeowners to consider serving on this committee next year and explained the role of the nominating committee.

I'd like to introduce those who are running and allow them to give a chance to say a few words. Tom Scanlon can't be here, but has agreed to have his name included on the ballot

Todd Miller
Ken Patrick
Gayle Voyles
Tom Scanlon
Debra Smith

When we are through, please turn in your ballots. Our committee members are tallying your votes into an excel document. If you need to leave early please don't forget to submit your ballot.

Todd Miller– I think most of you all know who I am. Hi, I'm Todd Miller- I've been a resident here since 2002, and was the first member of the board, while under Paul Corp. leadership and have always been involved in our community. Part of my goal for joining the board is to improve communication by getting information out to residents, encourage homeowners to get more involved in committee work (he named all committees). All board members should serve on these committees to get more involved; a lot of homeowners haven't shown an interest. My goal is to get everyone involved so we can improve our community.

Ken Patrick – I'm Ken Patrick I came in as it looked like we couldn't get three people to run for the three open offices. I've been at TC since the very beginning-rented first TC apartment and have seen the whole gamut; I even saw some problems during the construction phase. Another thing that makes me think I can be of help is that I've had a condo (apt/condo) conversion while living in Florida. There are many similarities between the two complexes; we worked hard to get our Board of Directors focused on the things that really made a difference in the quality. I more than tripled my money in ten years. I think our main focus has to be on the business aspects. Running this as a business and managing our management company. They work for us as hard as we require them to. The better we give them oversight the better job they do for us. Every

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activity of board and committees must be completely open to homeowners; 100% transparency. Business degree, heavy on finance and accounting and most of my adult life have held profit and loss responsibility and think I have background that would be helpful. I'd appreciate your vote.

Debra Smith -

I am a Kansas City native and grew up in Lees Summit. I went to West Point. I then spent eight years in the army, and left it in 1999. I came back to this area in 1999; worked as a recruiter and a biology consultant, and as a military officer. I will start the UMKC MBA degree program in January. I have experience working with budget in both government and corporate settings. I also offer a younger perspective for this board.

Gayle Voyles – Good Evening! I also have lived here for quite some time. I lived here when the units were apartments and have enjoyed our community. My background is economic education and do work helping individuals learn to analyze situations from an economic point of view. I want to protect our investments and help ensure that budgetary issues are analyzed from both a long and short-term perspective. I, too, would appreciate your vote.

Tom Scanlon – He is a realtor, many years experience. He also has public service experience, Tom maintains the Tomahawk Creek Website and has served on the Covenants Committee.

Are there any other nominations, from the floor? (No Response)

Are their any questions or issues to be discussed? (No Response)

Architectural Standards Committee: No Report.

Covenants Committee: Again, clipboards are on the table to my left with spaces to sign up for a committee for next year.

The secretary read the November, 2006 Minutes. Linda South asked if there was a motion for the minutes to be approved, as read. Ken Patrick made the motion, another homeowner seconded, and they were unanimously approved.

Our next issue – **The Proposed 2007 Budget** – John Clock and Cynthia passed out copies of the proposed budget.

John Clock explained that basically, the first page was a summary of year-to-date expenses through November. Expenses had been less than anticipated, while the total income inflated due to the termite assessment. Income was up about \$25,000 due to bank interest, CD interests, cable income, and maintenance income generated by Bill Gates.

From an expenses standpoint everything is in line. \$454,772 is primarily due to the fact that termite and wood-rot expenses were about twice as much as anticipated. Expenses

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totaled \$715,570 at the end of November; however, there are expenses that haven't hit the books yet, such as wheel dips and seal coating expenses, planting of shrubs (over \$6,000) and \$3,000 repair of irrigation system. All in all you are in really good shape.

Summary of 2007 Budget

No dues increase; projected income \$777,000 and expenses \$715,570, with a net income of \$66,618. Projects we'll be taking on this year: continuation of wheel dips and seal coating of areas not seal coated this fall, painting and wood-rot replacement/final phase of painting. This will save about \$100,000 we won't have to spend in 2008. Does anyone have any questions? Other pages are short descriptions of line items of the budget – a breakdown of expenses.

Todd Miller– Could someone tell the story about the snow removal issue we just experienced? John explained that the Tiehen Group has never had a company quit in the middle of a contract. Part of the problem, was that Signature/Landscaping doesn't do snow removal. If your landscaping company does do snow removal you have leverage with them. We had been unhappy with last year's vendor; the company we chose had great references. However, it appears that the company's owner was worried about being sued, so we had to re-word some of the contract. The Tiehen Group had no prior notice that *Snowman Company* had quit. Immediately upon realizing the situation, John and Cynthia began searching for a vendor to provide the service TC was in need of. Epic, the company we contracted with, has been praised from homeowners of other Tiehen Management managed property' homeowners. Does this answer your question?

John explained that because we came in late with Epic, we are not first on the list. They will guarantee us before end of the snow event we will be taken care of. The situation with Snowman put us in this pecking order. Next year, we'll be a priority.

Todd: So we do have someone under contract? Yes, and we believe Epic will do a good job. Had we paid any money to Snowman in advance? John replied, "No."

Drainage issue – What is the status on that? I have more water in my garage than previously. What is going to happen there? The Covenants Committee has taken that issue under advisement and bids for the work have been received. Linda explained that the bids have been received, that the Covenants Committee has been consulted, and the newly elected board will make decisions on that issue.

President South: Are there any other questions about the budget?

Homeowner Question: Additional \$20,000 for utilities? John Clock explained that KCPL will go up 10% and water 8%, so we factored these into the 2007 budget.

Year to date budget for utilities – we've spent less than budgeted, so far this year. Hopefully, Epic will do a good job with the irrigation system.

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Homeowner Comment: Talking about irrigation, I don't know when we had our big lawn at our house, it isn't necessary to water every day and for so long. John Clock explained that due to the composition of the soil watering on frequent basis, during excessive heat, but for shorter periods of time, is required. He then added, we walk a fine line while trying to please homeowners; one group believes excessive watering funds are being wasted, while other homeowners want absolutely perfect landscaping and feel it is a good investment. John agreed that in a normal summer probably four days a week would be appropriate. However, we've experienced extremely hot summers.

Homeowner Question: Do we have an over-ride on the sprinklers so they don't water during rain? John said he'd been told that with above ground systems, if it was already sprinkling and then it starts raining, it must complete the cycle. The best way to manage is to shut the system down if experiencing a several day rainy period.

We'll now have Cynthia's Report

There are four issues I need your help with...

--dripping faucets, running toilets, etc. - Please correct these as soon as possible – costs money for all of us. If you need help to identify someone to do the work please contact me.

--compactor --- Do not put things in the compactor things you wouldn't put in your trash – it can't handle large items (furniture, pole lamps). The compactor gets jammed. In March we've budgeted to have a door placed on the compactor. If when you open the door you notice the compactor is full you can push the button to get the compactor to cycle the trash that is already piled up, making room for new trash .

Homeowner Question: What do we do with large items? Call Cynthia – she knows of some junk collectors that will pick up. *Got Junk* will pick up for a fee.

--Trash – more trash on balconies and patios. Please don't use these areas as storage areas.

--If you go out of town, turn your thermostats up to at least 50degrees F. We don't want broken pipes and flooding within units. If you were going to be gone and you have pipes on an outer wall leave the cabinet door (over sink) open. Heat from the room will help keep the pipes from freezing.

Homeowner Question: Do the condo units have a main water shut-off? Cynthia explained that the main water shut-off valve is in the closet where unit furnaces and air conditioners are located.

Homeowner: Are you ready for the next issue: Pet owners – please pick up after your pet. Cynthia asked homeowners to remind those pet owners who aren't cleaning up after their pet.

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As of today, the **shrubs for 2006** have been planted. Hopefully, you've noticed them. We have \$6,000 budgeted for additional shrubs next year.

We are planning for the additional painting and wood-rot replacement; currently budgeted for June, July, and August; weather permitting we may start earlier this year.

Are there any questions for Cynthia?

Homeowner Question: Yes, Will we make more progress this year on the front storm-door issue. The board wanted to wait until after all phases of the painting were completed. The homeowner added that the resale value is enhanced if units have storm doors.

Linda South thanked homeowners for their participation throughout the meeting. We now have a full architectural standards committee who will explore this issue during the 2007. She then asked if there were any other issues/old topics homeowners wanted to discuss?

Homeowner Comment: Gayle shoveled out her area, as well as her neighbors.

Other comments: Helen said let's thank Todd Miller for all of the Christmas Decorations in the clubhouse. The homeowners applauded and President South thanked him. Another homeowner said to be sure to check out shut-off valves in units. These are known for breaking.

Linda South reminded homeowners to sign up to volunteering for committees and explained that the board hosted a special party for all homeowners who volunteered during the year.

A homeowner wanted a summary of responsibilities of each committee:

Covenants Committee – Governing Tribunal -- If the board makes a decision that you don't like you can go to the committee and ask them to review the situation and get with the board with their recommendation. They also provide clarification of By-Laws whenever the Board asks for their help.

Social Committee – Plan four parties per year. They have a budget to work with.

Architectural Standards Committee – Physical property issues across the complex. This committee conducts research and makes recommendations to the board of what specifications should be met for various requests homeowners make.

Nominating Committee – Normally, we would announce them tonight, but we hope to announce that in January, for 2007. They encourage homeowners to run for board positions and to run the election.

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Landscape Committee- Since we have a Landscaping Contract with a company, the Tiehen Group and TC HOA work with them. If someone wants to serve on this committee they should notify Cynthia.

The TC HOA President asked if there were any other questions homeowners might have?

Homeowner Questions:

How many people use the business center?

Board President asked if the current business center hours were conducive for homeowners' work? One homeowner shared he'd like to have at least one late night a week (8 pm). The board explained that not having the business center open 24 hours came up because of security.

The Board President then announced that we didn't have enough votes for a quorum. We'll have to have a meeting to plan for a second election. *We were lacking five votes.* We were so close. We had 114 votes (proxies and participants' votes).

Does anyone know of a neighbor who is home and might place his/her vote?

Members of the Nominating Committee went out on the property to find five homeowners willing to come place their vote.

Linda explained to homeowners who were present that the board and nominating committee would be holding the ballots until 8:30 pm, in an attempt to get a quorum. If not, we'll make a motion to continue the election Thursday, Jan. 4th at 7 PM.

Linda also explained to the homeowners who were present that the board had been in the process of revising the By-Laws and Declarations. If anyone had anything that they would like to have changed this was the time to be reviewing them and making recommendations for such changes.

Linda thanked the other board members for their work this year.

At 8:40 pm the Nominating Committee announced the election results:

Gayle Voyles 27% of votes (Re-elected)
Ken Patrick 26% of votes (Elected)
Debra Smith 21% of votes (Elected)
Todd Miller 16% of votes
Tom Scanlon 10% of votes

Linda South, Board President, thanked the Nominating Committee for their work and offered congratulations to those elected. The meeting adjourned at 8:45 PM

Respectfully Submitted,
Gayle Voyles,
TC HOA Secretary