

Northmoor Acres Homeowners Association  
Special Session of the Board of Directors  
5-22-2013

Meeting at Eldenburg house.

Meeting called to order at 7:12PM

Board Members present: Directors Martin, Stroud, Coulson, Ruof, Skelden, Eldenburg, Rieke (joined at 7:30)

Board Members absent: Hersch and Schnitzler.

Meeting chaired by Board President Ruof

Approval of Agenda:

It was moved, seconded and carried to approve the Agenda as provided

Miscellaneous Items: More than 2 horses on Homeowner A property - Board needs to write letter to say can keep foals with mares up to one year. Director Eldenburg to draft letter for review.

Open Space: Spraying trees in the greenbelt for pine bark beetles was done today. The dead trees that need to be removed were marked with orange tape.

Director Martin spoke with attorney Fickel about the concrete ditch and getting permanent access to the cement ditch. Fickel is working on this. No movement at this time.

Lawsuit: The current status of the lawsuit was discussed.

**Budget Committee Report Update**

List of to do's from the last meeting:

Mowing:

Director Stroud did the following:

- 1) Saw someone mowing on property at the end of Road 11. Director Ruof spoke with someone who thinks the person is Betts in Milliken. Director Stroud will call Mr. Betts in Milliken.
- 2) Called homeowner Homeowner B and asked if he knew anyone, but he did not.
- 3) Called homeowner Homeowner C, he does know people who have equipment and might want to mow for bales. Director Stroud placed a follow-up call and left a message.
- 4) Called an acquaintance, Marv Hanson, who said he would try to find someone for us who would be interested.

So, there are a number of possibilities, but no definite answers at this time.

Director Rieke did also speak with homeowner Homeowner C. Homeowner C doesn't know anyone who will bring their equipment this far. He also spoke with homeowner Homeowner D who knows someone closer who would do it for 2/3 of the bales. It was

suggested that perhaps we could sell them at a discounted rate for homeowners. He will get back with Director Rieke.

Director Martin spoke with Mr. Potburg, but he had no interest. We need to do something quickly so the grass is still green.

Directors Stroud and Rieke will continue to pursue their leads. If we can find someone to cut it and take it away this year - we should do it. We will get a better understanding of what kind of yield once it is done and can plan better next year. May want to do it again towards late summer. President Ruof got the name of Cliff Rutt. Director Rieke will call Mr. Rutt to see if he is interested. Additionally, he will call Mark Nygren about mowing and baling as well.

#### Water:

Director Ruof called a water “guru” to ask how would we go about leasing and getting more money for it. We should also reach out to Homeowner E.

New Ish’s estimated allocation is 40 inches. We can get New Ish now – we paid \$990.

How much should we charge? As close to \$990 as possible.

A homeowner, Homeowner F, works with farmers about their crops, he can help find somebody to lease our water to. Director Stroud sent email with details to him about the water. She has not heard back from him. Director Coulson will ask her cousin as well.

Send notification to New Ish to let them know we are interested in leasing our water. Do we want early or late? Will continue to try to find interested parties. Total water costs thus far are close to \$4000 for the year.

Supply Water - have never leased as far as we know. Director Stroud spoke with homeowner Homeowner F and he will look to investigate our lease of this as well. Director Rieke can post 11 shares of ISH and ask about Supply. Discussed posting on Craig’s List as well.

President Ruof will try to connect with a water engineer next week.

Director Rieke will call the Ditch office for the water board and will call Roger Olsen to see if he has any interest since he has leased our ISH water before.

Bookkeeping: Director Skeldum prepared a list of bookkeeper duties. President Ruof will ask previous homeowner Homeowner G how much he is willing to do. Then Directors Skeldum and Coulson could talk with homeowner Homeowner H.

Financials: At the CAI training when Directors Ruof and Skeldum asked the experts whether we could use water shares as part of our “reserves”, they said “No”. Our water shares could be considered an “asset” but not part of our “reserves”. Reserves are specifically for deferred maintenance. Items identified as deferred maintenance in our situation might be, for example, removing dead trees and planting new trees. Should have planned usage and a budget to use

reserve for items. We can do our own reserve study. We would need to read specific rules for the reserve study.

Surplus income not designated for deferred maintenance items should go into a “contingency fund”, not the reserve fund.

Since the \$25 increase in annual assessments was not approved at the homeowners’ meeting, the Board believes that our only option is to raise the assessment 3% as allowed by our Declaration/Articles. It was moved, seconded and carried to raise the annual assessment by 3% for the 2013 - 2014 fiscal year. Perhaps, use graph in newsletter to talk about why we are raising 3%?

A motion was made to ask for additional funds as a donation from homeowners when statements are mailed. Discussion ensued. Motion did not carry: 2 for and 5 against.

Directors Ruof and Skeldum report from CAI training:

Re: HOA Insurance. Traveler’s, our insurance company, is among the best. We go through a broker to find us the best deal. The property liability and the board liability must be separate policies. If more money was available the experts recommended that we would also want to consider getting an umbrella policy. They did also recommend that a rider for HOA business use of non-owned vehicles be considered (for example, to cover someone going to get the mail at the PO Box if they get into an accident).

Re: How to show outstanding legal fees in the monthly financial statements. It was suggested to add a category called something like “contract legal” to show monthly payments to attorney and total debt.

Re: generating additional funds for HOA operating costs. There were no great answers, they suggested we can email them afterwards with more specific questions.

Re: Late fees. We need policies for late fees, need to check declaration, articles and bylaws for consistency.

Meeting adjourned at 9:39PM

Cindy Eldenburg, “acting Secretary” for this meeting