

## **Harvest Run Phase 3 Homeowner's Association Homeowner Meeting Minutes**

October 25, 2011 –**APPROVED**

Call to order – The meeting was called to order at 7:00 pm. Board members Jim Hendrickson, Nick Falco and Rick Cox were present. Matt Bolda and Patrick O'Brien were absent. Lynda Potas of CMS was also present at the meeting. No homeowners were present.

Approval of Agenda – Jim Hendrickson motioned to approve the Agenda, seconded by Rick Cox. All were in favor.

Approval of Minutes – Minutes from the 8/16/11 homeowner meeting were reviewed. Jim Hendrickson motioned to approve the Minutes, seconded by Rick Cox. All were in favor.

Financial Review – Lynda Potas reviewed the current financial statements and the following was noted by the Board:

- Check for \$3,960 was signed by the Board for the contribution from the checking account to the Reserve account.
- Revenues of \$22,565 were collected by the Association to date.
- Expenses were \$12,800.32 to date.
- There was a Reserve expenditure of \$325 for the tree that was down in the wetland area.
- An additional check for \$275 was signed by the Board to transfer that amount to the Reserve account. This amount represents late fees collected on assessments and was moved in accordance with association approved policy.

Nick Falco motioned to approve the financial report, seconded by Jim Hendrickson. All were in favor.

Legal/Home Sales Update – The Board reviewed the list of homeowners who were late on assessments and discussed how to proceed. After thoughtful discussion regarding current policy and how to handle late assessments going forward. The Board also agreed that, in the situation of one homeowner who is behind on the full year of assessments (two installments), a final demand letter will be sent by CMS with a deadline for payment. After that date, the account will be sent to legal counsel for a demand letter. The Board also discussed a recommendation to increase the late fee for assessments to \$50 from \$25 effective with assessments coming due in 2012. The rationale for the recommendation is that the current late fee of \$25 provides minimal incentive to pay assessments on time. In fact, a \$25 late fee can be incurred which will, in effect, buy an extra six months to make an assessment payment. While this may be okay when only a few assessments are late, it will become a problem as the list grows because the Association needs to count on revenue from each installment to conduct the business of the Association. After discussion, the Board agreed to table this recommendation until all Board members have had a chance to provide input.

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Landscape & Wetland Update – Discussion on these topics was moved to the budget section of the meeting.

Fence Ballot – Lynda Potas reported that 86% of homeowners have responded to the ballot (62 of 72 homeowners) and that the vote was 54 yea to 8 nay in favor of allowing the modified fence materials to include PVC; subject to guidelines that will be reflected in the Bylaws. The approved ballot will now go to the attorney to change the Bylaws to reflect the new policy.

Outlot “D” Discussion – The Board discussed the mowing of Outlot D and the letter from the City of Crystal Lake that was sent as a result of Harvest Run Phase I & II requesting that we continue to mow the section in question. The Board reviewed the Plat for Phase III and it clearly notes Outlot D as “low area native grass;” making the area a wetland and something that should not be mowed but rather allowed to grow into its natural state. The Board noted that to do otherwise would put the Association at risk for not following wetland guidelines. Lynda Potas will try to schedule a time to visit with the City to show them the Plat and will notify the Board so that one or more members may attend.

Budget – Lynda Potas reviewed the budget figures proposed for 2012 and the Board discussed the line items. The Board also discussed the McGinty Brothers wetlands proposal and what the Association might realistically be able to do given the funding we would have available. The Board requested that CMS go back to McGinty Brothers to request an updated plan that shows reduced expenses and what we would be able to do to keep the cost down while still having a meaningful impact on treating the wetland areas.

The Board discussed the Reserve Analysis and noted that they wanted to projection to show growth enough to cover the next major anticipated expense for the Association. The Board noted the need to replace the bike path at some point down the road and estimated that the cost would be \$30,000 and would likely become a relevant discussion in 5-7 years. The Board emphasized that we need to be prepared for that, as well as any unforeseen items; which is the purpose of the Reserve. CMS will provide an updated Reserve Analysis to reflect the wetland plans and future reserve contributions.

After thorough review, the Board voted to approve the 2012 budget, as submitted.

Homeowners Open Forum – No homeowners were present for this discussion.

Adjournment – Jim Hendrickson motioned to adjourn the homeowner meeting at 8:14 pm, seconded by Nick Falco. All were in favor.