



**Wynstone Townhome Association
Annual Meeting Minutes
October 11, 2011**

The twelfth annual meeting of the Wynstone Townhome Association convened at 7:00 p.m. on Tuesday, October 11, 2011, in Heritage Room II at the Eden Prairie City Center located at 8080 Mitchell Road. Melva Mayclin, Board President, called the meeting to order. Other Board members present at the meeting were Roxanne Garoutte, Vice President; Larry Greely, Treasurer; Mel Hunker, Board Member At Large; and Mary Anderson, Secretary. The sign-in roll call was conducted by Mary Anderson and showed the following members present:

Bob & Carol Hennessey	Brian Nielsen	Joe & Kay Rogness
Safeer Mirza	Wally & Margaret Naas	Melva Mayclin
Jim Nelson	Roxanne Garoutte	Gary Falkenstein
Mary Anderson	Mel & Shirley Hunker	Larry Greely
Jacquelynn Schuminski	Tom Carlson	

The following members had authorized proxy forms: Rick & Sandra Rikhus, Helen Carlson, Stanford & Barbara Gillman, Catherine Hegg, Gloria Husby, Michael Kaluza, and Kathryn Duevel.

Proof of notice of the meeting was acknowledged and the minutes from the previous annual meeting held on October 12, 2010 were approved by the membership after a motion was made by Carol Hennessey and seconded by Shirley Hunker.

SECRETARY'S REPORT – Mary Anderson

Mary reported that all Board Meeting minutes and other important documents are posted on the Wynstone website. That website is www.wynstone1.com.

TREASURER'S REPORT – Larry Greely

Larry reported that all dues are current.

Larry reviewed the statement of financial condition report as of August 31, 2011.

The association has \$197,445.29 all in cash.

Operation checking - \$415.60.

TCF money market operating reserves cd - \$19,338.67

TCF money market long term reserves cd - \$39,803.22

US Bank cd (3.5% matures 07/10/2014) - \$60,497.06

Primevest cd (4.6% matures 12/31/2011) - \$77,390.74

The board must make a decision on how to re-invest the \$77,390.74 cd that matures 12/31/2011. One option is an indexed cd offered by the Bank of the West in California. This option ties up the money for 5 years but is FDIC insured. We are guaranteed to not lose our money. The board will discuss and make a decision.

Larry next reviewed the Operations Actual vs. Budget report for January through August 2011. Investment income is right on to August 31, 2011. There needs to be more discussion on the maintenance budget later in the meeting as part of the 2012 budget review. General maintenance is over budget by \$2,664.00. This is due to some unplanned maintenance like cleaning up the mold from the roofs of 10 units and clearing the brush from the pond area. Last year there was an operating funds excess that was moved to reserves, this year we could take it back.

Larry next reviewed the Operations Budget Overview report and the Statement of Operations – By Fund report for January through August 2011.

The recommendation for reserves funding is based on a study that allows 2.5% per year inflation increase. Larry stated that the reserve study should be redone periodically, probably every 5 years. Redoing the study may result in increased dues to fully fund the reserves. Our reserves are not fully funded to replace everything. Our siding replacement is not in the reserve budget. Windows are owned by individual homeowners.

Tom Carlson asked how much over budget we will be on the maintenance. Larry responded that he estimated maintenance will be \$2,000.00 to \$5,000.00 over budget. This was mostly due to unanticipated maintenance.

Jim Nelson asked if we were doing anything to make up the reserves not being fully funded. Larry responded that we are not. We should never have skipped two years in dues increases.

As the Association ages, maintenance will become more of an expense. Long term reserves should include full replacement of trees. Annual maintenance includes trimming and cutting down dead trees.

By a show of hands the Treasurer's Report was approved.

BOARD MEMBER AT LARGE REPORT – Mel Hunker

Roof shingles ripped off by the wind were replaced. The mold was cleaned from the roofs of 10 units. The company that did the roof cleaning job has a 5 year guarantee. If any mold comes back in the next 5 years it will be cleaned again free of charge. The brush and some trees were cleared from the pond area. Shrubs were trimmed. Weeds were sprayed this year which improved the looks of our landscape.

COMMITTEE REPORTS

Social Committee – no report

Architectural Committee – no report

Garden Committee – no report

ANNUAL AUDIT/REVIEW VOTE - Current Condo Law requires that an audit/review of townhome association financials must be performed or voted on by the residents to forgo on an annual basis. Our Association has never had an audit performed. The recommendation is that an audit be performed every other year by a certified CPA. Smaller associations (less than 50 units) typically do not perform an audit. Roxanne Garoutte pointed out that the financials are reviewed by the board of directors at each board meeting. After discussion a motion was made by Margaret Naas and seconded by Brain Nielsen to forgo an audit/review this year. By a show of hands, the motion passed by 20 yes votes, 1 no vote.

Jim Nelson suggested that at next year's annual meeting an estimate be presented to the homeowners for the cost of performing an audit and also for the cost of updating the reserve study. Larry agreed to provide those estimates.

2012 BUDGET REVIEW

When the proposed budget increase is in excess of the CPI index the budget must be voted on by the homeowners. That is the case this year.

As there were many budget questions on tree maintenance this discussion was moved up in the agenda to be part of the budget discussion. We have 165 trees and due to weather, age and various bugs the maintenance has become a budget issue. The tree budget for 2011 was \$5,000.00. The estimate from Rainbow Treecare to catch up on all tree maintenance issues is \$10,000.00 in 2012 and another \$10,000.00 in 2013 to be followed by a regular maintenance schedule. A forester from the city of Eden Prairie was also consulted and reported different findings than Rainbow Treecare regarding the bug issues. It was decided to budget \$5,000.00 for 2012 and get a tree maintenance plan from someone with no financial interest in the outcome for the 2013 budget. The two dead trees will be removed.

A committee will be formed to do more research so that we can make an educated decision on the tree maintenance situation. Committee volunteers included: Jim Nelson, Roxanne Garoutte, Gary Falkenstein, and Carol & Bob Hennessey. Roxanne will email all current tree maintenance information to the committee volunteers.

A motion was made by Joe Rogness and seconded by Jacquelynne Schuminski to approve the 2012 budget. By a show of hands the motion passed by 18 yes votes and 3 no votes.

ELECTION OF NEW BOARD MEMBERS

No board positions were up for election this year.

OLD BUSINESS

Special thanks were given to both Mel and Larry for the wonderful job they do with the maintenance of our Wynstone neighborhood and the financial record keeping.

Kay Rogness asked about planting shrubs around the utility boxes to improve the look of the common areas and volunteered to be a test site. No shrubs may be planted in the common areas without board approval.

NEW BUSINESS

Melva Mayclin asked homeowners to please update their emergency contact information if anything has changed. The report is in the back of the meeting room.

With no further business, Kay Rogness made a motion to adjourn and Shirley Hunker seconded. The meeting was adjourned at 8:30 PM.