

PEPPERMILL CHASE OWNERS ASSOCIATION ANNUAL MEETING

4/26/22

7:00-8:30pm at Bainbridge Public Library & Zoom

Meeting Agenda

- 1) Call Meeting to Order
- 2) Introductions
- 3) Vote to approve previous meeting minutes 4/16/2019
- 4) 2022 Budget Review and Budget Projections
- 5) Resolutions & Ballots for 2022
- 6) Collect Votes/Proxies
- 7) Presentation by Board - Proposed Changes to Declaration of Restrictions
- 8) Q&A
- 9) Adjourn Meeting

Meeting Notes

Agenda Item 1: Call Meeting to Order

Meeting Called to Order by Liz Pretzlav at 7:00pm. Board members in attendance included Rob Coppenhaver - Vice President, Jaredd Flynn- Vice President, John Blatt - Treasurer, Mary Beth Lindner - Secretary, Brad Schmidt - Ad Hoc Board Member

Agenda Item 2: Introductions

Association members in attendance introduced themselves: Todd & Sherry Lewis, Craig & Kathy Gemmill, Joao & Rosanna San Martin, Marion Brosko, Matt Burnham, Tom Hall, Courtney Polcar, Liz & Jason Fruh and Dan Lindner. Zoom attendees: Fein, Strongosky and Norkus.

Agenda Item 3: Vote to approve previous minutes.

The minutes from the 2019 Annual Meeting were unanimously approved.

Agenda Item 4: 2022 Budget Review and Budget Projections.

Treasurer John Blatt presented a review of 2021 (actual expenses) and a 5 year financial outlook, including the 2022 Proposed Budget. It was clarified that Resolution #1 was only for the 2022 Budget year and not approval of the proposed Budgets for years 2023-2026. The proposed budgets of 2023-2026 were provided for informational purposes so owners could see the impact if Resolutions 3 & 4 were not passed.

Craig Gemmill asked for clarification related to the proposed increase of annual assessments (Resolutions 3&4). John explained it was to cover annual expenses. Because in 2022, the annual assessment sunset back to \$350, it was not enough to cover expenses. Resolution #3 (additional \$300 in annual assessment across all members for 2022 only) and Resolution #4 (increase annual assessment to \$700 for years 2023-24-25) are to cover the projected budgeted expenses.

Craig Gemmill asked about the purpose for the legal fees in 2022 and 2023. The Board responded that the \$3000 allocated in the legal fees for this year and next relate to the work on revising and eventually filing the approved changes to the Declaration of Restrictions. The Treasurer also noted that the Association has not been billed for work to date in 2022.

PEPPERMILL CHASE OWNERS ASSOCIATION ANNUAL MEETING

4/26/22

7:00-8:30pm at Bainbridge Public Library & Zoom

Agenda Item 4 (con't.)

Todd Lewis inquired why additional annual assessments were being brought for approval by the members, when the current bank balance of the Association is \$55,582. John Blatt explained that balance was after the 2022 annual assessment had been collected from all the members, but none of the 2022 expenses had been paid. It is estimated that after the 2022 expenses are paid, the balance would be reduced by approximately half to \$24,406. That will basically leave the Association with only enough reserves to cover one year's expenses and diminish the extra reserves the Association had started to build to cover any long term infrastructure needs. It is noted that no extra infrastructure expenses are anticipated in 2022.

Sherry Lewis noted that the electrical expenses seem high. It was noted by John Blatt and confirmed by Courtney Polcar (past Treasurer and President) that it is consistent with historical numbers, however the Board will research if the Association is charged a business or residential rate.

Craig Gemmill noted that he wants to vote on anything that related to the lakes. Dan Lindner offered how the lakes benefit the entire community as part of the water runoff management for Peppermill Chase. The Board noted that any long term lake expenses will be voted on by the members of the Association. It was also noted that these expenses (per Declaration of Restrictions) will require a minimum of 60% of the members to vote and 2/3rds (of votes/proxies received) must approve to pass the expense.

Agenda Item 5 & 6 : Resolutions and Ballots for 2022.

Resolution 1: Approve the 2022 Budget
30 Votes/Proxies 28 Yes/1 No/1 no vote
Approved (requires simple majority)

Resolution 2: Election of Trustees
John Blatt, Jared Flynn and Brad Schmidt approved for 2 year term.

Resolution 3: Additional Annual Assessment of \$300 for 2022, effective 9/1/2022
30 Votes/Proxies 24 Yes/3 No/3 no vote
Approved (minimum 60% members vote, 2/3rds approve)

Resolution 4: Annual Assessment change to \$700 for 2023-24-25.
30 Votes/Proxies 25 Yes/5 No
Approved (minimum 60% members vote, 2/3rds approve)

All votes/proxies collected.

Agenda Item #7 & 9 : Presentation of proposed changes for Declarations of Restrictions

This portion of the meeting was a presentation from the Board to the attendees in order to gain input on proposed changes.

PEPPERMILL CHASE OWNERS ASSOCIATION ANNUAL MEETING

4/26/22

7:00-8:30pm at Bainbridge Public Library & Zoom

Agenda Item #7 (con't.)

a) Proposal to change Annual Assessments from reverting back every 3 years (which requires the association to vote on them every three years)

Comments:

Some did not like the idea of not having a time frame

Voters don't like constantly having to vote on them

Perhaps consider a 5 year window of approval (instead of three)

b) The Association currently has two classes of Assessments: Annual (sometimes referred to as "Dues") and Capital (which is required to be spent within one year).

Comments:

Lift the one year restriction so can build over time

Leave the one year Capital Assessment and create a third class - "Long Term"

c) Parking of Trucks

No additional comments

d) Transient Housing provision

Comments:

Add a time restriction

e) Sub Leasing of Home

Comments

Does allowing leasing potentially affect the value of our homes?

f) Sign Section: defining size, time frame

Comments

Add a maximum number per home at any given time (i.e. 3)

No off premise signs

Clarify no signs at front entrance

Signs should

g) Should the Association consider an addition regarding maximum size (sq footage) of any outbuildings?

h) Additional Comments regarding changes to the Declaration of Restrictions: When the time comes to change, 75% of the members of the Association must approved the changes. It was suggested that the Association could approach the voting more piecemeal - by only voting and approving a few sections each time. It was explained that this would be a financially more cumbersome approach, with constant legal and state filing fees. It is better for the Association to vote on everything at once.

i) The Board will post a copy of the presentation on the website.

j) The Board appreciates all the input provided by the owners through this entire process and hopes to have a formal revision for owners to review later this year.

PEPPERMILL CHASE OWNERS ASSOCIATION ANNUAL MEETING

4/26/22

7:00-8:30pm at Bainbridge Public Library & Zoom

Agenda Item 8: Q&A

- 1) Lower Lake Easement - are all easements finalized? No, still in progress.
- 2) Todd Lewis asked why the resolutions regarding Leasing of Homes and No Sex Offenders had not been included in the Association's annual proxy votes. The Board explained that in order for them to be enforceable, they must be part of the Declaration of Restrictions revisions. The Board greatly appreciated him bringing them to its' attention and that is why they had included them in all the proposed revisions that have been discussed with the members.

Agenda Item 10: Adjourn

Liz Pretzlav adjourned the meeting at 8:30pm.