

**APPROVED**

**Tomahawk Creek Condominium Board Meeting Minutes for August 16, 2012**

Minutes by Nancy Desmond and Secretary

**Board:** Michelle Buchanan, Jason Purinton, John McKelvey, Jennifer Breece, and Rochelle Mitz

**Signature Property Management:** Nancy Desmond

Meeting was called to order at 6:30 pm.

First order of business was approval of minutes for July 18, 2012. Minutes approved unanimously.

**Managers Report:**

Nancy Desmond reviewed the pending issues on the weekly condominium report dated August 10th 2012.

**Financials**

John McKelvey reviewed the July 2012 financial report. John also reported that Heartland Bank, which held some of our accounts went bankrupt. However, Metcalf Bank has taken over all of the Heartland Bank accounts and everything just transferred over to Metcalf Bank. There was no interruption in terms of our banking services and everything switched over seamlessly.

Jennifer Breece stated that there were some budget issues and that she had some serious concerns regarding how Signature is handling the money. Jennifer supported her concerns with the below comments.

- Signature reallocated approximately \$53,000 from 2 buckets in the approved budget and moved it to another bucket without Board approval. After investigating the discrepancy it was found that the money had been moved to the reserve monthly account. Jennifer stated that Signature did not get Board approval to move the money and Signature does not have the authority to perform this action without Board approval.
- Signature is not allocating expenditures from the correct budget buckets and therefore it will be very difficult to develop the 2013 budget. An example used was the cedar trim replacement on 02L was taken from the Window Drapes budget bucket. Jennifer reported that there are several other discrepancies but that this was just one example.
- Signature had created 2 new budget buckets and again did not obtain Board approve to modify the approved budget.
- Jennifer also reported that a CD had matured in June and asked if any Board members had been notified. No Board members had been notified by Signature regarding the CD maturing. John did report that after becoming Treasurer he asked Signature about the CD's and that he was then told about the CD maturing. John reported he had 2 days to research rates and reinvest but that he was able to find a higher rate and reinvest the CD. Jennifer stated that Signature should have informed the Board as this is part of the services that Signature is supposed to be providing.

Jennifer also stated that money was going to have to be taken from the Reserve due to all of the repair expenditures for the year.

**Architecture Committee**

Rochelle Mitz reported that most architecture violations had been corrected. The committee is still working on determining the correct options for the front/patio doors and patio light replacements. Violation fines had been added to some owners accounts due to the residents not correcting the violation(s).

Rochelle Mitz asked Nancy Desmond to find out if Bill Gates had the information for the globe light replacement.

### **Landscape Committee**

Michelle Buchanan reported they are still waiting on word from EPIC regarding the replacement of bushes on 11618, as Epic planted the wrong type of boxwoods.

### **Social Committee**

Jason Purinton reported on the following: Labor Day Party, Veterans Day flag rising, and the Year-end holiday party.

Rochelle reported that she had been approached by some residents that felt that serving alcohol at the party was not appropriate. Jason reported that there is liability insurance and that there had been no issues involving alcohol at the previous parties.

Jennifer also brought up that she had concerns that guests were being allowed to come to the party. Jason stated that residents bringing guests was not an issue at the previous parties.

### **Old Business**

Jennifer Breece discussed the HOA providing an approved vendor list. Michelle Buchanan and Jason Purinton stated neither was interested in giving referrals to owners for liability issues. The issue was tabled.

### **New Business**

No report

### **Open Forum**

Karen Mann 02K discussed several different issues and presented the Board with several concerns which are outlined below.

- Karen is extremely concerned about the budget issues. She does not feel that Signature is managing our money properly. Karen stated that we are paying Signature to handle our money and it appears they are not. She reported she is concerned that they did not inform us about the CD maturing, that they are reallocating money in the approved budget without Board approval and that we are going to have to take money from the reserve in order to pay for all of the expenditures for the year.
- Karen also raised concerns regarding FHA. Michelle told her that Jennifer Breece was working on it and Karen asked why Signature was not handling it as it is their job.
- Karen stated that she wanted the Board to know that she thought Solution Systems was doing an excellent job and that they had been very pleasant.
- Karen stated that Signature had yet to fix the issue another resident had regarding their monthly statements. Karen reported that when Signature was hired as our management company we had been told that they were so technology advanced and that was why they had been selected. However, if they cannot handle resident's monthly statements, handle the budget properly and cannot come up with an option to address residents concerns and issues then they apparently are not the correct choice.

Ken Patrick 03E discussed owners planting their own plants. He believes there could be a process the residents could go through if they wanted to plant their own plants.

Adjournment: 8:00

# Signature Property Management

September 19, 2012

Dear Tomahawk Board of Directors,

It has come to my attention that the August 16, 2012 minutes prepared by your current secretary, Jennifer Breece, has reported incorrect information at the board meeting. Signature Property Management is requesting that this statement and its referenced documents be included in the September minutes as a response to the inaccurate information.

1. Signature Property Management has attached an email that shows the President at the time of the FHA recertification process begin, Jennifer Breece, approved the reallocating of 10% of the income at Tomahawk Creek to satisfy the new FHA requirement.
2. Signature Property Management has attached an email that shows the President at the time, Jennifer Breece, approved the expenditure as presented of \$404.15 for the cedar trim replacement on 02L to be paid out of the Window Drapes category.
3. Signature Property Management is not aware of the two new categories added to the budget without further specific details of the accounts but Jennifer Breece requested she personally approve all expenditures which she discussed with the property manager and emailed her approval for each.

Signature Property Management lists the expiration date next to each CD on your balance sheet, which is provided in the financial packet and delivered to the Board of Directors to review monthly. In addition the balance sheet complete with this information is available 24/7 online for the boards review. A copy of your May 2012 balance sheet is attached with that information. At the treasurer's request the head of accounting did request from Bank Midwest the renewal rates for the treasurer which he then informed Signature Property Management to stay with Bank Midwest as you can see on the attached July 2012 balance sheet. Please be aware however that Signature is not a financial advisor any information regarding how your funds are to be handled are duties of the board/treasurer. Signature is can refer you to an advisor in the event you wish to speak to one.

Sincerely,

Joy Peters