

Madison Addition Owners' Association – Minutes of the Annual Meeting
Held August 4, 2022 at 7 pm Povah Center

Annual Meeting Agenda attached herein as exhibit. Estimate about 35 attendees excluding board members.

Welcome comments, plus introduction of Board members and Architectural Committee (AC) members in attendance. At first, it was believed we lacked a quorum – if so, this gathering would change to an informational meeting open to questions and comments. With this in mind, Rich commented the Board accepted last year's Annual Meeting Minutes without necessity of a formal reading and vote. It was shortly thereafter announced that a sufficient number of proxies were received to satisfy the quorum requirement – we move forward with the formal meeting. The minutes of the 2021 Annual Meeting were approved.

The Board solicits volunteers to serve either on the Board or AC. The current Board is a team of 4 volunteers, assisted by a volunteer office manager, with a lot on its plate. We'd really like your help.

Jim: Detailed his financial report line-by-line. Highlights new focus for handling of the fund, plus new aspects necessary to achieve a modernized standard.

Website: newly updated, completely revamped. Owners are encouraged to use this tool as a resource for information and method of interaction with the Board and AC. Provided update related to office and internal administration of business on behalf of owners. Weed spray program: 1 done and 1 to come. About \$10K expenses per year for now. Details income and past dues still owed – 7 properties outstanding. Moonrise (MR) was a significant expense to owners.

Communications: hard work getting improvements in the interest of owners. PayPal aspect has streamlined handling, plus saved a lot of time.

Email vs. Snail Mail: Vast amount of money and time saved attributed to electronic interaction, highly efficient. Monitoring of that type of forum = success. Easy to fully analyze website and Email traffic.

Attendee: Thanks to Jim and Robin for their efforts (a round of applause).

Rich: MR lawsuit: the judge dismissed the AC members from the case in early May. His ruling was on procedural grounds, not the merits, and was without prejudice. Had he targeted the merits of the case, reimbursement of MAOA legal expenses would likely have been achievable.

Attendee commented the current sewer situation stalls any notion to move ahead with MR's proposed project.

Rich: Lawsuit against TOWY remains ongoing.

Same attendee asked about legal fees covered by insurance. Rich explained why old insurance didn't cover – sued by a "developer" not owner. Jim added we need to maintain a substantial fund to cover unexpected/unforeseen expenses. We have obtained a new policy from a different insurer with assurances that, in most instances, we will be covered if sued by a developer in the future.

An attendee asked if there was a plan to raise dues? Jim stated annual dues currently at \$50 p/year. There was a one-time assessment which means one time only.

An attendee asked about emergency fund invested to get a better return. Jim replied investments are linked to a timeline – it takes time to build the fund not only to reap the benefits but keeping it liquid, able to be drawn on without penalty at any time.

A number of attendees commented annual dues are very reasonable in comparison to other HOA-related dues.

An attendee asked about last year's fund shortfall. Jim uses financial report details to answer question.

Rich: Liens: Past boards have filed liens against properties whose owners have failed to pay dues (aka annual assessments). With very few exceptions, property owners have paid their dues. The Board has recently filed liens on two properties for nonpayment of dues, one of whom promptly paid.

Chris: Covenants – review of past activity. There are problems we're working on. Attendees most likely not a problem. Commented on employee housing and fire hazard which have been brought to our attention which are strictly prohibited. Emphasized **no** live-in campers allowed in the MadAdd. Parking is the big violation this year – no parking via gravel strip paralleling the street. Notification letters with photos on the conveyor belt. Chris asked attendees to please spread the word – AC must approve extra parking spaces and those would be adjacent to established driveways. Snowmobiles stored in front yards or on vacant lots are in violation of the Covenants.

Ballot proposing to change Section 19.1.b failed to achieve the required two-thirds majority in favor of. It failed because of the lack of participation in voting, ending up well short of receiving enough return ballots. The Board wanted to clean up the camper issue. As an example, campers on stilts are unsightly and should be a violation.

An attendee understands max of 2 spaces on driveway at home. Brings up neighbor who overloads driveway with campers, trailers, etc. Maggie (AC) states as a general rule, no one has asked for permission, they just do it. Jim adds comment about vacant lots not storage spaces.

Another attendee raises the question of changing the voting requirements on covenant amendments, but that would require a two-thirds vote of property owners. Board members comment about that not being an easy process – difficult enough to get a ballot passed, this type of change would be a tough one. However, MAOA has the right to assess penalties. A different attendee said if you don't like the covenants, don't move here. The group again discussed a simple majority vs. two-thirds requirement, plus once again emphasizes we're well aware of the right to assess penalties.

As an example of confusion over gravel strip (aka the 15-foot strip) parking, an attendee has a camper parked in the strip at the front of their home. Chris explained that the TOWY Ordinance prohibits parking anything on the 15-foot strip at the front of property for more than 5 days. However, that ordinance is difficult to enforce since a person can avoid a violation by moving the vehicle a short distance, *i.e.*, around the block, prior to the 5-day limit, then re-parking the vehicle. But property owners must understand the MAOA Covenants are much

stricter. Except for occasional guest parking in that strip, **all vehicles must be parked in owner's permitted parking area.**

An attendee raises another matter involving a duplex with bunk beds located in garage (possible employee housing) located in a single resident property zone. The person was asked to get with the Board who would refer the matter to the appropriate TOWY representative(s) to discuss possible violations of TOWY zoning ordinances and fire codes.

Chris wraps up his presentation emphasizing the need for owners to get the word out.

Noxious Weed Program: Diane updated the group about activity involving Bob Gotshall's work. Typically, it's twice each summer (July and August) involving easement to front of property. Bob is willing to work with property owners if desired spraying is further in from the gravel strip. Another attendee offered the idea about a website sign-in sheet for extra spraying. Jim added the possibility of adding a weed information page to MAOA's website. Another attendee asked about online photos of weeds, etc. Gallatin County website has informative links to in-state noxious weed information. Jim concluded remarks by saying 10% of owners are here – we'd like better participation – again, spread the word that participation = success.

An attendee asked about status of fenced-in foundation, etc., located on Electric Street (aka the Big Dig). On behalf of the Board, Rich explained it was a 2008 project that went sour. MAOA's long time attorney advised several years ago that Montana's statute of limitations prevented MAOA from taking action against the property owner. However, weeds are another matter and the Board has referred the weed issue to the Gallatin County Weed District.

An attendee commented where he lives, nothing done to complete a project after a year, the town can put/impose a lien on the property, eventually foreclose (or take possession) and tear out.

There are comments about the Big Dig also being a fire risk (owner liability) with all the dead timber kept at back end of property. Furthermore, the flimsy fence is not sufficient to prevent entry, vandalism, spray paint tagging, etc. It's a safety hazard.

These comments and concerns raise the potential for MAOA and/or TOWY moving to condemn the property on the basis that the construction project has, for all intents and purposes, been abandoned by owner(s) and/or developer(s) of this ongoing eyesore. However, no one on the Board was aware of any authority that TOWY had to take such action.

New Business, Comments and/or Questions:

An attendee raised the question of whether TOWY has yet adopted its position on whether or not MR's short-term rental (aka time share proposal) is a commercial proposal in violation of TOWY zoning ordinance. The Board's short answer was no.

An attendee recommends MAOA purchase a microphone so presentations and comments can be heard better.

The Annual Meeting is adjourned approximately 8:30 pm. /s/Tim Donnigan, Secretary



Madison Addition Owners' Association

2022 Annual Meeting Agenda

August 4, 2022 7:00pm

- 1) Welcome
- 2) Introductions
- 3) Last year's Annual Meeting Minutes Approval
- 4) Financial Report
- 5) Communications
- 6) Moonrise, Insurance, and Property Liens
- 7) Covenant Compliance
- 8) Weed Spraying
- 9) Comments / Questions and New Business
- 10) Adjourn