

Sherwood Forest Owners' Association
Board of Directors Meeting
May 23, 2009

Call to Order: 11:10 am, Aitkin High School
Welcome by President Craig Anglin.

Announcements:

Covenants and Bylaws – under current bylaws we cannot make amendments to bylaws that must be made at an open meeting. Will be having another meeting for bylaws only.

Voting on amended covenants will be open until July 3rd. We need 51% to pass covenants. Vote today.

Roll Call:

Present: Denise Thielges, Sue Swenson, LeRoy Ernst, Tom Brown, Todd Johnson, Curt Krone, Stan Hoffart, Craig Anglin, John Thomas, Mark Duren, George Poehlman

Treasurers report – George Poehlman

March 31st financials were distributed. It should be noted that these financials are unaudited. We are in the process of hiring a new auditor and we will have audited financials when completed.

Total operating expenses for year are \$631,000, which is \$41,300 less than budgeted.

Profit or loss is \$41,689 and is \$20,500 less than budget. Cash flow is positive when you take out depreciation.

Balance sheet shows \$179,000 in cash but as of today is \$280,000.

\$566,000 in accounts receivable includes 2009-2010 billing for camping season. 53 accounts were turned over to our attorney, letters were sent, 6 lot owners paid up in full, 34 owners agreed to a payment plan of which 2 didn't pay. 13 lot owners have not responded and liens have been filed.

There are 47 problem accounts, which is 5% of total property owners. Appropriate action is being taken.

\$17,000 is reserved for bad accounts. If lien is placed on the property, Sherwood Forest takes the property back and will sell for more than the assessment. But this takes time.

\$440,000 note payable at present, we did not have enough cash to make the loan payment.

Accounts receivable from thief loss - In fall when we tried to get books straight we found embezzlement of \$44,394. We believe it started in the summer of 2007 when cash never got to the bank or posted on property owners accounts. In March 2008 the manager created a deposit in transit – on the way, but hadn't gotten into the bank account yet. Then upon further questioning she said that the deposit got lost. A receipt was created which is has a carbon copy. Because of the carbon copy we had documentation to send to Aitkin County Sheriff.

Craig Anglin – Presidents Report

Forest operations –last year it was brought to the attention of the board that lot owners were not receiving statements. Sherwood depends on owner assessments as a prime source of revenue. The board determined that it needed to release the manager; which took place in the fall. It was at that time that we discovered cash was missing and the Aitkin County Sheriff was called to investigate. Board representatives also met with the Aitkin County Investigator, provided documentation and talked through process. We are still waiting to hear the outcome of the investigation. Changes have been made in accounting systems to allow for checks and balances. Property owners won't see changes except perhaps in process only.

Representatives of the Board met with Security State Bank because an \$85,000 loan payment was due and we did not have money to pay it. The bank helped us work through by differing payments until assessments arrived.

The Board also let the accountant go and George Poehlman is working to find a new accountant.

The Board worked with the Employers Association to put together a job description including qualifications of new manager. A recruiting committee was formed; the job description was posted with a closing date of April 18. At that time we had received 40-45 applications. The committee narrowed it down and interviewed the top candidates. Jerry Bohnsack was hired. Jerry was in city government, community operations and lives in the area. He will begin on or about June 1.

Kitchen is back in operation. Rich Simpson has left his position as maintenance manager. The electric upgrades have been completed and we can now resume grading the roads. Remove and toss the little electrical flag markers.

Association is back on track.

Thank you staff & board for all the dedication for best interest in association. Financials are back near where they should be. Thanks to Rose Hendrickson, Denise Thielges and George Poehlman.

Mille Lacs Electric will be installing a 3 phase upgrade. By doing the upgrade Sherwood Forest will be subject to fewer power outages. There is no charge to Sherwood. The

Volunteer Club bought a new bucket for tractor for \$1,200 and the upgrade to deck is completed.

Curt Krone – Long Range Planning Committee

Working on getting quotes for new pool, spa and wading pool. Should have report by next months meeting.

John Thomas – Nominations Committee

Asked for nominations from floor 3 times.

Each nominee for the Board was introduced and stated why they wanted to be considered for the board.

Mark Duren – Covenants

The wording of three amendments to the Covenants have been changed or removed.

1. The electrical issue was removed and will remain as it has been in the past.
2. Dangerous animal covenant has been removed and will be added to rules.
3. Access to property will be allowed for maintenance only.

Rose Hendrickson – Managers report

Weekend activities – Medallion hunt – winner receives \$100, flea market 10-2pm, 11am memorial service. July 18 Sherwood will celebrate its 30th birthday – volunteers are needed. See Sue Swenson or Rose Hendrickson. Security volunteers are needed this weekend – see LeRoy Ernst or Rose Hendrickson.

Mark Duren – Rules Committee

Plans are being made to revise the rules this year. Volunteers needed for rules committee – see Mark Duren or Rose Hendrickson

Sue Swenson – Activities Committee

Town rep meetings will be held once per month again this year.

LeRoy Ernst – Security report

Currently have 2 security people. The hours of operation have changed to coincide with history of hours that vandalism takes place. Will only be on weekends. Everyone has been asked to keep on eye out for violations, and to give LeRoy Ernst the offenders golf cart ID. Tom Brown is coordinator of licensing for golf carts.

Tom Brown – Volunteer club

2008 was a successful year for the volunteer club. The Club made \$5,813 profit. Monies used to purchase the bucket for tractor, a coffee pot for kitchen and heaters for Big London. To volunteer, contact Tom Brown or LaVonne. Pancake breakfast 9-11 on Monday. Club is looking at pricing for Chloride for Sherwood Forest roads.

Open Forum for Questions from Lot owners:

Don Gilquest
c820

What is the target date for the electrical upgrade to be completed – has a sink hole next to his box. Might be settling from the winter.

Response – Upgrade completed but Brian Knox will be back into park to fix this problem.

Winners of drawing \$25 gift certificates for Wits End

Doug George
Melvin and Marianne Bergstrom
Alden and Lois Bystrom
Byron Brandt

Election Results:

Tom Brown
Ricky Habish
Dennis Brenanhan
Terry Ness
Karen Gilespie
Mark Johanik

Congratulations to newly elected board members.

Meeting adjourned at 12:45pm