

Special HOA Meeting
December 2, 2008
8:15 p.m., Rodgers' home
Minutes

In attendance: Larry Henson, Brenda Ory, Stewart Rodgers, homeowner Brad Baggiano; Julie Hillman came at 8:20 p.m.; homeowner Cory Bowden came around 9 p.m.

Stewart called the meeting to order. Previously, Brad Baggiano organized a neighborhood meeting for non-board members to gather and voice their concerns about what is going on with the HOA. The purpose of the meeting was to allow Brad the opportunity to discuss these concerns with the board.

Brad explained the following:

- Neighbors wanted to discuss the timeline.
- Why wasn't the board there? Differences were aired; 17 homes out of 43 homeowners were represented.
- Specifically organized to get "real concerns" out.

Summary of those concerns:

1. Budget issues; CC&R's; Before Christmas Feeling
2. Communication of meetings; for scheduling, attendance, ease of reception
3. Bill Rands volunteered to go to the City and find out what ordinances and CC&R's overlapped/redundant—by the end of the meeting, there was a consensus that we still need the HOA.
4. Want timing of the annual meeting to coincide with presentation of the actual budget; previous meeting in June wasn't sufficient when budget decisions were still being made. Bottom line: homeowners want oversight of the budget decisions, especially when large increases are assessed.

Stewart responded to Brad's concern with the following summary: Homeowners want us to have a public meeting where they can vote/have oversight of the budget if there is going to be more than a ___% increase in the assessments from what was presented in the previous annual meeting.

5. Homeowners would like to have a meeting to go through each of the covenants and decide which ones we really want to keep.

Julie and other board members pointed out that last time we voted to amend the covenants; we had to pay \$700 to change them. This could be a costly exercise.

6. There was a discrepancy between minutes for the meeting where the board voted on the fee schedule for fines and the letter sent out by the board outlining those fines.

Stewart agreed that needed to be looked into and corrected.

At this point, Stewart told Brad he appreciated him bringing these issues to the board's attention, and asked Brad to agree to an appointment to the HOA board so that he could personally represent the complaints of the 17 homeowners at the meeting he organized.

Brad declined on the basis that he felt he could have more oversight as a separate "watch dog" entity than if he were a member of the board.

A heated discussion ensued as board members contended their point that it would be most productive if those with complaints about the board had a place at the board table through formal representation. Brad countered that he would be willing to help out the board and help facilitate discussions and dissemination of information rather than serve as a board member.

Brad wanted to know why some people are out of compliance with rules and some rules are not being enforced? Are some being singled out?

Stewart explained that if someone in the neighborhood has a complaint about a neighbor being in violation with the CC&R's, they should file a complaint with Welch. Then the property manager can follow up.

Brad expressed concerned that some people have tried to complain to Welch, but didn't get a good response.

Brenda explained that we can't respond to phone complaints; people need to send an email or letter because there has to be a paper trail created. Stewart explained that the board is not going to go out and look over people's fences and be "nit-picky" to see if homeowners are in compliance. However, if a complaint is lodged against someone, the board will follow-up on that.

Brad said he felt some of the homeowners wanted the option to break the annual assessment into monthly payments. Brenda explained that because we have people who have not paid, our funds are low and we need money now to operate the budget. Therefore, we felt like we could not accept payments. Stewart, however, pointed out that a homeowner could likely arrange to make payments through the management company, but there would be a convenience fee.

(Cory Bowden joined the meeting)

Stewart made another plea for Brad to join the board. He declined but agreed to help collect homeowner's email addresses so communication can be enabled. Cory agreed to help Brad collect email addresses.

Larry said the board's main mistake was in communication, but that's because we've been so busy just getting things going.

Cory said he asked homeowners at the meeting what their bottom line concern is and they said: they want a community meeting before big changes are made (such as with the budget/assessments).

Stewart said he wanted everyone to realize not everyone on the board was on the same page during the first few months so not as much progress was made until the last few months.

Stewart said the board will not have another meeting unless notice is given to the neighbors at least 24 hours in advance.

Stewart made a motion to have a neighborhood meeting to discuss/address homeowners concerns in a well thought out/well researched manner. Larry seconded the motion and the voting was unanimous.

Stewart acknowledged that good things have come out of Brad's neighborhood meeting; hopefully we'll do better going forward.

Brad suggested, in light of not wanting to incur more costs for the HOA, rather than have a formal vote on the covenants, homeowners could compile a list of what covenants are most important to them to be discussed—like a "top ten" concerns list.

Larry asked Brad to help the neighbors understand we are not showing favoritism to anyone.

Brenda suggested we post a note on our website acknowledging that we are experiencing growing pains and asking homeowners to please be patient and that we'll address their concerns after the Christmas holiday.

(Change of business topic) Julie presented a formal petition to the board as a homeowner asking that late fees be removed from her bill in light of the fact that she had receipts/statements showing she had a zero balance on her assessment/account.

Larry made a motion to absolve Julie of late fees and interest based on the evidence presented to the board. Stewart seconded the motion. It passed unanimously. The board acknowledged that Tony and Liana had previously sent email stating that if a person could show proper documentation, they would support such a decision. Julie was asked to forward copies of her documentation to Welch agency along with an explanation of the board's decision.

The board further discussed concerns that other homeowners may find themselves in similar positions as Julie did. The expressed a desire that when documentation can be shown, they too should be absolved of late fees. Further, Stewart noted that with the problems Reality World created for us, we may need to show more understanding to homeowners who feel they were not aware of their account status.

Cory expressed a feeling that despite some of the negative things expressed; generally homeowners are grateful to the board for their hard work and service.

Larry made a motion to adjourn. Stewart seconded the motion. Voting was unanimous and meeting was adjourned.