

WATERFORD HOMEOWNERS 2011 ANNUAL MEETING MINUTES

DATE: **October 15, 2011** **10:00 a.m.**

Board Members Present: **Linda Caliva, President**
 Kortney Klinkel, Vice-President
 Lori Furstenaus, Secretary/Treasurer
 Aaron Wilson

Meeting Opened: Linda called the meeting to order.

Quorum Established: A quorum was established in that 33 households were represented in person and 16 proxies were presented and accounted for.

Proof of Notice of Meeting: Proof of notice of annual meeting was established. Lori verified that the notices were sent to all homeowners on October 3, 2011.

Reading of the prior year's meeting minutes: A motion was made to forego the reading of the prior year's meeting minutes due to a significant volume of business to be conducted at today's meeting. The motion was seconded and passed to forego the reading of the minutes.

Financial Statement/ 2012 Budget: Linda called for the reading of the current financial statement and 2012 budget forecast. Lori Read the financial statement ending September 30, 2011 and reviewed the 2012 estimated budget for the association. The motion was made, seconded, and passed to accept the financial statement and budget as read.

Discussion:

Lawn/shrub care – Common Area Maintenance: One member of the association brought up a concern about the expenditures related to lawn and shrub care as well as snow removal in the common areas. Several of the homeowners expressed dissatisfaction with the current grounds keeping contractor, BK Professional Services. One homeowner suggested that the contract be put up for bid with particular invitation going to All American Yards for proposal. The general consensus of the homeowners is that the

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association was not receiving adequate attention or service from BK Professional Services with regard to common area upkeep and maintenance in direct relation to the lawn/shrub, common area maintenance line item expenses reflected in the financial statement.

Professional Fees: A homeowner inquired about the professional fees expenditures and what those included in the financial statement. Lori explained that the funds spent on professional fees included an audit of the association's books in the amount of approximately \$400.00, roughly another \$400.00 was spent in obtaining liens on three properties for non-payment of HOA dues, and that the rest of the funds were spent for litigation of matters with two homeowners over non-compliance issues. Lori stated that the two matters had been successfully resolved through the mediation process and that the association could expect that the legal fees would be reduced in future.

Bristol Heights Pump: A homeowner asked what the Bristol Heights pump was and what the association's obligation was with respect to maintaining the pump. Tod Olson explained the history of the pump and the association's responsibility with respect to the Gustafson canal as the Waterford Development came about. It was explained that the association shares the pump use and maintenance with the irrigation district and the Bristol Heights Development south of Waterford.

Process for Non-Compliance Issues: A homeowner expressed concern over the manner in which non-compliance issues are handled by the Board. She had received a letter regarding the upkeep/regular maintenance and weed control (or lack thereof) with respect to her personal lot. The homeowner asked how the Board decided on who should receive notices about CCR violations. It was her opinion that it should not be up a one or two of the Board members to issue notification of non-compliance and that the Board should adopt a formal process by which the determinations are made. She gave an example that the Board should need to receive a certain

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number of complaints from neighbors before acting on any perceived violations including yard maintenance/weed control or boats and trailer parking violations. The homeowner was informed that the future Board of Directors would take her suggestions into consideration.

Introduction of Candidates for Board of Directors: At this time, Lori called for the introduction of the candidates for Board of Directors. She introduced Susan West, Tod Olson and Jon Bunnell who were present at the meeting. Lori also nominated Jacob Durtshi who was not present but had expressed a willingness to serve as a member of the Board and had given Lori the authority to make the nomination. Handouts were provided to all homeowners in attendance to enlighten them on the candidate's experience, history and goals for Waterford.

Call for Nominations From the Floor: Lori called for any nominations from the floor and indicated that there had been two write-in candidates nominated, Laurie Gaffney and Lewis Ehardt; neither of whom were present.

Homeowners were asked to cast their written vote while other matters of business were being discussed.

Expenditure Breakdown Per Household: Tod Olson prepared and presented an overhead slide to reflect how much each line item expenditure from the actual 2011 financial statement costs each household. This information was helpful in putting into perspective just what each association member is receiving in return for their annual dues assessments.

Homeowners Annual Dues Increase: As it had been reflected in the 2011 Financial report, the expenses of upkeep and maintenance are beginning to exceed the annual amount collected from homeowners for the ongoing operations of the Waterford. For this reason, the motion was made, seconded, and passed to increase the annual homeowner dues from \$150.00 per year to \$165.00 per year per household/lot.

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Waterford Development Likes and Dislikes: Tod Olson requested the floor to ask homeowners what they like and dislike about Waterford as a community. In general, most of the comments were related to how clean our neighborhood is. One owner stated that they had recently visited a neighborhood they had once lived in. That area either had no CCR's or if so, they were not duly enforced. Upon returning to the neighborhood they found trailers, campers, inoperable vehicles and junk scattering the community which was very unsightly.

Other comments were about how people liked out parks and common areas but again wished that we had better groundskeeping services.

Some homeowners mentioned the desire to request the vacant lot owners to landscape the lots and install curbing, gutter and sidewalks for the safety of the residents who like to walk through the neighborhood and avoid dangerous terrain or walking out into the street because of no walkways.

One homeowner asked about establishing a quorum electronically for meeting purposes where a quorum is necessary. Another owner asked about obtaining an electron list of association member's names and addresses. The next Board of directors will look into both of these matters.

Election Results:

Jon Bunnell received	33 votes
Tod Olson received	33 votes
Susan West received	31 votes
Jake Durtschi received	6 votes
Laurie Gaffney rec'vd	1 vote
Lewis Ehardt received	1 vote

2012 Board of Directors are: Linda Caliva, Aaron Wilson, Jon Bunnell, Tod Olson and Susan West