

Kettle Creek Homeowners Association, INC.

Annual General Membership Meeting Minutes

November 17, 2010

The Fifth Annual General Membership meeting of the Kettle Creek Homeowners Association was held in the Presentation Room (604-605) of Pine Creek High School on November 17, 2010 at 6:00 pm. About 20 persons attended.

Ms. Smith of Z&R Property Management conducted roll call and certification of proxies. A quorum was present.

Mr. Carlson opened the meeting at 6:08 PM and entertained a motion to approve the 2009 annual minutes. A motion was made by Mr. Joyal, seconded by Mr. Knowles and carried unanimously.

Mr. Carlson presented the President's report outlining areas of challenges and accomplishments.

- Parking issues. A city inspector will visit the problem area to review the situation and suggest possible solutions.
- Landscaping. Improvements are proceeding with our three year plan to fix what we inherited from the developers.
- Townes. We are now collecting dues from the Townes at a rate of \$110.00 per year. When other properties in Kettle Creek are built, they will also contribute. Z&R is now the property manager for the Townes as for us.
- Management. After a year in the President's position, Mr. Carlson attested to the value of having Z&R as our management firm.
- A question came from the floor regarding if the board completed the proper recording / filing with the city in regard to the easement and piece of land. Board referred to the minutes of the previous meeting to confirm the completion of filings.

Mr. Joyal presented the 2010 Treasurer's Report and our proposed 2011 budget.

- Despite a major increase to water rates in 2010, our HOA closely managed the water budget by turning off sprinklers as needed. Despite this, the HOA overspent the budget by \$500 in 2010 on water. The budgeted amount for water in 2011 is recommended to increase by \$500 over 2010. Utility water rates are expected to increase for several years ahead.
- Sprinkler repairs cost \$1200 in 2010, another item over-budget.
- In 2010 we saw the first incidence of needing repairs to the concrete fence, which amounted to \$300 thus there is a 2011 budget item for this topic.
- A question came from the floor regarding why not install more xeroscaping to save water? The cost of those landscaping projects are cost prohibitive or have a poor ROI at this point.
- Board will continue to manage snow removal to provide good coverage and prevent any unneeded expense. Snow removal is only for the sidewalks; the city owns and plows the streets.
- Tree maintenance will continue towards preventing damage and loss.
- Street lights belong to the city; sign lights belong to HOA. The city has decided to turn the lights back on over the next few months.
- Legal expenses are usually recovered when we collect dues and fees that are in arrears, however foreclosures cause us to experience uncollectible legal fees, thus the 2011 budget sets aside \$500 for these situations.
- Other budget items proved to be business as usual.
- A motion to approve the 2011 Budget was made by LTC Price, seconded by Ms. Anderson and carried unanimously.

New Business

During the meeting, three topics were discussed and action taken as needed.

- Need for parking; the public is allowed to park on your streets even when residents are not permitted by your covenants. The board is considering creative solutions to this issue such as fire lanes, meters, various parking arrangements and of course clean out garages to make space. Perhaps safety will be our best approach with the city and residents in order to accomplish changes or improvements. Parking is a priority for the board.

- Ms. Springfield inquired about following the covenant limit on annual dues increase. Mr. Joyal explained he has consistently applied the rule over the life of the HOA, and while we may exceed the rate of increase recommended for 2011, as Ms. Springfield believes, we are well below the max allowed if computed since the inception of the HOA. In addition, such restriction to an annual limit would limit the board's flexibility in setting dues. The HOA would likely raise dues by the max allowed rate every year to ensure adequate funds to meet ongoing needs of the HOA. Instead, the board would like the flexibility to leave rates unchanged or even reduce them when we end a year with a surplus, as was the case in 2009 when dues went down. After explanation and discussion of this philosophy, Mr. Joyal asked for favorable consideration of the proposed budget, and the budget was then approved unanimously.

- Issue of snow removal by the Townes contractor and the piling of that snow at the corner of Looking Glass Way and Rhinestone Drive in such a manner as to obscure visibility of oncoming traffic. Z&R will work with the Townes HOA to assure their contractor does not block driver's visibility.

- Issue of uneven sidewalks was discussed and the residents were advised that sidewalks are a homeowner responsibility,

except for common areas, which are the HOA's responsibility to maintain in safe order.

- Yards and landscaping are another priority for the board for 2011. Comment was made describing struggles of owners to maintain a "good looking" yard. The board has been working to define the parameters for yard quality and communicate those to the PM and to residents. Also the board has set a communication plan for the next round of inspections in May. Discussion continued about the specific issues, causes of weed, etc. plus ideas for a combined community effort to reduce costs and support member success.

- A question came from the floor regarding the frequency of the PM inspections? During summer inspections occur twice a month and once a month in the winter.

- Election of Officers. One BOD member saw his three-year term expire in 2010(Mr. Scroggs). Only one name (LTC Price) was put in nomination for the position and he was elected by acclamation.

Executive Session: After the conclusion of the General Membership Meeting, the Board Members met in Executive Session to decide who would serve in the various offices. Results: Mr. Carlson (P, 2012); LTC Price (VP, 2013); Mr. Cather (S, 2011); Mr. Joyal (T, 2012); Mr. McCann (D@L, 2011).

Adjournment. A motion to adjourn was made at 7:12 PM by Ms. Springfield, seconded by Ms. Anderson, and carried unanimously.

Mike Cather, HOA Secretary
April Smith, Property Manager