

**Fifth Annual Meeting
Reflection Lane Homeowners Association
Minutes
10 April 2006
7:00 – 8:30 pm**



Location: Henry Residence (Lot 41A)

Attendees:

Kaye Kimbrell	Terry & Stacy Poyzer
Earl & Arlene Uptmor	Calvin & Elizabeth McDonald (minute's author)
Buzz & Tracy Young	Shelly & Todd Henry
Chris Maynard	

PREMEETING NOTES

Active Board:

Kaye Kimbrell	V.Pres, Acting President
Shelly Henry	Appointed interim Board member
Calvin McDonald	Secretary

Lots not represented at the meeting: Lot 38B (Sterling), Lot 42B (Bailey)

Proxy Votes: Lot 38B gave written proxy to match the majority of the Board vote.
(document on file)

Members not eligible to vote due to delinquent annual fees: Lot 42B (Bailey)

MEETING DISCUSSION

Kaye opened the meeting, presented the agenda and welcomed new homeowners in the neighborhood.

Agenda:

- Assessments
- Financial Report
- Reallocation of Funds
- Irrigation System Report
- Common Area Landscaping
- Elections

Kaye covered the proposed 2006 assessment: Kaye reminded everyone that members must be current on their dues to vote. It was proposed that the 2006 dues stay the same as last year, at \$295 per lot. The Board also proposed a one-time fee of \$20 per lot for upcoming costs related to updating the CC&Rs and a \$100 fee per lot to pay current and upcoming legal fees associated with the irrigation system (~\$450 already spent and the remainder as expected upcoming expenses). The CC&R's need updated to reflect the moving of the Associations irrigation system from Lot 42B to Lot 38B. This was voted on by the members and passed 8/0. Appendix A contains the proposed and approved 2006 assessment.

Calvin next presented the financial report: (see summary in Appendix B) The general financial position of the HOA is good. There are 4 funds showing a negative balance. Calvin explained each. Also handed out (but not shown in this report) was a complete list of all income and expenses of the HOA since it's founding.

The negative balance in the Insurance fund is due to unpaid dues from Lot 42B. The negative balance in the Legal fund is due to an excess paid to the HOA's attorney over that which has been assessed. The one-time \$100 legal assessment proposed for 2006 will cover this and other known and expected legal expenses. The other two negative funds are covered below in the reallocation of funds discussion.

Calvin presented request to reallocate funds: (see Appendix C) The Misc. fund is negative by \$189.20 for fees related to renting water rights from the State to make the pond on Lot 42B legal. The amount covered the end of the 2005 watering season and all of the 2006 season. Alan Mills has had transferred and paid for this permanent water share that will cover the pond from 2007 on. It was proposed that excess money from the Power Fund be moved to the Misc fund to cover this expense.

Calvin also request redistribution of fund from the Power fund to the Irrigation Maintenance fund to cover two unexpected expense relating to the irrigation system. The two expenses were \$65 for a spring turn on and check out and a \$407 repair of a broken main on Lot 38A.

These two reallocations were voted on and passed 8/0.

There was a discussion about lot 42B not paying its dues and this putting a burden on the rest of the HOA. It was suggested that a lean be put on the home for dues owed. It was concluded this was not a good idea as it would not help collect the dues and might cause antagonism between neighbors. It was also mentioned that in accordance with the CC&Rs, Lot 42B is being charge late due interest.

Calvin reported on the irrigation system status: Alan Mills has agreed to have installed and pay for a new system to be located on the northeast corner of Lot 38B. All easements for the pump and building as well as the plumbing have been secured and filed from the owners of Lots 38A and 38B. Also secured is both a power easement from the east and maintenance access from the east (Dan's Road). Alan Mills has contracted with Agri-Lines

(Jeff Forsburg) to install the new system and construction is expected to start in the next few days. The new system is expected to be complete before the end of May.

A “closing” contract is currently in progress to resolve the irrigation issues raised by Lot 42B (Bailey). The contract is in its first draft and will be revised before the HOA or Alan Mills will sign it. The following are the conditions it currently contains that will be removed:

- Lot 42B to be permanently excluded from the HOA.
- Lot 42B to retain free use of the privately held Reflection Lane
- Lot 42B to be exempt from all late due fees.
- Alan Mills responsible of a private system on Lot 42B if water rights not resolved.

The contract is currently in review by Alan’s attorney.

There was a short discussion about the possibility of allowing Lot 42B to be removed entirely by the HOA. It was clear that all felt that there was no good reason to excuse a member of the HOA from the contract just because they wanted out. Also, it was not a popular idea to let a non dues-paying neighbor use for free the private road owned by the HOA as their driveway access. It was explained that a 2/3 vote in favor would be required to remove Lot 42B from the association. A vote was conducted and the proposal to remove Lot 42B from the Association failed 0/8.

The members of the Association requested that the final draft of the contract between Lot 42B, the HOA and Alan Mills we presented for review and vote of the Association members. This will be done.

It was also presented and discussed that the contract be revised to allow for a one-time reversal of the requirement that Lot 42B be removed from the new irrigation system. This would allow the current owners of Lot 42B (Bailey) or any future owner, for any reason, to be reconnected and included in the joint HOA irrigation system. It was not clear whether this would be added to the contract but the Board, Alan Mills and Alan’s attorney will discuss and add if deemed appropriate. The general feeling of the members was this would be desirable both for the HOA and the owner of said lot.

Several members asked about the specs of the new irrigation system. This was not known but the Board took an AR to find out and contact the members. It is believed that the new system is intended to perform much like the old one.

Note that several members are concerned that the new system will not be up and running before the heat of the watering season.

Calvin covered the Common Area Landscaping: There was a discussion of history of past indecision on what to do with the common area, and previous voting. During the last

Annual meeting an AR was taken by the Board draft amendment and this didn't happen due to legal issues with the irrigation system taking so much of the Board's time.

It was reviewed what we had decided last year (see last year's meeting minutes) and all decided they still agreed. The Board retook the AR to write a draft of an amendment to the CC&Rs that would capture what we agreed to last year. The draft would be distributed to the members for review and feedback and would be voted on in an upcoming meeting.

Todd & Shelly Henry (Lot 41A) brought up the issue of standing water in front (north) of the church, and how it backs up in front of their lot and some times Lot 40A (Maynard). This condition is ongoing and prevents any meaningful landscaping activity from happening. The HOA needs to resolve this water problem before the landscaping in this area can be resolved. Todd Henry agreed to check into options we might have to relieve the standing water problem in this area. Some ideas are a french or ground water drain or even a sump pump.

There was a discussion about placing a time limit on the installation of common area landscaping. It was agreed to have none and implement one later if agreement is abused.

Kaye conducted the annual re-election of Board members: It was reminded that all present board members, as per the bylaws, are removed from office at the end of each 1-year term. First volunteers were requested. Buzz Young volunteered and Kaye Kimbrell and Calvin McDonald volunteered to be reelected. Each were nominated and seconded and the voting for all three was unanimous.

The new Board for 2006-2007 is:

Buzz Young	President
Kaye Kimbrell	Vice President
Calvin McDonald	Secretary

Architectural proposals: At the end of the meeting, Chris Maynard (Lot 40A) presented drawings of an out-building (shop, garage, loafing shed combination) to the members for architectural approval. He had to keep the drawings as they were his only set but a site plan was submitted to Calvin with the require 6 signatures obtained at the end of the meeting (document on file).

Uptmor's (Lot 38A) also brought up that they will be building an out-building soon.

VOTING SUMMARY

The following items were voted on during the meeting. There were eight of nine total votes possible present at the meeting (1 ineligible due to delinquent dues was also not present).

Vote for approval for 2006 assessment as is stated in Appendix A
8 For, 0 Against

Vote for approval for reallocation of funds as stated in Appendix C
8 For, 0 Against

Vote to allow Lot 42B to be completely excluded from the HOA?
0 For, 8 Against

Buzz Young as a Board member for the next year as President
8 For, 0 Against

Kaye Kimbrell as a Board member for the next year as Vice President
8 For, 0 Against

Calvin McDonald as a Board Member for the next year as Secretary
8 For, 0 Against

Appendix A

Assessment of Annual Dues (by fund)

Last Year:

<u>FUND</u>	<u>PER LOT</u>	<u>TOTAL</u>
Misc	\$4.00	\$36.00
Entry Lighting	\$9.00	\$81.00
Common Area Maint	\$40.00	\$360.00
Irrigation System	\$0	\$0
Legal Fees	\$0	\$0
Liability Insurance	\$45.00	\$405.00
Electrical Power	\$100.00	\$900.00
Road Maint	\$97.00	\$873.00
TOTAL	\$295	\$2,655

This Year (Proposed):

<u>FUND</u>	<u>PER LOT</u>	<u>TOTAL</u>
Misc	\$4.00	\$36.00
Entry Lighting	\$9.00	\$81.00
* Common Area Maint	\$20.00	\$180.00
* Irrigation System	\$20.00	\$180.00
Legal Fees	\$0	\$0
Liability Ins	\$45.00	\$405.00
Power	\$100.00	\$900.00
Road Maint	\$97.00	\$873.00
TOTAL	\$295	\$2,655

Plus One-time Fees:

<u>FUND</u>	<u>PER LOT</u>	<u>TOTAL</u>	
Misc	\$20.00	\$180.00	(CC&Rs)
Legal Fees	\$100.00	\$900.00	
TOTAL	\$120	\$1080	

TOTAL this Year:

TOTAL	<u>\$415</u>	\$3735
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Appendix B

HOA Fund Summary Report - ETD 5/31/2002 through 4/10/2008

4/10/2008

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Date	Account	Num	Description Memo Cat... Clr	Amount
EXPENSES				1,897.22
	Checking Fees, Misc			-150.50
	Entry Lighting			211.32
	Common Area Maintenance			-467.00
	Irrigation System Expenses			-437.86
	Legal Fees			-159.72
	Liability Insurance			-40.00
	Electrical Power Expenses			931.04
	Service/Maintenance for Road			1,076.00
			OVERALL TOTAL	1,897.22

Appendix C

Reallocation of Funds

Item #1: Rented water rights to legalize pond on Lot 42B
Spent: \$40.70 + \$148.50 = \$189.20
Now: Misc Account
Proposed: Power Account

Item #2: System start-up and repair to mainline
Spent: \$65.00 + \$407.97 = \$472.97
Now: Misc Account
Proposed: Power Account

TOTAL: \$189.20 + \$472.97 = \$662.17 (from Power Fund, leaving \$268.87)