

**Third Annual Meeting  
Reflection Lane Homeowners Association  
Minutes  
10 April 2004  
4:00 - 6:30 pm**



**Location:** DuGal residence

**Attendees:**

Kaye Kimbrell

Stacy Poyzer

Toni & Lisa DuGal

Steve & Margaret Marlatt

John & Peggy Green

Chris & Kim Bailey\*

Calvin McDonald (minute's author)

\* Potential future owners of Lot 42B (visitors)

**Notes:**

Lots not represented at the meeting: 42B (Spaulding), 41A (Henry)

Proxy Votes: Lot 40B gave written voting permission to Dave & Kaye Kimbrell.  
(documents on file)

Attendees not eligible to vote due to delinquent annual fees: None.

**OVERVIEW**

The meeting opened with Toni conducting introductions as a couple of attendees were relatively new to the neighborhood. Chris & Kim Bailey attended at the Board's invitation. They are scheduled to close on the Spaulding home.

Toni presented and reviewed the agenda for the meeting and then highlighted the major activities of the Board for the past year. 5 handouts were provided, a copy for each lot owner. They were: 1. List of Board Activities, 2. Agenda, 3. Assessment Review Projections, 4. Financial Record, 5. Architectural Change Report, 6. Voting Eligibility Summary. The first three and last two are included at the end of these minutes as Appendix A, B, C, D and E.

Calvin then took a few minutes and reviewed the past years financial activities and the current state of the HOA bank account. He also reported on two architectural change requests that were submitted during the past 12 months. This report is included at Appendix D.

Toni then reported on the irrigation system and related issues. The HOA was billed for unauthorized work on the system by Agri-Lines, which the Board voted to decline payment on. Toni also reported on the recent outcome of having Burgess Pump come inventory our

system and make recommendation on improving it. It was also called to everyone's attention that both members of our irrigation committee had either moved or are working out of state and that we needed to appoint a new committee. These are appointments made by the Board.

Toni then reported that the LDS Church had requested permission to use our irrigation water for 8-10 months while they wait for a sub-surface irrigation water permit.

Toni and Margaret then presented the projected expenses for the upcoming year, broke down into individual items. This was presented item by item and then voted on. The results are below in the "VOTING" section of these minutes.

Landscaping of the common area, mainly along the sides of the road, was the discussion that consumed the majority of the time.

The formal process of electing next year's Board was then conducted. Toni began by announcing that Margaret had formally resigned, after two very faithful years of service. Toni also announced her strong desire to be replaced and Calvin stated a like opinion. Toni then asked for volunteers. No one offered. Toni then asked for nominations. None were offered as all likely candidates informally decline before they could be nominated. Kim Bailey then suggested that she would be willing; if/when she becomes eligible. A quick review of the Bylaws was conducted and it was determined that Board elections would be conducted at a later meeting. This would allow Kim to become eligible. Toni and Calvin then agreed to retain their Board seats for an additional 60 days. This was moved, seconded and voted for. Peggy Green then agreed to serve as a board member in Margaret's vacated position for the same 60 day period. This was moved, seconded and voted for.

## VOTING

The following items were voted on. There were seven of nine total votes possible.

| Yearly Assessments (see Appendix C):          | For/Against |
|---|-------------|
| A: \$884.35 annually for Electric Bill        | 7/0 Passed  |
| B1: \$979.00 annually for Liability Insurance | 7/0 Passed  |
| B2: \$979.00 annually for D&O Insurance       | - No Vote   |
| C: \$140.00 annually for Grounds Maintenance  | 7/0 Passed  |
| D: \$161.95 Entry Lighting Supplies           | 7/0 Passed  |
| E: \$38.00 Annually for Check, Fee, Misc      | 7/0 Passed  |
| F1: \$250.00 annually for Road Service        | 7/0 Passed  |
| F2: \$816.00 annually for Road Service        | - No Vote   |

This brought the annual association fees/lot to: \$273.00 (up \$60 from last year)

Special one-time assessments:

|                               |                           |         |
|-------------------------------|---------------------------|---------|
| G: Landscaping options 1-4, 6 | could not reach consensus | No Vote |
|-------------------------------|---------------------------|---------|

|    |                                       |     |        |
|----|---------------------------------------|-----|--------|
|    | Landscaping option 5 (sterilent only) | 3/4 | Failed |
| H: | \$530.00 Irrigation system upgrades.  | 7/0 | Passed |
| I: | Allow church to use irrigation system | 0/7 | Failed |

Other votes that came up during the course of the meeting about landscaping:

- |    |  |     |        |
|----|--|-----|--------|
| 1. | Proposed that the HOA install, pay for and maintain the common areas.    | 4/3 | Failed |
| 2. | Proposed that each member maintain their own portion of the common area. | 2/5 | Failed |

Board Officers:

- |    |  |     |        |
|----|--|-----|--------|
| 1. | It was proposed that Toni DuGal and Calvin McDonald retain their positions on the Board for another 60 days. | 7/0 | Passed |
| 2. | It was proposed that Peggy Green serve as a Board member for 60 days filling the vacancy left by Margaret.   | 7/0 | Passed |

Next Meeting:

- |    |   |     |        |
|----|---|-----|--------|
| 3. | Proposed that the association meet again within 60 days to discuss common area landscaping and elect a new Board. | 7/0 | Passed |
|----|---|-----|--------|

#### DETAILS BY TOPIC

**Irrigation System:** It was reported to the Association that last spring, when the system was turned on, it was discovered that the larger 15hp pump had failed. Agri-Lines repaired the system by replacing the 15hp pump and a controller panel on the smaller pump. This was done in May 2003 and the bill came to \$1951.30. There is an ongoing a dispute on who was liable to pay the bill. The HOA Board drafted a letter to Agri-Lines formally declining payment because the work was never authorized. Agri-Lines has turned the bill over to a collection agency. The Board has also recently sent a copy of the bill to them. Currently, Agri-Lines and their collection Agency appear to be dropping the issue.

The Board also reported that they have engaged with Burgess Pump Company to maintain our irrigation system. They have been out to survey the system and have recommended adding a Pressure Sustaining Value to prevent further stress on the pumps. The Board received a price quote for this work and the Association voted 7/0 in favor of a one-time assessment to pay for the system enhancement. The Board took an action to pursue reimbursement for this cost as it might be classified as not a “working system” as provided by the CC&R’s.

Members were reminded that the system is designed to be pressurized and that flood-type irrigation is not allowed.

A brief discuss occurred about allowing the church to our the Association’s irrigation system to water their grounds about 8-10 months while the church waits for a subsurface

irrigation permit. They have formally requested permission of the HOA. The discussion centered on possible legal issues with allowing use, which made the members in general nervous. This was voted on and the member voted against allowing use.

It was also concluded that there would not be a watering schedule imposed until such time as it became apparent that one was needed.

**Assessments:** The yearly Assessment Proposal (see Appendix C) was reviewed, a line-item at a time. The numbers included in the proposal are all based on historical data. The cost of each item was presented and a discussion was held for each item prior to a vote by the group. The voting outcome per line-item went as outlined in the VOTING section.

The outcome brought the total Assessment to \$273.00 per lot per year, up \$60.00 from last year.

**Common Area Landscaping:** This topic created the most discussion of the meeting, as it did last year. The Board made an attempt to make progress in this area by preparing in advance of the meeting several price quotes of various landscaping options (grass, rock, etc) for the common area. The hope being that consensus could be reached by vote. Toni and Margaret briefly discussed the options that the Board had studied (see Appendix C, Item “G”) and pictures of some options were circulated in the group.

Due to a display of widely varying opinions from the Association members, very similar to that of last years meeting, no agreement on any landscaping style could be reached to a point the topic could be voted on.

Similarly to the outcome of last year, the main trouble encounter is that not all members are on the same development schedule, financial condition and desire in the final outcome. This made it basically impossible to even get to a point where we could vote on a proposal. We did vote on a one-time assessment to have a sterilent applied to control the weeds. This failed (see VOTING section).

In an effort to ascertain if members are in agreement as to how the landscaping should be installed and maintained, it was voted on if the HOA should install and pay for this work. It was also voted on if the members thought the homeowners should maintain the common area in from of their own lots. Both votes failed.

The final result was a proposal (voted on, 7 for, 0 against) that we meet again within 60 days as an Association to discuss this topic further. At this meeting an attempt will be made to get everyone’s opinion on type of landscaping, when it should be installed, who will pay for it, and who will maintain it. After this data is gathered, an attempt will be made to develop a plan amenable to all.

**Insurance:** The Board did research during the past year on both Liability and D&O insurance. At last year's meeting, the Association voted against purchasing any type of insurance. The Board studied the need for the HOA to hold insurance further this past year and concluded that we carry an unacceptable risk by not having Liability insurance. The Board also concluded that as a Board they were not comfortable serving with no D&O insurance. Quotes for this coverage were obtained, presented and purchasing coverage was voted on during the meeting (see VOTING section). It was pointed out by Kim Bailey (an Attorney) that many HOA's cover the D&O's via a indemnification of the members.

The By-laws were reviewed and it was discovered that provision for executing an homeowner indemnification were provided. Margaret took the action request to draft an indemnification letter. This did away with the need for D&O insurance. The member voted in favor of an increase in our yearly assessment to purchase Liability insurance.

## Appendix A

### **Reflection Lane HOA Report on Board Activities 4/10/03 -4/10/04**

- **Held second annual Home Owners Meeting 4/10/03**
- **2 Board meetings held 11/6/03 & 2/10/03**
- **Homeowners elected Board for second term**
- **Board appointed officers (Toni – Pres, Margaret, VP, Calvin, Sec/Tres)**
- **Obtained signatures, recorded, and mailed copies to homeowners of amendment three to CC&Rs to extend allowable duration for new construction from 1 year to 2 years**
- **Managed the repair of front entrance lights and kept lights functional (bulbs replaced)**
- **Managed sprinklers and maintenance at front entrance**
- **Published minutes of annual HOA and board meetings on website**
- **Invoiced and collected 2003 assessments**
- **Formally denied payment on invoice to Agri-Lines for unauthorized repair work (~\$1900.00)**
- **Filed 2003 taxes (1120H Federal; Nonprofit State)**
- **Published HOA voting summary**
- **Discussions with developer on entryway landscaping ownership**
- **Investigated common area landscaping options**
- **Investigated Association insurance options**
- **Reported sink hole to county highway department – need to follow up with irrigation people**
- **Maintained Association Website (<http://www.ckmcdonald.com/RL-HOA>)**

## Appendix B

### Reflection Lane HOA Third Annual Homeowners Meeting 4/10/04 Agenda

- Welcome new Association members and pending members – Greens & Baileys - Toni
- Report on Board Activities (see board report) - Toni
- Financial Report (see financial report) - Calvin
- Architectural Control report - Calvin
- Irrigation plan/schedule for 2004 - Toni
- Assessment review/voting on proposals - Toni
- Announcements/Reminders
  - Church completion planned for end of May - Toni
- Open Discussion
- Board Election for 2004

## Appendix C

### **REFLECTION LANE HOA ASSESSMENT REVIEW PROJECTED ESTIMATES for 2004-2005 dated 04/05/04**

#### **I. BASE ANNUAL EXPENSES:**

- A. \$884.35 **Electric bill**  
(Based on past year's usage for irrigation pump and front entry way)
- B1. \$979 **Liability Insurance premium**  
B2. \$979 **Directors and Officers premium**
- C. \$140 **Grounds maintenance for front entry** (Based on past year's expenses.)
- D. \$161.95 **Entry lighting supplies**  
(Based on historic usage for past 12 months)
- E. \$38 **Check fees, service charges, postage, taxes, misc. fees**  
(Based on historic usage for past 12 months)

#### **F. ROAD OPTIONS:**

According to American Paving, materials used in our road were 10" of pit run (sub base), 4" of ¾" road mix (prep), 2 ½" of asphalt, and Ada County ½" mix (ISPMC spec). Recommended maintenance is:

1. Crack repairs yearly at a cost of \$150.00 minimum plus \$0.50 per linear foot of crack. This will prevent water from getting in the cracks and causing a shift in the sub materials which could result in potholes. (Est. of \$250 annually)
2. Seal coating every 3 years at a cost of \$0.08 per square foot (our road is 30,700'), or \$2,450.00 This will prevent erosion of the sand and oil in the asphalt. American Paving predicted if we maintain this maintenance schedule that the road will never need to be repaved. However, if we completely ignored the road and did not perform maintenance, a complete repaving would be required in 15-18 years and we would have a bad road in the meantime and experience the down time when it gets repaved. (Est. of \$816 annually)

#### **G. COMMON AREA LANDSCAPING OPTIONS**

#### **H. IRRIGATION SYSTEM MAINTENANCE FEES**

1. \$70+ to inventory our system and make recommendations for improvements (if needed) and explain how the system works. \$50.00 to blow out in the fall.
2. \$400 estimate to install pressure sustaining valve, reprogram and start up

▪ ASSESSMENT OPTIONS and VOTE

| ITEM   | TOTAL ANNUAL EST. COST  | ANNUAL EST. COST PER PARCEL   | VOTE:<br>Approved / Denied |
|--|---|---|----------------------------|
| Annual Assessment Expenses                     |   |   |                            |
| A. Electric                                    | \$884.35  | \$98.25   |                            |
| B1. Liability Insurance                        | \$979   | \$108.77  |                            |
| B2. D&O Insurance                              | \$979   | \$108.77  |                            |
| C. Grounds Maintenance                         | \$140   | \$15.55   |                            |
| D. Entry Lighting Supplies                     | \$161.95  | \$18.00   |                            |
| E. Check, fees, misc.                          | \$38  | \$4.22  |                            |
| F. Road  | 1. Est. \$250<br>2. Est. 816  | 1. \$28<br>2. \$91  |                            |
| Special Assessment Expenses                    |   |   |                            |
| G. Landscaping Common Areas                    | 1. Grass \$22,202<br>2. Int'l Stone \$36,355<br>3. Affordable Rock \$15,550<br>4. Far West (South side only - rock) \$10,383.42<br>5. Sterilent \$965<br>6. Edge Sterilent with rock solution - TBD | 1. \$2,466.89<br>2. \$4,039.45<br>3. 1,727.78<br>4. 1,153.71<br>5. \$107.22<br>6. TBD |                            |
| H. Irrigation System Repair & Maintenance Fees | \$530.00  | \$58.89   |                            |
| TOTAL:   |   |   |                            |
| Other Matters                                  |   |   |                            |
| I. Use of Irrigation system by Church          | Church has requested use of our irrigation system for one summer only   | Charge of difference in electrical bill + 15% for wear and tear                       |                            |

## Appendix D

# Reflection Lane HOA

## Architectural Control Report

4/10/2003 – 4/10/2004

A total of 2 Architectural Change Requests were signed and submitted in the past 12 months. They were:

1. April 2003: Barn, Poyzer, Lot 41B
2. December 2003: Pasture Fencing, Marlatt, Lot 40A

Drawings/Plans/Description signed by at least 6 homeowners for each are on file with the HOA Secretary.

## Appendix E

### SUMMARY of MEMBERSHIP, VOTING ELIGIBILITY, RIGHTS, and QUORUM NEEDED for REFLECTION LANE HOA

#### I. MEMBERSHIP

Every record owner of a parcel is a member of the Association. Membership may not be separated from ownership of any parcel.  
(Articles of Incorporation at Article 4.)

#### II. VOTING ELIGIBILITY/ RIGHTS

Each lot is entitled to one (1) vote, regardless of number of owners.  
Any parcel for which there are outstanding assessments is ineligible to vote on any proposition.  
The vote applicable to a lot in the process of being sold under contract of purchase shall be exercised by the contract seller, unless the contract specifies otherwise.  
(Articles of Incorporation at Article 5; 1<sup>st</sup> Amended CCR's at Article III, ¶ B; 1<sup>st</sup> Amended Bylaws at Section 3.9.)

#### III. VOTES REQUIRED ON ASSESSMENTS

Annual assessment – will be that of last amount approved by the lot owners, unless changed by 60% of residential lot owners (5.4 lot owners)

Special assessments – must be approved by the Board and 60% of lot owners (5.4)  
(CCR's recorded 02/27/99 at Article III, ¶ D(1)(2).)

#### IV. QUORUM NEEDED FOR A MEETING

2/3 of the membership votes entitled to vote on a matter, represented in person or by proxy. (1<sup>st</sup> Amended Bylaws at Section 3.6)

#### V. PROXIES

A member may appoint a proxy to vote or otherwise act for him by signing a dated appointment form. An appointment of proxy is effect upon receipt by the secretary. (1<sup>st</sup> Amended Bylaws at Section 3.8)

#### VI. NUMBER OF VOTES REQUIRED TO PASS A MATTER

As long as a quorum exists, 2/3 of the membership votes entitled to vote on a matter, represented in person or by proxy. (1<sup>st</sup> Amended Bylaws at Section 3.9)