

Cherry Creek Estates Homeowner's Association
Annual Meeting

I. Call to Order/Welcome

The second Annual Meeting was held on October 30, 2017 at the Mid-Columbia Library – Keewaydin Park Branch, located at 405 S. Dayton St., Kennewick, WA. Those in attendance were Board Members: Jeff Moore, Frank Bono, Pam Kirkpatrick, Faythe Moore, Chris Arteaga and eight (8) homeowners. The meeting was called to order at 6:03 PM by President Jeff Moore.

II. Approval of Minutes – Annual Meeting June 22, 2017

Jeff asked if everyone had had a chance to review the minutes from the June 22, 2017 Annual Meeting which can be found on the SVN Retter & Company/HOA website. A motion was made by Shannon Bono to approve the minutes. Kitty Burtner seconded the motion. Minutes were approved by a unanimous vote.

III. Old Business

A. Garbage Can Language Change – Ben Murphy notified the Board that it would cost the HOA approximately \$500.00 to amend and record the CC&R's to reflect the new language (\$60/recording and 1½ hrs. of the attorney's time billed at \$250/hr.) Jeff stated another option would be to change the Rules and Regulations to reflect the change in language. There is no fee for this, however, it leaves open the possibility that new homeowners would not receive the change at closing. Points to consider included: 1) the new language is less restrictive than the current CC&R language, 2) there may be additional changes when the Declarant releases his interest in the HOA, 3) new homeowners can be made aware of the new language during a "welcome conversation" at move-in, 4) Ben Murphy can ask the Escrow Officer let the new buyers know of the difference in language when they call for fees/charges prior to closing. After discussion of several options Kitty Burtner made a motion to change the Rules & Regulations to reflect the new language and wait to record the change to the CC&R's until after the split from the Declarant Dale Ross. Paul Porter seconded the motion. Motion was approved by a unanimous vote.

IV. New Business

A. Discussion of Proposed Bylaws

The CC&R's state the Bylaws need to be approved by the Declarant Dale Ross prior to a vote of the Association so the approval of the minutes will be postponed until Mr. Ross has had an opportunity to approve the Bylaws. The Board also received an email from Russ Burtner regarding a few language changes he proposed

and the concerns he has with two people from the same household holding positions on the Board. Jeff asked Russ to share his concerns with the meeting attendees. Russ stated he is uncomfortable with one household having 40% of the Board's vote. Also, he feels this is in conflict with Article 4, Section 1 of the CC&R's. Jeff asked for a show of hands of those members who share these concerns. Those who indicated they have concerns were Russ and Kitty Burtner, Shannon Bono, Angela Ayres and Robin Porter. Jeff stated that when the Board was formed, Ben Murphy advised there were no rules against two people from the same household holding voting positions on the Board and Faythe only agreed to accept the position of Secretary when no one else stepped forward to fill the position. Comments in favor of limiting households to one member on the Board included: 1) easy to persuade another board member and sway the vote, 2) perception of fairness by association members, 3) possibility of extended family members owning multiple homes in the subdivision which could mean three or more members on the Board from one family. Comments in favor of allowing more than one family member to hold a voting board position included: 1) the CC&R's relate to matters brought before the general membership and do not prohibit two members from one family each having a vote on the Board, 2) it is difficult to get people to step up and fill the board positions, 3) the Board votes on violations and items to be brought before the general membership and having two members from the same household does not adversely affect the community as a whole, 4) concerns regarding two family members swaying other board members or having an unfair percentage of the vote only holds true if both people vote the same all of the time. Russ suggested the Bylaws include language stating that two people from the same household can hold positions on the Board, however, they would only have one vote or the Board consist of only three members. Faythe said that she and Jeff would rather one of them resign their position rather than trying to write unnecessary language. Jeff also stated a three-person board is not feasible as there is too much work to do and they will get burned out. Jeff asked for a second show of hands for those opposed to two people from the same household holding voting positions on the Board. Those opposed were Shannon Bono, Angela Ayres, and Robin Porter. In light of the vote, Jeff tendered his resignation as President effective at the end of the meeting. Russ Burtner, Frank Bono and Paul Porter agreed to be on a committee to work on the Bylaws.

B. Board Position Opening

Russ Burtner indicated he would reluctantly accept a Board position. Russ was approved as a new Board member by a unanimous vote.

C. 2018 Budget Discussion

Paul Porter questioned if the current reserve allocation is adequate. Faythe stated that the current reserve amount will cover minor expenses such as maintaining the weeds in the lower retention pond, however, will not cover any large capital expenditures. The Board also anticipates funds remaining to be rolled over from the 2017 budget. Chris Arteaga suggested there will also be additional funds available if the management contract is either reduced or eliminated after the split with the Declarant. Pam Kirkpatrick mentioned there will still be expenditures to hire someone to collect fees and track expenditures or for bonding the Treasurer. Frank recommended that we retain Ben's services. Frank also mentioned that there was a \$24.00 per household increase in the 2017 budget. Paul withdrew his motion. Russ Burtner made a motion to approve the 2018 Annual Budget as presented. Paul Porter seconded the motion. Motion approved by unanimous vote.

D. Proposed Split from Phase III

Frank reported that Ben indicated that the Developer, Dale Ross, was moving in that direction. If the split is not concluded by the first of the year, it was suggested that HOA fees should be charged on the new lots as these lots are currently available for sale. The Board believes our HOA fees would increase by \$90.00 per household if the split was not to happen due to the number of common areas included in the new phase. The new phase will have a block wall along 42nd and Ely.

E. Point of Contact

The point of contact will revert back to Ben Murphy at SVN Retter & Company since Jeff Moore will no longer be on the Board and Frank Bono is not willing to assume this responsibility.

V. Other Business

A. Facebook Page

Pam Kirkpatrick will remove the new facebook page she developed as she was notified that Angela Ayers already has a facebook page for the neighborhood. Angela will re-name her page to be Cherry Creek Estates HOA.

VI. Adjournment

Russ Burtner mad a motion to adjourn the meeting. Paul Porter seconded the motion. Meeting was adjourned at 7:10 PM.

Respectfully Submitted by Faythe Moore, Secretary