

Continuation of Country Club Estates Homeowners Association
Special Meeting of July 4, 2002

August 1, 2002

Meeting called to order at 9 a.m. by President Mike Walsh.

Moment of Silence: Mike reported to all that the absence of secretary Barbara Hamilton was due to the tragedy of having their 9 year old granddaughter die after being struck by an auto. There is a card for everyone to sign, and if people would like to contribute a dollar towards flowers, it would be appreciated. Please see Barbara Walsh after the meeting. Let us take a moment of silence to remember Barbara and her family.

Attendance: 27 homeowners were in attendance and with the presence of Jim Reedy, a quorum was established.

Treasurer's Report: Printed report handed out to everyone. Balance on hand as of 7/31/02 in \$7,803.52.

1) Barbara Walsh asked about what we should do when something like this tragedy occurs.

Should money be taken from the budget or should separate funds be collected. Jane stated that there is no category at present in the budget for this type of thing.

2) Annual assessments: Mike reported that all but one (1) assessment had been collected, and that one will have to go to small claims court.

3) Initiation Fees: Jim & Barbara have been collecting those, in fact we received another one today. Good sign for us and for them.

Motion made by Robert Bernhardt to approve minutes as reported. Seconded by Jean Bergstrum. Passed by unanimous vote.

Action Items:

1) Change of Covenants regarding age: Covenants state every household has to have someone 55 years or older living in the house. However, the advertising says 80% need to meet that requirement. We have talked about the need to change the covenants to also say

80%. I have talked to people from the planning commission and city hall about what we need to do to change that. As a board we believe we need to do that, and we believe that for a couple of reasons:

a) We have at least 4 households that I know of where 1 member is over 55 but the other is not. Under the current law if the older person should pass away, we could ask the younger person to sell. Keeping it at 100% ties up our hands and that of the realtors as well.

b) Once we have the age survey we can know just how many openings we can have for under 55 households. Right now we have 3 openings for under 55 if we change the age requirement.

Therefore we need to change the covenants by a simple amendment:

We, as members of the Homeowners Association, in accordance with Section 7 that deals with voting in our restrictions and that says that everybody has one vote per lot except for the grantors, the Reedys, who have 3 votes per lot, and Section 32 in the Amendments. Now Section 32 in Amendments says we have to come together as an organization and we have to vote. 75% of the lot owners must vote to make the change and then all we have to do is certify that with a notary and turn it in to the county and that will become part of the county records, which is a very simple thing to do and we as the board will take care of it, if you are in agreement with us that that is what we need to do.

Here is what the amendment will say:

We will change the second sentence of paragraph one of Section 4 which is residents age requirements, from: "each occupied living unit must be occupied by at least one person who is 55 years of age or older." Now that says each, now that means every one. We want to change that to this: "at least 80% of all occupied units must be occupied by at least one person who is 55 years of age or older."

We need to take a vote and sign this paper which states: "By signing this we attest to our vote in

the affirmative of the above amendment and certify that the vote was taken at a duly noted meeting of Class A and Class B voters today at Country Club Estates."

Motion in favor of above amendment made by Max Maxey, seconded by Larry Johnson.
Discussion: Question was raised by Sharon Galbraith as to whether homes on 2 lots would have 2 votes. Mike affirmed this, for this issue only. Also a suggestion was made by Eva Myers to have a committee to monitor the age policy compliance.
Passed by unanimous vote. Paper passed for signatures.

2) Age Policy:

Policy was passed several months ago, according to HUD regulations, that we need to have an age survey done. This can be done by signing an affidavit stating one person in the household is 55 or older, or to show 2 other people some proof (license, passport, birth certificate) of being over 55.

Barbara & Jim have been doing this since they took over last September, but those who were here before that time are requested to do so today if they have not already done this.

Volunteers for this committee: Barbara Walsh, Shirley Wheeler, Carol Krum, and Moi Carrasco.

Discussion: Ben Secor said we need to make it clear it is the resident of the house, not the owner, that needs to comply.

Arleen Bernhardt questioned if this applied to renters, and Mike said yes, and that was why we needed to keep a record, as this will change as houses are bought and sold, or rented.

Keith Smith stated that we have adopted procedures for adopting HUD regulations for getting age info at time of sale/rental.

3) Clubhouse, Use and Ownership:

1) Covenants state that after 20 houses are built, a 1000 square foot club house would be built by the developer. When the Reedy's bought from Mr. Westmoreland, part of the agreement was for Westmoreland to build the clubhouse.

2) Ownership was in question and we didn't find out until recently that we have owned the clubhouse since January.

3) Certificate of Occupancy: Finally received this on July 17th or 18th.

4) Insurance Issue: When Jane checked into different companies we received only one quote we could afford. We discussed with Jim the possibility of giving ownership to him with the stipulation that we could take ownership back when we wanted. Jim said he can get insurance under his umbrella for \$485, that covers liability, fire, theft, and replacement value. He now has the insurance in place.

The board would like you to authorize the board to work with Jim to make the decision about ownership and insurance and how we deal with that.

Motion made to cover above request, by Ruth Smith. Seconded by Ben Secor.

Discussion: Arleen Bernhardt questioned who owns land, and that we should have the deed and copy of insurance policy.

Keith Smith said we should have copies of certificate of occupancy, insurance policy, and all legal issues & changes.

Jim Reedy said if we turn over the property to them, they would sign an agreement that we could have it back when ever we wanted it, and to lease us the property for cost of insurance and taxes.

Sharon Galbraith questioned if we had contacted a company that specifically covered public buildings. Mike stated Jane had checked this out with negative results.

Vote: 2 opposed, everyone else in agreement.

New Business:

1) Budget Adjustment:

At present we do not have funds in the budget to deal with this issue. therefore we need to make some adjustments to the present budget to cover these changes. The board would like approval for transferring \$2,500 from budget line items to set aside as

contingency funds, for insurance, leasing, etc., for whatever agreement is reached with the board and Jim Reedy

Discussion: Because we haven't spent what has been budgeted in Capital Expenses, Grounds and Landscaping, and in Utilities/Business, we feel we can make the following cuts:

- a) take \$800 from Capital Expenses
- b) take \$1,000 from Grounds & Landscaping
- c) take \$700 from Utilities/Business

Motion: To allow the board to change categories for \$2,500 to a contingency account to allow the board of directors to have the authority to use that money to lease or pay insurance as we decide.

Motion made by Larry Johnson. Seconded by Eva Myers.

Discussion: Eva Myers asked if this was just for this year only. Mike affirmed that this was so. Vote: 1 opposed, everyone else in agreement.

2) Landscaping:

Discussion: Many people willing to donate plants, Rent a bobcat, People volunteer labor and we do it ourselves when weather is cooler. Jim stated he already has the elastomerick paint a different color for trim, and rollers and brushes.

Everyone in agreement that we can do this ourselves.

3) Architectural Committee Report:

Addressed the application for approval of plans for a new home to be built, and dealing with the problem of weeds.

See report.

Old Business:

None

Questions From the Floor:

1) Barbara Walsh brought up two things:

a) plans to put up bulletin board for display of community happenings and to decorate the clubhouse interior

b) plans to start a community watch that had been mentioned before by Ron Evans.

Everyone in favor.

Meeting Adjourned @ 10 a.m. by President Mike Walsh.

Respectfully Submitted

Marie Miller. acting secretary