

**Hidden Cove Owners Association**

**Annual Meeting Minutes**

**October 20, 2015**

**6-8pm, Ritchins Building**

Board Members Present: Erin Ferguson (President), Gary Mayo (Vice-President), Teri Peterson (Secretary), Karen Butler, Mary Rose Young, and Caroline Rose (by telephone)

Owners present: (ERIN – CAN YOU FILL THIS OUT FROM THE ATTENDANCE SHEET) **TBA**

**Proceedings:**

- Meeting called to Order by Erin Ferguson at 6:07pm.
- Proxy vote forms were collected, and it was determined that there were sufficient members present or voting by proxy to make a quorum
- Board members were introduced, and the outgoing members (Gary Mayo and Karen Butler) were thanked for their years of service.
- Erin Ferguson stated that it is not necessary to approve the meeting minutes from the December 1, 2014 meeting, as there was not a quorum to vote so no business was decided.
- Treasurer Report: Erin Ferguson provided a copy of the Treasurer Report prepared by the accountant (Nelson and Hanson Accounting).
  - An owner had a question about whether the accounting firm is bonded, and who through. ~~The Board stated that the firm is bonded, and would follow up on who they are bonded through.~~
  - Another owner had a question about the amount of money held in reserve - Gary Mayo discussed the Article 10 contingency reserve requirement, which needs to be at least 50% of annual expenses of association (can be changed by vote of Board), and discussion followed about the need to have money in reserve for an emergency.
  - A member asked about the Building Deposit requirements and why the deposit of the home with the unfinished driveway was being held (the member pointed out that the current building regulations allow 18 months for construction, after which time the deposit is forfeited).
  - Erin Ferguson discussed the proposal by the Board to raise the deposit to \$10,000 for non-resident and \$5,000 for resident remodel. Member discussion focused on the difficulty to differentiate between a "resident remodel" and non-resident, and suggested setting a flat fee of \$10,000 or \$8,000. One owner suggested lowering the fee on a sliding scale for smaller remodel projects. The Board agreed to take the suggestions under consideration.

- An owner raised a question about consistent enforcement of the rules, and whether there was an architectural committee. Jane S and Ralph H volunteered to be on an architectural committee. Member discussion also focused on the idea of hiring a property management company to consistently enforce rules. A motion was made a seconded to evaluate the cost and advantages/disadvantages of using a property manager and what other HOA Boards are doing. The Board agreed to evaluate the use of a property manager and report back.
- Erin Ferguson also presented for discussion the idea of raising annual dues (this is an item that can be decided by the Board, but the Board wanted feedback from members). One owner mentioned that, looking at the Treasurer Report, it appears the budget is running a \$2000/year shortfall, and dues should be raised enough to cover the budget each year. Discussion also focused on whether using a property management company would result in additional fees. An owner asked about consequences for those who don't pay their dues – need a consistent process for this. The dues increase was not decided on during the meeting.
- Nomination and election of new Board members:
  - Erin Ferguson made a motion to reduce the number of Board members from 7 to 5. The motion was seconded by Teri Peterson. A majority of Board members voted to approve the motion. The Bylaws will require updating and filing with the County to reflect this change.
  - As a result, the meeting was opened up for nomination and voting on one additional Board member. Jill (LAST NAME?) volunteered. Marianne Bicksler nominated Karen Culberson, which was seconded by Jane S. After a count of votes and proxy votes, Karen Culberson was voted in as the new Board member. Jill was thanked for her willingness to serve.
- Proposed changes to Building Regulations:
  - The Board passed out proposed changes to the Building Regulations and stated that these changes were based on survey results and input from owners, and were suggestions provided for discussion and feedback.
  - Comments on the draft changes included:
    - Concern that “single-family type residence” is not consistent with CC&Rs
    - Remove owners responsibility to notify Board of tenants contact information.
    - Keep statement about owner responsibility to ensure renter follows the rules.
    - Concern that if 25% of the community becomes a rental community, certain things change and it decreases property values and may not get best rates for refinance. Suggest perhaps putting limit on how long someone can rent, or limiting rentals. Jean mentioned that you may not be able to get best rates for refinance if the community is >25%.
    - Someone stated we should differentiate between roommates and rentals.
    - Support for limiting number of people per bedroom.
    - Parking on the street is governed by the County.

