

Minutes
Lake Creek Farms Homeowners Association
Informational Member Meeting

September 5, 2013
Wasatch County Senior Center Auditorium

Approved by Members – 4/22/14

Attendance:

Board Members: Erik Felsted, President; Michael Cole, Vice- President, Kimberly Gilboy, Secty/Treasurer.

Association Members: Including the three board members, 25 HOA members attended the meeting. 23 lots were represented. There are 94 lots in Plats A-C of Lake Creek Farms, so this represented 25 percent of those property owners.

Call to Order:

The meeting was called to order by Erik Felsted at approximately 7:05 pm.

James Hoffman offered an opening prayer.

Financial Report:

Kimberly Gilboy presented the 2013 YTD financial statements (through 8/31/13) and entertained questions.

Update on Irrigation Water:

Gilboy presented an update on the neighborhood's water situation to date. Shortages appear to be somewhat better than 2012, but Lake Creek Irrigation has had to purchase some additional. LCI will invoice property owners directly this year.

We have not been able to identify a reasonably priced water meter that meets the water company's specifications. The issue is that "dirty" irrigation water is not compatible with most of the available meters.

Report on Park Phase 1:

Erik Felsted presented a PowerPoint presentation and report on the progress made during Phase 1 of the park. We were able to accomplish much more than originally anticipated due to the leadership of Mike Cole and the volunteer efforts of many neighbors.

Park Phase 2 Proposal:

Michael Cole presented a PowerPoint presentation outlining plans for a potential Phase 2 of the neighborhood park.

Members in attendance also received a 3-page written "Additional Background" document and a "Ballot for an Action by Written Consent." In the Action by Written Consent, the board requested member approval of: A loan not to exceed \$150,000 to pay for park enhancements, and an increase in HOA fees from the current level of \$20 per month (\$240 per year) to \$25 per month (\$300 per year) beginning in 2014 to allow for repayment of the loan.

Mike responded to questions and comments by members. Justin Luster recommended that the board be very clear about its policies regarding who is eligible to use the park.

Kimberly Gilboy outlined the process for the Action by Written Consent, as described in the HOA bylaws, section 2.12. Since the bylaws outline several methods for holding an election, the board consulted with their attorney, Corbin Gordon, about which method to employ for this election. It was determined that Action by Written Consent would be the fairest, least costly way to secure the needed quorum of 60 percent.

Richard Mantlo expressed concerns about the legitimacy of the voting process. Ms. Gilboy assured Mr. Mantlo that Corbin Gordon had previously reviewed this issue and helped the board to outline an appropriate process for carrying out the election.

(VOTING PROCESS: Following the process outlined in the Bylaws section 2.12, the Additional Background document and Ballot were mailed to members not in attendance at the meeting on September 7 with a request that the ballot be returned by September 14. According to the bylaw process, on September 17, any members who had not yet submitted a ballot were sent a Certified letter informing them that the vote was likely to pass. At this point, the vote was 75% in favor, 25% against, with 69% of members having voted. These members were given an additional 10 days – until September 30 – to cast their votes. With 88 percent of members participating, the final vote on the proposal was 70% in favor, 29% opposed and 1% abstaining. All ballots were signed by property owners and are available for audit.

As part of the loan approval process by Mutual of Omaha Bank in March 2014, the voting process was again reviewed by Mr. Gordon who certified to the Bank that the process had been conducted in accordance with the Association's bylaws.)

Adjournment

Following this discussion, the meeting was adjourned.