

Minutes of the CKS/E Board of Directors Meeting on December 14th, 2017

The meeting was called to order at 7:30 pm.

Board members present: Tom Majcen, Gary Englebright, Don Huff, Norman Davis, Anders Frederiksen, Becky Englebright, Pauline Gerali, Lorenzo Sammauro and Annie Berger (via Skype from Rio de Janeiro, Brazil).

Residents present: Kathy Hofstra, Lisa Coffman, Al & Marilyn Nemes, Larry Major, John La Breche, Duane Stutzman, Ryan Stadtmuller, John & Gerda Turner and Tom Steele.

President's Report: President Tom Majcen reported that he has received numerous phone calls about the flyers that were hand-delivered to most of the homes in the neighborhood. See more on this topic under New Business.

Approval of the Minutes: A motion was made and passed by the Board to approve the November 12th Board Meeting Minutes as printed.

Treasurer's Report: Treasurer Gary Englebright reviewed the monthly income, expenses and bank balances. A motion was made and passed by the Board to approve the November 2017 report as submitted. Gary explained to the audience how the dues money is now split up on the reports. The Dues Income line is computed by taking the first \$35 of each dues payment for use in the day-to-day operations of the HOA. The next \$20 dollars from each check is put into the Reserve Income item to allow the HOA to save for large expenditures such as replacing the S. Yarrow St. fence, entrance landscaping, the sidewalk from S. Pierce Way to S. Pierce St, etc. Any money in a check above \$55 is put into Special Events. He also explained that currently the HOA is at 101% of the projected income for the first two months of the fiscal year and 49.9% of the projected expenses for the first two months.

Dues Report: Presently, 380 (50.0%) of the households have paid their annual CKS/E Homeowners' Association dues, compared to 395 (52.0%) at this time last year.

Special Events: See this information under Old Business

Membership/Blockworkers: Nothing to report.

Traffic and Streets: Nothing to report.

COHOPE: Nothing to report since there was not a meeting due to the holidays.

Parks: Nothing to report.

ACC: See separate report in this Scroll.

Old Business:

- 1) The October invoice from the HindmanSanchez legal firm was \$160. A motion was made and passed to pay the HindmanSanchez bill.
- 2) The Holiday Lighting Contest will be held December 18th starting at 6 pm. Dennis and Colleen Bishop, Don Huff and Tom Majcen have visited numerous neighborhood businesses to get donations for the contest. Please see the list in this Scroll. Charlotte Bagwell and Marti Shelledy will verify that the selected winners have paid their dues. Tom will give the rules and schedule for the evening's activities to the drivers and judges prior to the start of judging. The judging will be by area, with the neighborhood divided into four areas. There will be 1st, 2nd and 3rd place prizes for each area, with the Grand Prize going to the best of the four 1st place winners.

New Business:

- 1) Scroll Editor/Board Secretary Becky Englebright asked everyone to submit Scroll articles to her no later than December 16th.
- 2) Gary received the renewal information for the HindmanSanchez contract. The Board has the choice of paying a flat fee for the entire year or paying for each time the lawyer is contacted. Gary will send out information to the Board regarding how much the HOA spent on lawyer fees for the last year to help the Board decide which way to proceed with the contract.
- 3) Tom reported that a Board member brought before the Board at the November meeting the idea of hand-delivering flyers that included a questionnaire and contest, along with asking for dues checks. This idea was disapproved by the Board as a bad idea. However, the Board member proceeded, without authorization from the Board, to hand-deliver these flyers to most of the neighborhood. This action has caused numerous problems:
 - a) Because the Board never approved any funds to be used for a contest, the contest is null and void;
 - b) Since the flyers were put in the mailboxes on the north side of Wayside Meadows Park, Federal law was violated relating to mail fraud. The Postmaster for our neighborhood has already been alerted to this violation. At this time, the Board has not received any communication from the Postmaster. However, the possibility still exists that the Board may receive a fine for this action.
 - c) The Board member also opened a post office box that had a number very similar to the HOA post office box. This caused confusion with neighbors on where to send their dues checks. The Board member received nine dues checks in the new mailbox. However, Gary announced to the Board that he would not deposit the checks since they were received under false pretenses. Gary will be contacting each individual to return the checks. The Board agreed with this action. However, if the residents still want to pay the dues, Gary is willing to accept a check from them at the time of contact. Several homeowners did question the Board member about his actions and his only response was that he regretted his action. Tom asked the Board member to consider resigning and he indicated that he would resign.
- 4) A resident indicated that the Voluntary Public Disclosures file on the website needs updating. Becky will investigate and fix any discrepancies. He also asked about the Treasurer Reports on the website. He felt that some were missing. Gary will investigate and fix any discrepancies.
- 5) Even though the covenant violation for a Board member was discussed at length during the ACC meeting, the issue was again brought up during the Board meeting. There

were two primary questions with differing opinions: a) Since he had been delivered a friendly letter about his commercial van prior to the election, was he a member in good standing as of the election? There was much discussion about what a “friendly letter” means compared to a Covenant violation letter; b) Even though he is now covering up the letters and phone numbers on his van, is he still in violation of the Covenants? There was a lot of disagreement on what the term “logo” means in the HOA’s governing documents. Tom went around the room to allow residents in the audience to speak about this issue, along with each Board member. The Board member in question spoke at length. The result was that the Board member in question handed in his letter of resignation at the end of the meeting.

6) One Board member read a prepared statement that accused three Board members of having a conflict of interest regarding the Board member with a covenant violation and thus should not be voting on any motions concerning that covenant violation. The prepared statement also included an offer from 3 other Board members to resign. This resulted in two of the Board members in question offering their resignations. After some discussion, a homeowner commented that no resignations based on this prepared statement should be accepted and that this issue should be resolved at the January 2018 meeting. This was agreeable to all members of the Board.

The next ACC meeting will be on January 11th at 6:30 pm, followed by the Board meeting at 7 pm at Deer Creek Community Church.

The meeting was adjourned at 9 pm.

- **Becky Englebright, Secretary**