

SUNSHINE MEADOWS OWNERS ASSOCIATION

General Meeting

September 26, 2007

President Pro Tem Leon Seats called the meeting to order at 6:05 pm.

He opened the meeting with the Pledge of Allegiance to the flag, lead by Treasurer, Pete Slocum, the only remaining board member representing the SMOA. The president stated that 37 properties and 7 proxies were represented (totaling 44 homes), which is not a quorum.

The minutes of the previous meeting held on September 27, 2006, were read by LJ Brown, homeowner.

Pete Slocum communicated that five existing SMOA committees are in dire need of committee members and appealed to those in attendance for help. Pete also said that greater involvement in the community's committees will produce fewer questions from homeowner and will help us have better communication and a better community. He reiterated the invitation for increased involvement by as many as possible.

Leon Seats gave the State of the SMOA Report, discussing the following:

Vague governing documents; common areas – please pick up after own pets; rules & regs., specifically overview rule 6.2, which requires owners to submit a copy of all lease and rental agreements to the SMOA prior to the unit being leased, as a matter of course. The current breach of this regulation is being remedied and fines will be levied.

Leon also talked about the community's increasing graffiti problem and gang presence and asked for help in creating a task force or committee to deal with that.

He discussed the positive outcome of the meeting with the city of Coeur d'Alene and the progress made toward the park being completed in fall of 2008. Leon relayed information from city attorney, Warren Wilson about common areas, unfinished areas, mailbox issues, etc. Gila Court signage has been corrected, a streetlight is due to be installed there at EOM October, and the H2O situation will be corrected. The city is currently negotiating with developers on many of these issues.

Leon reiterated that the maintenance of front yards is the owners' responsibility. He said that common water usage (SMOA) on homeowner's grassy swale areas need to be discussed, but that the board was thinking that \$10 per head/ year would be fair reimbursement.

Leon encouraged us to discuss changing existing CC&R's and deal with the issues of boats, RV's, extra rigs, offensive backyards, etc. He asked for committee involvement, a

7 person board, 10 people on a rules & regs. committee, spokespeople to be liaisons with the city, code enforcement, and police. He re-visited the significant need for open lines of communication. We have a web site under construction, and a phone number to call to communicate problems and opportunities.

Pete Slocum gives the financial report; those in attendance received copies of the budget and the actual profit & loss statement for the SMOA. He discussed outstanding dues, which total approximately \$25,000.00.

Leon opened the meeting for questions and discussion.

Ann Shea asked how many homes were late on dues – Leon said he thought 64

Pete said that this is the first year as “newly” organized SMOA and we’re in pretty good shape, but we need to be prepared for hidden expenses and complication.

Lee Rieken asked about the line item on budget for the park fund and was told that it was carried over from last year’s budget.

Leon said that we made need to maintain the swale area around the outside of the paved path surrounding the park, but that the city would be covering the cost for snowplowing of the path, which would be somewhat of a trade-off.

Jean Mayberry asked when the SMOA would be putting liens on homes of offending owners who owe past dues.

Pete says that they may turn them over to collection. Leon reminded everyone that foreclosures render all liens null and void.

Marlene Nelson asked if homeowners or investors owed the dues.

Pete says that a high percentage of the dues owed are by investors, most are local, not out-of-state.

Kara Adams asked if our record keeping as an association is accurate.

Pete said we’re trying to do a better job this year and these figures are considered accurate.

Larry Inger asked for a definition of HOA, which Leon defined for him. He also stated that the listing realtor was not accurate with the information on rentals and other items pertaining to his purchase of his home on Freezeout Circle.

Arthur B. Macomber, SMOA attorney stated that we might be able to go after realtors for misrepresentation with proper affidavits.

Leon asked if any homeowners present had anything in writing about misrepresented information – no one replied.

Arthur Macomber discussed his role in assisting the association and explained the governing documents and what they're made up of. He stated that they were not well crafted, tough to read and understand, not in accord with each other, and contained a lot of confusing language. He also stated that the purpose of the governing documents was to maintain common areas and enforce rule so that property valuation increases thereby protecting the investments of the individual property owners. He cited specific examples of conflicting items (3.5 & 3.7) He recommends going forward and concentrating on the future to make it better rather than spending money, time and energy to go after what has already happened (e.g. misrepresentation, etc., by realtors and developers).

Dwayne Retchke was concerned about his boat and RV parking on his side lot and wanted to make sure he was in compliance with the CC&R's.

Leon repeated that we need good people on the rules committee and need to change the rules that are vague, based on a majority vote.

Lee Rieken spoke about his concern for a shop in his backyard; was told he could have shop when he purchased but now he's told he can't. He proposes changing that rule.

Brian Rewers was concerned about many things and thought block captains could govern individual blocks as a gateway to the SMOA. Also he was concerned about the positioning of the streetlight that the city is about to install.

Leon stated again that we need good communication for benefit of everyone and until Arthur Macomber re-analyzed the docs, we had no leg to stand on.

Brooke Chariton stated that Brian Rewers had not received consensus from all of the property owners on Gila Court when he asked the city to reposition the streetlight, and that she had not been contacted. She further stated that current location for the streetlight intended by the city was fine with her and was definitely needed due to how dark the street is.

Jean Mayberry was concerned about turning down shops & sheds and allowing boats and RV's.

Larry Inger wants to build a shop and stated that he's been cited for petty violations while his neighbors have junk cars parked all over, beer cans and trash blowing across his yard, etc. He stated that we need to go after the real violators and stop worrying about all the petty stuff, like a couple of weeds in the swale, etc.

Leon stated that SM is approximately 70% rentals and we need to hit investors/owners of rental properties where it hurts, in the wallet. He mentioned collections.

Art (Arthur Macomber) said that it is a board decision to change the rules and the definitions of the rules need to be more concretely construed. We need to be reasonable and concentrate on the most important things that affect the community.

Pete distributed sign up sheets for the various committees that need to be “staffed” with volunteers from SM, among those in attendance.

Todd Olsen talked about status of plat and title property lines not being clearly defined.

Leon says he will look into it. Leon opens up nominations for the board for the upcoming year (3-year term).

Jason Roberts reiterates Roberts Rules of Order and reminds meeting of rule that one motion at a time is what is allowed on the floor.

After introducing themselves and giving brief biographies, the following new board members were elected unanimously with no opposing votes:

Leon Seats: President

Les Chariton: Vice president

Cindy Nipert: Treasurer

LJ Brown: Secretary

The advisory committee to the board is as follows, and they were elected with no opposing votes:

Dalen Gunn

Tara Smith

Stella Smallwood

Mary Gunn tells an amusing story about the “watch” moose in the woods that chased a bunch of hoodlums away one night.

Jill Ledford asks about what an arbitration committee is and is informed by Leon. She also request that the parks committee be added back to the list of committees for sign up since the work is not completed on the park yet and many need to be involved to make it all come to fruition.

Marshall Mend speaks about responsibly managing rentals and liens on delinquent owners. He says the SMOA should be charging 10% interest on the money owed. He briefly mentions that he’d like to purchase the debt at 70% and go after it himself if we don’t want to pursue it. He states that most investors want to take care of their investments and that the value of their investments go up when neighborhoods are taken care of.

Lynn Benace, representing management firm for owners who rent their properties at SM discusses need for fines to go to the management firms also so that they can respond in a timely fashion. He asked about structure for fines.

Leon states that fines are consistent with other area communities. He talks about ongoing violations vs. occasional violations – may need to change 30-day remedy to 7-day remedy. Again the need for open communication was stressed.

Neil Leonard says a good investor/owner/manager goes by the house at least once a week to make sure that the properties stay in order and that they are being cared for properly by the tenants.

Greg Gillette, who is a property manager says that owners have given power of attorney and violations sent to the property managers can be handled more efficiently and problems can be resolved much more quickly than if you just sent the owners the violations.

The meeting was adjourned at 7:58 pm.

Respectfully submitted,

LJ Brown
(as requested by Leon Seats, President Pro Tem)