

Midtown at Cottonwood Creek Homeowners Association, Inc.

Annual Membership Meeting Minutes November 18, 2021

The Midtown at Cottonwood Creek HOA Annual Membership Meeting was held via web conference. The meeting was called to order at 5:33 p.m. Present were:

Rachel Bently	President
John Rollins	Vice President
Vickie Heffner	Secretary/Treasurer
Jerry Richardson	Builder
Darren Burns	Property Manager
Jerry Huscher	Property Manager
Reagan Clark	Property Manager's Assistant

A total of 23 homes/lots were represented in person or by proxy. Roll call was conducted online by Darren along with the certification of proxies. An 21% quorum was present. All the ballot items will be decided via electronic voting online at Ezvotonline.

President's Report: Rachel stated that this year there had been no major issues or complaints. There was some runoff from landscaping that caused a bit of flooding near neighboring properties. This was addressed and fixed. Another issue was dog waste. The Board has now contracted with a company that will pick up and dispose of the waste. The last main issue was with trash service. The community is now switching to a new trash servicer and is in the process of getting the old company to pick up trash totes. This year the Board is reducing from a 5-member Board to a 3-member Board. She then thanked the community members for being so great and making everything so easy for the Board.

Financial Report: Darren presented the financial report. The Association finished September with \$84972 in cash. There is \$6540 of accounts receivable. The total in reserves is \$69835. He then explained what Edward Jones CDs are since there is some money from reserves invested there. Year to date, the Association is under budget, but reserves of \$6000 have not been allocated yet. This will be rectified at the end of the year because the excess money from cash operating will be placed in reserves. The spreadsheet from CINC may have money allocated to the wrong line item on the spreadsheet. Right now, the bookkeepers are going through each spreadsheet to fix this. The association was charged for taxes this year since the builder still had partial ownership of the HOA. Next year there will be no taxes since HOAs are a nonprofit and the builder does not have partial control anymore.

51% of all the owners in the Community must reject the budget for it not to be ratified. The 2022 budget does not include a dues increase. Total projected expenses are expected to drop by approx. \$221. The costs are staying close to the same as last year, although there is a lot of variances in the amount associated with each line item. A reserve study is needed to make sure the reserves are properly funded for any future maintenance. Reserve studies are extremely helpful, especially when an HOA is first established to keep the association on track. Classic has been great and has stayed with Darren's projected budgets, so the current reserves are well funded. The budget was automatically ratified but was also approved via online votes with 20 in favor, 1 opposed and 2 abstaining.

New Business: Pursuant to the Bylaws, one Board position is vacating and needs to be filled again for a 3-year term. John Rollins volunteered to serve again. Darren opened the floor for nominations and there were none, so Darren then closed nominations. Since there was only one position to be filled, and one candidate, John Rollins was elected by acclamation on a motion from Rachel Bently.

Open Forum: Kerry thanked the Board for addressing the issues from the homeowners. She also had a question on how the rules and covenants are enforced. Rachel explained that Z and R will write letters to the specific homeowner about the issues. If a homeowner notices any issues or if there is anything broken or wrong in the common area, please email Z and R to let them know. Another homeowner brought up the landscaping on the creek side. This landscaping was meant to resemble the natural creek landscaping and blend. Maintenance of the natural area will be addressed with the new landscapers. The next issue that was brought up was in regard to communication with the homeowners. The Board is going to communicate with the homeowners more next year. The last issue was about the cracks in the sidewalk. The Board explained that they went on a walkthrough with Classic and documented everything. The cracks have not been fixed yet due to city involvement with the sidewalks. This will be taken care of in the future. There being no further business, the meeting was adjourned at 6:20 p.m. Officer positions and Board terms are as follows:

		<u>Board Term Expires</u>
Rachel Bently	President	2023
John Rollins	Vice President	2024
Vickie Heffner	Secretary/Treasurer	2022

Vickie Hefner
Treasurer / Secretary

Reagan Clark
Property Manager's Assistant