

Rainbow Springs Community Club

Annual Meeting Minutes

April 23rd 2016

Rainbow Springs Annual Shareholders Meeting The meeting was held at the Granite Falls Alfys Pizza

The Annual Shareholders meeting was called to order at 1:11 PM by President Vicki Jans. President Jans Welcomed the Shareholders and introduced the Board of Directors. Also in attendance were board members, Vice President John Angell, Board of Trustee Parliamentarian-Trustee Kevin Hayes, Trustees, Warren Rainville, and Kenny Jans, and Business Ops employee Annette Blandino. Also present were 72 community members.

President's Report: The president reviewed the projects completed in the past year and made the point that the board was in need of volunteers to get involved. The board was limited to what it could do because of being spread so thin. It was mentioned that the board of directors currently has several openings. President Jans invited all to come to meetings and get involved. She also made a comment about Nextdoor not being the official source of information for Rainbow Springs

Vice Presidents Report: The meeting etiquette was reviewed. Questions and comments were asked to be held until the end of the meeting agenda.

Secretary's Report: The Meeting Minutes were read from the 2015 Annual Shareholders Meeting. A motion to accept the Meeting Minutes as presented was made by Kevin Hayes. The motion was seconded by Kenny Jans and all were in favor.

Financial Report: The Financial Report and account balances was presented by Annette Blandino, who reported the 2013-2014 income of \$46,690.00. Expenses totaled \$72,911.00 including paving. It was reported that despite vigorous collection efforts unpaid balances at year's end totaled \$14,928.00. Also reported was the rise in operations costs. Two shareholders questioned why we need to have a reserve fund. Kenny Jans explained the new state requirement to keep funds in reserve for costly repairs.

Those same two shareholders questioned the legality of having a married couple on the board of directors. They had mis-interpreted the Bylaw giving one vote per married couple (as lot owners) with limiting board of director's votes. The Bylaws do not prohibit married couples serving, and voting individually, on the board of directors. It was shared that there have been married couples serving together on the board several times in the past.

New Business & Special Requests: Trustee Kevin Hayes did a line by line review of the 2016-17 Budget Proposal explaining each item. Kenny Jans provided an in-depth power point presentation to highlight the condition of the roads and the need for the recent \$200.00 paving assessment. Also included was a cost comparison of other HOA Dues amounts in the area.

The findings were that our dues were the lowest by far, for what we offer, and that paving was the single most expensive item in our operation. A very lengthy debate and discussion followed.

One shareholder questioned whether repairing the sinkhole in Rainbow Drive was emergent. It was revealed that a giant rotting tree was discovered under the paved road creating the sinkhole, which caused a dip in the road that was dangerous to navigate. After a much discussion, it became evident that the road work that needs to be done over the next few years will require the dues to be more in line with that increased expense.

Trustee Kevin Hayes did a line by line review of the 2016-17 Budget Proposal explaining each item. Kevin Hayes also addressed the reserve fund, and the rising cost of liability insurance. One resident asked for more communication from the Board regarding the status of the roads.

A motion was made by Kevin Hayes to accept the 2016-17 Budget Proposal and rise the dues from \$230.00 to \$240.00. The motion was seconded. And all but four were in favor. Shareholders were encouraged to call for a payment plan if needed.

In other new business, the new keypad was discussed. The keypad will require a new more secure remote control, with specific codes assigned to each lot owner. It was also revealed that Kevin Hayes donated a new DVR system and surge protector. The hope is that someday the system will strictly be a remote system. Also discussed was the damage done to the gate rollers by someone spraying them with WD-40, which is not the manufacturers recommended lubricant for the rollers, and lead to them failing. Also because of vandalism we are down to one camera at the gate.

The need to repaint the speed bumps was discussed and Vicki Jans let the shareholders know that we have the supplies to paint them, we just need volunteers. She encouraged people to call the hotline to volunteer.

Kevin also discussed that the new Bylaws re-write is ready to go to the attorney for review. The rewrite is intended to bring the Bylaws to current standards and to strengthen the wording to aid in our collections process. Once completed all lot owners will receive a copy of the Bylaws, and a special meeting will be held for community input, to review line by line before going to the shareholders for a final vote. The main need for the strengthening of the collections process is to allow the association to go after the person with the debt, instead of placing liens on their property only.

One shareholder who owns 4 lots requested that he be allowed to pay only one dues. A discussion followed. The current Bylaws prohibit that. It was suggested he do a boundary line adjustment and merge his 4 lots.

A motion was made to take the idea of adding horseshoe pits, and playground equipment to a community wide vote of shareholders was made. It was recommended instead that we first get quotes for cost of playground equipment and insurance quotes. Playground equipment was voted on by the community years ago and turned down because of the added cost. Volunteers are needed to research the cost implications. Also, a motion was made by a shareholder for a

community wide shareholders vote allowing residents to have chickens. The motion was seconded. After a vigorous debate a vote was made by those present whether to take the chicken issue to a community wide vote. The vote was tied, so it was determined that a vote will be sent out to shareholders to see if there is support to amend rule 22.

The board of directors asked for nominations for new board members. The need for more board members to operate with the required quorum was discussed. Six people indicated they might be interested, and were urged by the president to start attending monthly board meetings to see what is involved in serving.

A motion was made by a shareholder to remove a board member. However, the board member in question is no longer a voting board member, but instead hired as an at-will parttime employee and has no voting status with board of director's issues.

Also discussed was the need to stop speeders in the community. Some shareholders favored more speed bumps. The issue of speeders has always been a problem. It was suggested that we try to get one of those portable speed limit indicators to highlight the issue.

A thank you was given to those who volunteered to serve the community in the last year. Kevin Hayes recognized Jeff Baus for his many hours of volunteering and, also those who showed up for the work party. Also, thanked for keeping the entrance trimmed was John Yauger. Warren Rainville was recognized for his years of service on the board and it was announced that he was retiring. Those who attended the meeting were thanked for coming, and for being respectful.

Meeting adjourned at 5:23PM by President Vicki Jans