

DRAFT
CHERRY CREEK SPRINGS HOMEOWNERS ASSOCIATION, INC
ANNUAL MEETING MINUTES

DATE:	Wednesday October 3, 2017	
TIME:	Registration	5:30 P.M.
	Annual Meeting	6:00 P.M.
PLACE:	Ray Kilmer Elementary School (gym) 4285 Walker Rd Colorado Springs, CO 80908	

- **Call to order:** CCS President, Norman Habermehl, called the 2017 CCS annual meeting to order at 6:10 PM. While the final count of proxies was being reviewed, the Board members introduced themselves. Secretary of the Board, Jim Bowlin, and Treasurer of the Board, Joy Griffin, were both present. The owners and residents present introduced themselves and stated their addresses or lot numbers.
- **Certifying Proxies, Quorum & Proof of Meeting:** The quorum requirement is 50% of the owners, which is 58 owners in total. The final count was confirmed to be 80 owners represented in person or by proxy. Quorum was established. Proof of Meeting announcement was established by email announcement and the mailing dates of the meeting packets.
- **Approval of Previous Minutes:** Secretary, Jim Bowlin, stated that the October 2016 annual meeting minutes had been posted on the website for community review since February. The Secretary called for a motion and a second to approve the October 5, 2016 annual meeting minutes as posted. Motion carried, with all in favor and none opposed.
- **Officer Reports**
 - **President: Overview of 2017 Accomplishments and Goals for 2018:** President, Norm Habermehl, reviewed the President's Report. Highlights included terminating Associa, our HOA management company, and returning to self-governing; establishing our own financial records; and ceasing monthly drive-through inspections, accomplishing self-policing by accepting written complaints from residents. The President acknowledged that the latter point has received mixed reviews from members. The Board also completed a comprehensive review of policies, which included establishing a new policy on water consumption, revising six policies required by the Colorado Common Interest Ownership Act (CCIOA), and developing a Seller's Disclosure Guide for members selling their homes. Board efforts to control noxious weeds throughout the community resulted in significant reduction in weeds in both the Common Area and on individual

lots. He reported that 11 homes were sold during 2017 and four homes are currently listed for sale. The Board reviewed requests for chickens, honey bees, and donkeys under paragraph 32B of our covenants, and raised questions about community interests in the application of this rule. Recommendations for 2018 include review of CC&Rs and bylaws, update of the records management policy, decisions on future actions regarding the historic barn on Hodgen Road, improvements to trails in the Common Area, and improvements to drainage in the Common Area.

A question was raised regarding covenant enforcement and the lack of drive-through inspections. In responding discussion, the community overwhelmingly voiced support of the current approach of the Board only responding to reported complaints.

- **Treasurer: 2017 Financial Review:** Treasurer, Joy Griffin, reported that both the audit and our 2016 tax filing were scheduled to be completed the following week. She reported balances of \$41,993.40 in the Operating account and \$5,830.49 in Reserves. Only one owner has an outstanding statement; a lien has been placed on that property. Ratification of the 2018 budget was postponed until after presentation of the committee reports.

- **Secretary:** Secretary, Jim Bowlin, reported that the Policy Procedure; Meeting Policy; Community Standards, Code of Conduct & Conflict of Interest Policy; Alternative Dispute Resolution Policy; Investment Policy; and Covenant Management Policy were all revised and posted to the website. He stated that the documents on the website were unsigned versions only to save space, since pdf files created in MSWord are much smaller in size than scanned versions. However, the unsigned version versions are exactly the same as the signed versions in the HOA's permanent records.

The Secretary also reported on the Board's desire to get community input on key topics such as application of paragraphs 31 and 32B of the covenants. He stated that one member was still concerned over the 2016 survey conducted by the Board on acceptable trailer length, despite repeated communication on the topic. He also clarified that the draft revisions to paragraph 31 that had been distributed to the community were the product of a committee and were not necessarily sanctioned by the Board. They were a set of strawman options intended to foster discussion, not a final proposal intended for approval or rejection. The Secretary also conducted an informal poll related to alternative animals that might be approved under paragraph 32B of the covenants. Results indicated that the community is largely in favor of approving moderate-sized chicken flocks for educational purposes, but evenly split on other potential personal use animal applications.

- **Committee reports**

- **Architectural Committee:** Rick Pavek, Chair of the AC, reported that the committee has held 6 meetings so far during calendar year 2016, reviewed 16 applications, and revised AC Policy 13, which addresses the parking and screening of vehicles and trailers.

- **Common Area Committee:** Chairperson Monique Habermehl summarized the work of her committee in maintaining trails in the Common Area, haying operations for 2017, and planning repairs for the decaying large culvert.
- **Social Committee:** Chairperson Donna Bailor reported on the community's appreciation of the Black Forest Band at the Valentine Social, and that 26 members attended the summer picnic at Fox Run Park in September. The Committee will plan two events again in 2018.
- **Water Monitor:** Rick Schooff reminded members of their responsibility to report annual water usage on 1 November, and reported that our community usage is well below the permissible collective average. He also fielded a question on the safety of weed spraying in the Common Area, stating that Mitch Rohr is a licensed professional who uses only approved chemicals.
- **Barn Restoration Committee:** Jeremy Johnson addressed the recent clean-up activities around the barn and thanked the participants. He also presented members with options to consider for selling the barn property, demolishing the barn, or restoring the barn. He informed community members that if the decision is to restore the barn, the committee intends to investigate grants from the State Historic Society (perhaps forming a 503(c) organization) and the potential for tax credits. He also stated that Justin, who has previously performed some of the restoration on the barn, has materials that could be used in the restoration. The Board conducted a vote of owners present to get the sentiment of the community for expending HOA funds to sustain the barn property. Among the options of spending \$25-50,000 for restoration, \$10-15,000 to save the physical structure, or spending no funds pending selling or destroying the barn, saving the barn received the most votes.
- **Maintenance Committee:** Chairperson John Lorme presented a status of maintenance needs in the community. He reported that wooden fencing typically has a 10-year lifespan, and our fencing along Hodgen Road is approaching that limit. Several repairs were needed in that fence this summer. Additionally, the barbed wire fencing along Walker Road is in very bad condition and should be replaced. A gate is needed to control access to the barn, and holes need to be drilled in the water basin there to allow water to drain and eliminate it as a hazard and breeding ground for insects. He also reported that bridges throughout the common area have approximately three years of service life remaining. Finally, John supported Jeremy Johnson's assessment of the dangerous structural safety of the barn and encouraged residents to stay clear of the building.
- **Hay Committee:** Janelle Price-Smith, co-chair, reported that the Common Area grass was collected in large bales this year in exchange for aerating services. The committee is seeking bids for mowing and collecting in square bales for the 2018 haying season.
- **Paragraph 31 Revision Committee:** Chairperson Doug Walters echoed the earlier request for continued community input on the strawman revisions to Paragraph 31 of

the CC&Rs. He emphasized that the covenants addressing vehicle storage and parking still needed modification, even with the recent changes to AC Policy 13.

- **Ratification of the 2018 Budget:** Treasurer, Joy Griffin, summarized the proposed 2018 CCS budget, which was included in the annual meeting mailer packet, and also available at the meeting. The Treasurer explained variances between the 2017 and 2018 budgets; the most significant being proposed Capital Improvement expenses for culvert and barn repairs of \$4,000 and \$12,500, respectively. These major expenses are able to be added without an increase in annual assessments because we have accrued a significant balance in our Operating Cash account. The CCS 2018 budget was ratified by a voice vote, with the majority of votes cast in favor and only one opposed.
- **Election of Board of Directors:** President, Norm Habermehl, and Treasurer, Joy Griffin, both committed for another term; Doug Walters self-nominated prior to the annual meeting. The President made a call for any nominations from the floor. Bill Anderson was nominated from the floor, and the nominations were closed. Norm Habermehl, Joy Griffin, and Doug Walters were elected by a majority vote of the secret ballot.
- **Member Education** – Secretary, Jim Bowlin, introduced David Firmin, the managing partner of Hindman Sanchez, our legal counsel. Mr. Firmin discussed a variety of reasons that HOAs should consider revising and updating CC&Rs and bylaws, including changes in Colorado laws, evolution of neighborhoods away from developer/builder interests, changing demographics of the community, and shared common interests of residents.
- **Election of Architectural Committee Member:** There were two AC positions up for election for three year terms. Bill Brooks and Dave Bailor self-nominated prior to the annual meeting. The President made a call for any nominations from the floor. Ray Doble was nominated from the floor, and the nominations were closed. Bill Brooks and Dave Bailor were elected by a majority vote of the secret ballot.
- **General Q&A and Discussion:** Mr. Firmin fielded numerous questions from the community on a variety of topics.
- **Adjournment:** The CCS 2017 annual meeting adjourned at approximately 8:35 PM.