

The Park Homeowners Association Annual Meeting

December 2, 2019

The Park HOA Annual Meeting was called to order at 6:30 p.m., at Cross Road Church. A quorum was established with forty-seven households represented. (Copy of Sign-In Sheet and Proxy Forms Attached to Official Minutes)

Approval of Agenda: By consensus of those present, there were no changes to the published agenda.

Approval of Minutes: Dale Reed moved, seconded by Michael Owen, that the minutes of the December 10, 2018 Annual meeting be approved as printed. Motion carried.

Nominating Committee Report: Mary Reed, Chairman of the Nominating Committee, introduced the nominees for the two-year appointment to the HOA Board of Directors effective 1/1/2020. Each nominee spoke briefly, providing their background and years within the neighborhood. Mary expressed appreciation to the other members of her committee (Ray Bachman, Susan Dudek, Kay Esau, and Bill Packard) who helped identify potential Board members.

Vergil opened the floor for additional nominees from those present. There being none, Mark Borofsky moved for approval of the current slate of candidates. The motion was seconded and carried. The following three homeowners were elected (via paper ballot) to serve during the 2020-2021 term: Jan Capps, Steve Carter, and Jim Fallis.

Note: Cindy King, Karen Shope, and John Williams counted ballots on each agenda item requiring a paper ballot vote. (Tally Sheet Attached to Official Minutes)

President's Report: Vergil Esau commented briefly on the "Yard of the Month" program that was instituted during this past year, noting that there were many yards that deserved recognition, even though only one yard was officially selected each month May – September. He also noted that the Board had issued written notices to homeowners and renters who needed to mow and/or clean-up around their property. He expressed appreciation to the original three Yard of the Month committee members who started this program: Deb Barnett, Jan Capps, and Janelle Oliver.

Vergil provided some brief background on the proposed "***Policy on Term Limits for HOA Board of Directors***", citing the advantages of having new members rotating on the Board to avoid "burn-out" by Board members and noting that this policy can be changed or deleted at any annual or special meeting of The Park Homeowners Association by 50% +1 of those homeowners present. Mary Reed moved, seconded by Ray Bachman, that this policy be approved as printed. Motion carried, with one dissenting vote. (Policy Attached to Official Minutes and Posted on the HOA Website)

The proposed change to the ***HOA Covenants, Section 21. Rental Properties***, was presented for review and discussion. Vergil noted that the major change relates to the proposed language that only those homeowners/investors who have notified the HOA that their property is a "rental property" as of 12/31/2019 would be grandfathered in to rent their property until such time as it is sold. Going forward, no additional rental properties would be allowed, and once a rental property is sold, it would no longer be exempt from this covenant change and only the owner could reside within the property.

Exceptions to this covenant change include the ability of immediate family members (parents, grandparents, siblings, and/or children) to rent the homeowner's property, and/or if the homeowner is in the military and reassigned for not more than 18 months, he/she could rent the property.

Bill Packard moved, seconded by Michael Owen, that the HOA submit this proposed change to the HOA for approval. (Note: Changes to the HOA Covenants require 50% plus one approval by all homeowners.)

Additional discussion ensued as follows:

1. A suggestion was made to make an exception for the homeowner who wants to take in a "renter" who is not a family member. It was noted that as long as the homeowner still lives in his/her property, they can "rent" a room to a friend and/or share living expenses - the same as any other individuals who live together but are not legally married.
2. Concern was expressed about properties that are leased/rented as Airbnb's and/or properties that are sold via foreclosure and/or auction to investors/corporations. It was noted that it is the responsibility of the realtor and title company to ensure that buyers are aware of all Bylaws/Covenants restrictions when selling a property.
3. A question was raised about the "effective date of 12/31/2019" relating to notification of rental status. It was agreed that this date should coincide with the date in which the Section 21 of the Covenants receives final approval.
4. It was noted that the impetus for this change was due to behavioral issues at the pool by renters, and general maintenance/upkeep of the rental home's exterior/yard.
5. It was suggested that if fines are levied against rental properties that do not adhere to the HOA Covenants, the same fines should be applicable to owner-occupied residences who fail to follow the Covenants.
6. The issue of being able to enforce this change going forward when dealing with investors who have deep pockets and legal fees that the HOA would incur. It was noted that other HOA's have already tested this issue in the courts, and there is case law that would support this change.
7. Concern was expressed about our local economy dropping and homeowners who are unable to sell might want to rent their property if they are forced to take a job in another city.

There being no further discussion at this time, a paper ballot vote was taken: 24 "no" votes and 19 "yes" votes. The motion did not pass.

Mark Borofsky moved, seconded by Mary Reed, that the Board appoint a committee to review the proposed language and additional edits to Section 21 of the Covenants and submit a resolution within six months. The motion was seconded and carried, with one dissenting vote.

Treasurer's Report: Jim Fallis presented the FY2019 Financial Report for the HOA which shows projected revenue by year-end of \$65,008.66 (\$9,583.66 over budget) and projected year-end expenses of \$49,357.59 (\$6,067.41 under budget). He also presented FY2020 budget projections, noting that most line items within the budget are based upon a 5% increase over the previous year's budget. Jim indicated that the FY2020 budget is based upon a revenue of \$56,100 and expenses of \$53,558.11, which will provide for a projected 2020 year-end cash of \$32,221.89 after deferred maintenance expenses (\$4,820 for sidewalk repairs and \$8,500 for pool deferred maintenance repairs/replacement). He further explained that the budget allows for \$28,000 to be set aside in two deferred maintenance accounts and \$5,000 in checking.

Jim also reported on past due collection activity, noting that the Board had voted to actively pursue dues collection from all property owners with accounts overdue by one year or more (eleven accounts) by offering to forgive late fees. Two of the eleven accounts were subsequently sent to collections, and seven of the accounts were paid in full,

Jim also updated homeowners on the outcome of the July, 2018 pool vandalism incident, noting that the four juveniles were arrested thanks to Ray Walker (former Pool Chairman) spending many hours reviewing security tape footage. He stated that two of the four vandals have been sentenced; one has paid \$1200 towards the \$3,700 in damages which the HOA has requested restitution. One individual has been placed on probation until the total amount has been paid, and the other two individuals will face sentencing hearings on December 9 and December 11. Jim indicated that the judge is expected to sentence the last two individuals to probation until such time as the HOA is fully reimbursed.

Following brief discussion, Rob Hartman moved, seconded by Mark Borofsky, that the 2019 Financial Report be accepted and the 2020 Budget be approved as presented. Motion Carried.

Vice President's Report: Lee Nutter reported that he had met with three contractors to obtain quotes on the possible construction of either a Pickleball Court or Basketball Court to be built next to the HOA pool or near the tot playground area. The estimated cost of the pickleball court which would include fencing on the back side, but not lighting, was \$17,500 and \$14,800 for a full basketball court with fencing around the entire area, but no lighting. Lee noted that these quotes include needed excavation of the ground area and retaining walls. There was brief discussion in which it was suggested that that the HOA should explore other options that would benefit more residents and not be "seasonal" in use. A paper ballot vote was subsequently taken on whether to pursue a capital improvement project in 2020 (which would require approval from 75% of the membership). Those present voted 19 in favor to pursue a project in 2020 and 24 voted not in favor.

Secretary's Report: Cindy Ainsworth reported that the HOA Directory was distributed electronically to residents and renters via email in May, and that she plans to distribute an updated copy after the first of the year which will include the eleven new homeowners to our neighborhood in 2019. She commented briefly on the updates to the HOA website that include new forms which may now be completed and submitted online (i.e., request for a pool card, the architectural review form used for requesting approval to install a fence, roofing material replacement, and/or other structural changes to your property). She also stated that the Rental Notification Form has been added online (to be completed by all landlords when renting property). Cindy further noted that the HOA has identified 25 rental properties within the HOA.

Pool Chairman's Report: Dave Mueller updated those present on pool issues over the past summer, noting that the Board started out the year with seeking vendors who would bid on the HOA's pool maintenance contract which had expired as of 12/31/2018. The contract was subsequently awarded to Integrity Pools which did a good job of keeping the pool clean and the water clear, especially with the reduced number of days in which they provide service (daily in previous years vs. four days/week in 2019). Dave further outlined the repairs which are needed at the pool (pump repairs, valve replacement, rotting posts under the pergola, improper pipe fittings, larger chlorine feeder tube, repair pool steps, and replacement of the pool cover for both pools).

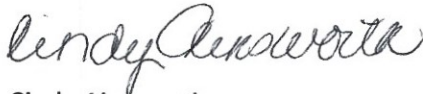
Grounds Chairman's Report: Donovan Karber expressed his appreciation to the neighbors who volunteered their time and talent to help with the upkeep of our neighborhood grounds. He also provided the following update on grounds activities during the past year:

- Over 35 residents helped with the spring clean-up on April 6th
- Repaired signs that were broken throughout the commons area
- Rebuilt the sprinkler backflow and installed a new irrigation controller with the help of Grant Delmar, Ron Means, Richard Schnitzler, and Billie Vines.
- Steve and Angela Carter volunteered their time and plants to spruce up around the entrance sign on Glacier & Yosemite.
- Trimmed trees in the commons that were encroaching on residents' property as well as raised the canopy on many of the trees in the commons area. Homeowners were encouraged to identify any trees within the commons area that need attention as we will be trimming more trees in 2020.

2018 Audit Report: Vergil Esau referenced the audit of the HOA Financial Records which was conducted by Richard Schnitzler, Roger Moppin, and Mary Reed and presented to the Board in June, 2019. (Note: A copy of this audit was emailed to all homeowners with the June 3, 2019 Minutes, and posted on the HOA Website. Mark Borofsky moved that this report be approved as printed and that the HOA express its appreciation to the committee members who conducted and prepared the audit report. The motion was seconded and carried.

Door Prize Drawing: The winner of the door prize drawing (exemption of two quarters HOA dues in 2020) was John Williams.

Adjournment: Deb Fallis moved, seconded by Mark Borofsky, that the meeting be adjourned. Motion carried.



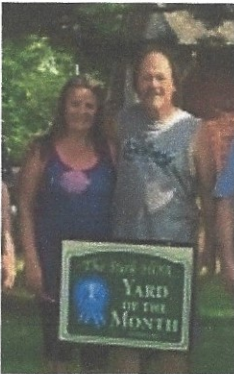
Cindy Ainsworth
HOA Board Secretary

**The Park Homeowners Association
Slate of Candidates – 2020-2021 Board of Directors**



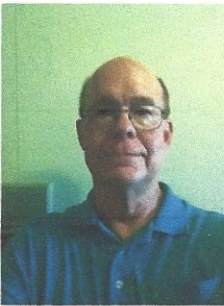
Jan Capps
2518 Glacier Drive.

My husband and I moved here in the early 1980's. We raised our two boys here and have enjoyed watching the neighborhood grow around us! I retired from the Goddard School system and work part-time in retail. We are fortunate to have a good group of volunteers, and it would be good for that to continue and more homeowners to become involved. I would like to have homeowners held more accountable for their rental properties.



Steve Carter
2635 Glacier Court

My wife Angela and I have lived in The Park for 14 ½ years. We have two adult, married children (Bryan and Shelby) and 7 grandchildren. I worked at Derby Refinery for 12 years until it closed. Currently, I work in hotel maintenance. I would like to get to know more of the people in our Homeowners Association and find out what they would like to see happen.



Jim Fallis
2534 Glacier Drive

My wife Deborah and I have lived in The Park for 17 years. I am retired from the U.S. Postal Service, having worked there for 33 years, and the last 25 years in Financial Management at USPA. I have served one term on the HOA Board as Secretary in 2018 and Treasurer in 2019. My goals are to maintain the financial health of the HOA, and to serve the wishes of the residents in regards to improvements and maintenance.



Barb Gaul
2422 Denene

My husband Alan and I have two married daughters and 6 grandchildren. I am semi-retired after having worked 38 years in Public Relations/Administration positions. I am currently working in sales for Ron Grayson, a home decorating store. My goals are to continue the upkeep of our pool, playgrounds, ball field, and common areas. I would also like to encourage neighborhood pride of property, promote more "get acquainted with your neighbors" and encourage all to welcome newcomers. I'm always open to new ideas.



Janelle Oliver
2418 Denene

I have lived in The Park for 1 ½ years and have three adult children (two who live in Western Kansas and one in Kansas City). I retired from a long career as a Registered Nurse, having worked in hospitals, teaching in nursing programs, was a travel nurse, and also worked in nursing administration. I have no particular goals or changes to promote. Love living in “The Park”.



Michael Preston
10201 Pawnee Court

My wife, Mary, and our 18 year old granddaughter, have lived in The Park for one year. I am retired from my career as a pharmacist. I would like to continue the great work and guidelines to keep our neighborhood beautiful and property values up. I would also support the initiative to allow no more new rental properties within the HOA.

The Park Homeowners Association

Proposed Policy Regarding Term Limits - HOA Board of Directors

Since Section 1.5 of The Park Homeowners' Association Bylaws does not address term limits for homeowners who are elected to serve on the HOA Board of Directors, the Board recommends the following policy be presented for review and approval at the 2019 Annual Meeting of The Park Homeowners' Association:

“No Director may serve more than two, two-year terms (or 4 consecutive years); however, the Director may run for re-election on the Board after a one-year recess. This policy may be rescinded or revised at anytime by a simple majority of the homeowners present at the Annual Meeting or any Special Meeting of The Park Homeowners' Association.”

Recommended by the HOA Board of Directors: September 9, 2019

Adopted & Approved by The Park Homeowners' Association: December 2, 2019

Paragraph 21 of the Park Homeowners Association Declaration of Covenants as amended and restated January 10, 2017 is hereby rescinded and the following adopted in its place. All other provisions of the Park Homeowners Association Declaration of Covenants not hereby amended remain in full force and effect:

21. Rental Property.

- 21.1. No lot or dwelling unit may be used for any purpose other than a single family residence.
- 21.2. No lot or dwelling unit may be rented to or occupied by any person other than the titled owner or owners and immediate family (collectively, "Homeowner"), except: (a) during the temporary period of absence of the Homeowner(s) due to service in the armed forces of the United States of America; (b) during any other temporary period of absence of the Homeowner(s), not to exceed eighteen (18) months. For the purposes of this section, "immediate family" includes the Homeowner and the Homeowner's parents, grandparents, children and grandchildren.
- 21.3. The provisions of this section will not apply to dwelling units which are rented by the Homeowner to one or more non-owner residents on the date of the adoption of these covenants. For all such rental arrangements, the following covenants apply:
 - 21.3.1. The Homeowner is liable to the Park Homeowners Association for all breaches of the covenants and bylaws by the Homeowner, tenants and/or guests, including without limitation clean up of trash or debris, mowing, or other upkeep, use of the dwelling unit and common areas, and payment of Park Homeowners Association dues, as required by the covenants or by-laws now existing or as may be amended.
 - 21.3.2. No later than December 31, 2019, the Homeowner renting a dwelling unit to a non-owner must provide the Park Homeowners Association, in writing, with the full names of all tenant occupants, telephone and email contact information for all occupants; confirmation that the Homeowner has provided the tenants with the Park Declaration of Covenants; and the current address, telephone number, and email of the Homeowner.
 - 21.3.3. The exception described in this paragraph 21.3 will continue until the conveyance of any full or partial interest in the dwelling unit, by deed, operation of law, or in any other manner, to any person or entity not in title as of the date of the adoption of these covenants; at which time the exception will become automatically inapplicable to the dwelling unit. No interest in the dwelling unit may be transferred unless all violations have been corrected and all fines paid. In the event of transfer or attempted transfer of an interest in the dwelling unit, unpaid assessed fines will remain collectible by the Park Homeowners Association against the Homeowner.

21.4 The provisions of this section 21 may be enforced by the Park Homeowners Association in the following manner:

- 21.4.1 In the event of the violation of this section 21, the Park Homeowners Association may provide the Homeowner, and if applicable the dwelling unit tenant(s), written notice describing the violation and stating the action to be taken to correct the violation.
- 21.4.2. The Homeowner and, if applicable, the tenant(s) will have 14 days after the mailing or delivery of the notice within which to correct the violation described in the notice.
- 21.4.3. In the event of failure to correct the violation within the 14 day period, a fine of \$250 will be assessed on the 15th day against the Homeowner. If the violation has not been corrected by the 30th day after notice of violation has been given to the homeowner, a fine of \$500 will be assessed; and a fine of \$500 will be assessed each 30 days thereafter until the violation is corrected. The total of all assessed fines will become a consensual lien against the dwelling unit, prior to all other liens or interests except ad valorem real estate taxes, and may be enforced by lien foreclosure, direct action by the Park Homeowners Association against the Homeowner, or both. In addition, the Park Homeowners Association may prohibit the Homeowner's tenants, if any, from use of the common area spaces and facilities until the violations have been corrected.
- 21.4.4. A failure to enforce the Park Homeowners Association remedies for any violation of these covenants or by-laws will not operate as a waiver of the same or any future violation.

21.5 Notice given under this section 21 may be served as follows:

- 21.5.1. If to the Homeowner, by personal delivery of the written notice, or by certified mail, return receipt requested, postage prepaid, addressed to the homeowner at the most recent address given to the Park Homeowners Association by the homeowner.
- 21.5.2. If to the Homeowner's tenant(s), by personal delivery of written notice, or by posting the written notice at a conspicuous place of ingress and egress at the dwelling unit.
- 21.5.3 If to the Park Homeowners Association, by personal delivery to the Park Homeowner's Association President then serving, or by certified mail, return receipt requested, postage prepaid, addressed to Park Homeowners Association, PO Box 12682, Wichita Kansas 67277-2682.
- 21.5.4. Mailed notice will be considered served when properly addressed and deposited in the United States mail. Failure of delivery will not constitute a defense to mail service which is made as provided in this section 21.5.

Revenues

Homeowners Dues
Late Fees
Initiation Fees
Pool Keys
Interest Income
Pool Damage Recovery
Total Revenues

	2019 Budget	2019 Actual	Budget less Expenses YTD
Homeowners Dues	\$52,800	\$60,170.63	\$7,370.63
Late Fees	\$1,000	\$1,953.74	\$953.74
Initiation Fees	\$1,500	\$1,590.91	\$90.91
Pool Keys	\$100	\$50.87	-\$49.13
Interest Income	\$25	\$42.51	\$17.51
Pool Damage Recovery			
Total Revenues	\$55,425	\$65,008.66	\$9,583.66

2020 Proposed Budget
\$55,000.00
\$1,000.00
\$100.00
\$56,100.00

Positive # under budget

Negative # over budget

Expenses

Accounting
Legal Fees
Garage Sale Expenses
Office Supplies Expense
Lien/Collection Fees
Postage
Printing
Block Party/ Community Event
Maintenance Expense/Comm
Projects
Security
Website Maintenance
Filing Fees
Mowing
Tree Maintenance
Tree Maintenance Def Maint
Pool Maintenance
Pool Supplies/License
Maintenance & Repairs Expense
Gas-Utilities Pool Heater
Electric-Utilities
Water-Irrigation
Water-Pool
Gifts
Bank Charge Expense
Misc. Expenditures (\$1000 moved to party)
Insurance Expense
Total Expenses

Accounting	\$2,550.00	\$2,350.00	\$200.00
Legal Fees	\$1,000.00	\$0.00	\$1,000.00
Garage Sale Expenses	\$100.00	\$0.00	\$100.00
Office Supplies Expense	\$400.00	\$300.00	\$100.00
Lien/Collection Fees	\$500.00	\$21.50	\$478.50
Postage	\$500.00	\$833.87	-\$333.87
Printing	\$500.00	\$548.33	-\$48.33
Block Party/ Community Event	\$1,000.00	\$950.57	\$49.43
Maintenance Expense/Comm	\$500.00	\$615.01	-\$115.01
Projects	\$2,000.00	\$45.28	\$1,954.72
Security		\$295.40	-\$295.40
Website Maintenance	\$200.00	\$167.55	\$32.45
Filing Fees	\$100.00	\$63.60	\$36.40
Mowing	\$20,000.00	\$16,630.75	\$3,369.25
Tree Maintenance	\$4,000.00	\$3,150.00	\$850.00
Tree Maintenance Def Maint	\$3,969.29	\$3,969.29	\$0.00
Pool Maintenance	\$8,000.00	\$9,943.41	-\$1,943.41
Pool Supplies/License	\$500.00	\$265.64	\$234.36
Maintenance & Repairs Expense	\$2,000.00	\$565.09	\$1,434.91
Gas-Utilities Pool Heater	\$400.00	-\$486.90	\$886.90
Electric-Utilities	\$2,500.00	\$2,239.75	\$260.25
Water-Irrigation	\$200.00	\$1,275.86	-\$1,075.86
Water-Pool	\$3,000.00	\$1,722.95	\$1,277.05
Gifts	\$500.00	\$43.98	\$456.02
Bank Charge Expense	\$75.00	\$0.00	\$75.00
Misc. Expenditures (\$1000 moved to party)	\$1,000.00	\$311.38	\$688.62
Insurance Expense	\$3,700.00	\$3,663.00	\$37.00
Total Expenses	\$55,425.00	\$49,357.59	\$6,067.41

Received credit for deposit

\$2,750.00
\$315.00
\$22.58
\$875.56
\$575.75
\$1,100.00
\$1,500.00
\$310.17
\$200.00
\$100.00
\$17,462.29
\$3,307.50
\$10,440.58
\$278.92
\$4,200.00
\$400.00
\$2,351.74
\$1,339.65
\$1,809.10
\$46.18
\$0.00
\$326.95
\$3,846.15
\$53,558.11

expenditures

Cash Flow 2020:

2019 end cash	\$43,000.00
2020 Revenue Projected	\$56,100.00
total cash available	\$99,100.00

Total 2020 Operating Expenses	\$53,558.11
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Expected 2020 end cash	\$45,541.89
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Side walk Deferred Maintenance	\$4,820.00
Pool Deferred Maintenance	\$8,500.00

Expected 2020 end cash after defered Maintenance	\$32,221.89
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Of the Year end cash
\$28,000 will be required
to cover the two reserve
accounts, and ~ \$5000 for checking