

Minutes

BOARD OF DIRECTORS' MEETING

KERNAN CREEK RANCH HOA

March 19, 2006, 2:00 p.m.

Hanson/Callender residence

Present

Owners from the following lots were present: #3, 5, 8, 12, 14, and 16.

Agenda

Attached

Minutes

The Board unanimously approved the minutes from the previous meeting on January 18.

Treasurer's Report

Lin Daley, Treasurer, reported that the KCRHOA has approximately \$4024 in the bank.

Old Business

A resolution was passed to thank our previous President, Bob Marion for all of his hard work on all of our behalf. This resolution will be presented to the Board and Membership in August for their approval.

New Business

A lot owner asked if Road K.8 needs to be insured. The President and Treasure said that K.8 is part of the KCRHOA and therefore needs to be insured to protect all homeowners from liability and in keeping with the requirements of the new HOA law.

The President then discussed a new state law affecting HOAs. In brief, KCRHOA will need total record keeping, open meetings and insurance. The law currently requires that sellers disclose HOA information to any potential buyers and that the HOA provide this information. There may be some new changes to the law regarding real estate disclosures in the future. The President's letter in January provides a summary of the law and links to the appropriate web sites.

Greg Esenwein volunteered to join the Board of Directors as an At-Large Director, completing the Board membership required by the Bylaws. The Board approved him as the fifth member of the Board.

A motion was then brought forward to approve the Resolution of the Board of Directors of Kernan Creek Ranch Homeowners' Association regarding compliance with State law. The motion was seconded and unanimously approved. The Resolution was then signed by the Board.

The President summarized the Policies and Procedures required by the Resolution. Enforcement of covenants and rules drew discussion about regulating the covenants and setting fines. Currently, only fines that are stated in the covenants and HOA will be enforced. However, there will be a discussion at the annual HOA meeting in August to go over the issue of fines. A motion was brought up to adopt the Policies and Procedures. The motion was seconded and unanimously approved.

Speeding on Road K.8 once again was brought up. Please slow down and observe the posted speed limit of 20 mph.

All HOA members have the right to be educated about the new laws affecting the HOA. Education expenses for classes conducted by professional trainers may be reimbursed by the HOA. This will be discussed at the Annual Meeting in August.

The topic of brush clearing came up for discussion. Everyone is encouraged to continue to keep clearing his or her properties of the dead and downed trees.

The President is working on our new website; a draft version is available for comment at <http://www.kcrhoa.org>. Only public information will be on the website unless homeowners give their permission for other information to be included; a revised contact sheet is being sent to all Owners so that the site can provide accurate information with Owner permission.

The President will fill out incorporation papers for KCRHOA.

The President will be our registered agent and will get a P. O. box set up. Also, the President will look into acquiring liability insurance for the road and Board errors and omissions insurance, as noted in the HOA law.

An accounting review may need to be done by 2007 if the current law does not change.

At our Annual HOA meeting in August, we will have a discussion about our operating budget and potentially increasing homeowner dues to cover our new costs. As you might have guessed, this HOA meeting will be a very important meeting to attend.

Hunting on the BLM land surrounding KCR was brought up. Was it safe shooting so close to the subdivision? However, not much will probably be done by the BLM to change the area to restrict hunting even petitioning to have it changed. All homeowners are welcome to contact BLM to resolve this issue.

Adjournment

Approved