



Canyon Lakes Property Owners Association
Board Meeting
December 11, 2023

The meeting was called to order at 6:31 P.M. by Jerry Campbell at the Mid-Columbia Library.

Jerry Campbell asked for any addendums to the meeting agenda. Jerry Campbell has an addendum to the agenda to go into an Executive session at the end of the agenda and open forum. April Stone has a motion to move the cash that was earmarked for the south speed humps to the Reserve Bank Account. Chris Winkley motioned for an addendum to the agenda. Geoff Harvey seconded the motion. (12) in favor, (0) abstained, (0) opposed. Jerry Campbell stated that he wants to stay on topic, state your agenda item, and limit your time. Say what you want to say, address your questions, and keep the meeting orderly. This is important as we are now testing out the live-streaming.

Jerry Campbell took roll call.

Attendance: Jerry Campbell, Chris Winkley, Teresa Frost, Emma Mercado, Mary Kay Edwards, Geoff Harvey, Alicia Mercado, April Stone, Amber Moore, Devin Lundstrom, Paul Roberts, Jim Stottlemeyer, Karla Palmer

Not in attendance: Reid Klei

Guests: Floyd Johnson, Rick Burr, Ira Johnson, Gerald Chavez, Jarrod Bailey, Anne & Josh Eerkes, Glenn Gaboury, Ben Slominski, Jack Lynch.

President's Report: A report was given, no discussion. Jerry asked for a motion to approve minutes from the November meeting, Emma Mercado motioned, Chris Winkley seconded, (11) approved, (0) opposed, and (1) abstained.

Jerry Campbell asked that we discuss the current number of Board members. According to the By-Laws article 5, section 1. You can have as many as deemed necessary may be elected by the Board. Teresa Frost stated that Article V specifically relates to **officers** on the Board. Teresa Frost referred Jerry Campbell to Article IV Section 2 of the bylaws.

Teresa Frost stated the Board voted to increase the number of members to fifteen, which has passed as a vote of the Board. Teresa Frost states the only people required to vote on a change to the By-Laws is the Board. Geoff Harvey agreed we do not often update the bylaws the last time was in 2009.

April Stone mentioned that the vote to increase the number of directors may have been incorrect. April correctly stated that our Bylaws Article IV Section 9 states "Any directorship to be filled by reason of an **increase in the number of directors** shall be filled by election at an annual meeting or at a special meeting of members called for that purpose."

Treasurer's Report: A report was given.

Teresa Frost stated she has been reviewing our insurance coverage with our insurance broker. She believes that the Board is underinsured as we have limited property coverage. For example, the brick wall is not covered against collision. Another example is our outdoor property coverage which is only at a \$5,000 limit. April Stone asked if that included coverage for the gazebo, Teresa Frost stated that she had added coverage for the gazebo at less than \$100 for the year. We have minimal coverage for our trees in the occurrence of a severe windstorm. This is something Teresa would like us to consider when funding our reserve account. In case of potential liabilities Teresa Frost also recommends that we tighten up our policy regarding commercial and general contract coverages. She recommends that we appoint a Board member to work with our attorney and our insurance broker to write up a standard contract clause.

Jerry Campbell asked how often we should have a full audit done versus a procedural review. Teresa Frost does not think the number and nature of our business transactions warrant a full audit. Jerry asked if we should seek an estimate from a separate accounting firm. Teresa stated she did not see a benefit to getting additional bids for a procedural review, as the current budgeted amount is ~\$2k.

April Stone asked if there would be a place to vote on the annual meeting ballot for a full audit or a more limited procedural review. Teresa stated that per the Revised Code of Washington there must be an annual ballot item to **approve a waiver of a full audit**. Teresa Frost stated if the vote does not pass at the annual meeting, then we would be required to have a full audit. This would be an increase of approximately \$10k to \$12k to our 2024 budget as the budget currently only includes the \$2k for the procedural review.

Secretary's Report – A report was submitted and there was no discussion.

ARC Report– A report was submitted and there was no discussion.

Communications Report – A report was submitted and there was no discussion.

CCR Report – A report was submitted and there was no discussion.

Landscaping Report – A report was submitted and there was no discussion.

Long Range Planning Report – A report was submitted. Mary Kay stated the plan is to finish the repairs to the brick retaining wall. Todd Sprong has volunteered to take the lead on the planning and estimates for completing the retaining wall as well as blocking the walkway with a gate.

Manager's Report – A report was submitted and there was no discussion.

New Business – Jerry Campbell went through the current committees. He would like the Board to think about the current numbers on each committee and advise if we feel the need to add more to any of them or if the current numbers are comfortable. He would like the Board to report back at the January meeting. Jerry Campbell has been talking to the Villas, and he would like to see someone from the Villas join the Board to be able to represent them.

Teresa Frost made a motion to approve the changes to the proposed revisions to the covenants, codes,

and restrictions. Mary Kay seconded.

Teresa Frost mentioned that the proposed revisions are the result of many people's efforts over the years. The key thing for the Board to remember is if we do not agree on any one of the changes, we can remove it from the document prior to submittal to the homeowners for their vote at the annual meeting. We can also plan to update the CCRs more than once every fifteen years.

Overall, most of the proposed changes to the CCRs are administrative in nature, an attempt to streamline, and simplify the document that was last updated in 2009. There are twelve sections, we

- summarized the changes from the current version to the proposed version.
- we have deleted definitions that do not apply anymore (for example, we do not have Private Ways or Private Recreational Areas).
- we consolidated quorum and voting formulas from multiple formulas to one formula.

Teresa Frost highlighted the areas that she believes would be controversial or considered major changes.

- Specifically, the changes to Section 9.6 (b) deleted the verbiage "...on or under the Common Ares, Private Ways and Private Recreational Areas..."
- Also, the change to Section 7.6 (g) which includes the phrase "...goods, services, and improvements....," which Teresa believes requires an additional definition for the word "improvements" within the definitions section of the revised document.

Chris Winkley asked if this is what was distributed to the board prior to the meeting, and he respects what Teresa Frost has done. The homeowners deserve to know of the changes. Chris Winkley's recommendation is for the board to approve the changes and to notify the homeowners of the changes. Teresa Frost agrees however she wants to discuss the major changes. Chris Winkley does not think there is anything controversial in the document and would like to have the Board's vote to present this to the homeowners at the annual meeting. Paul Roberts confirmed that we needed to vote to present this to the homeowners. April Stone asked questions on 7.4 and 7.5, Jerry Campbell made a motion to approve the CCR changes with the noted edits, (11) approved, (1) abstained, (0) opposed.

April Stone made a motion to move the \$21,600 that was "earmarked" for LRP to the reserve account. Teresa Frost seconded the motion. (2) in favor, (10) opposed, (0) abstained.

Teresa Frost left the meeting at 8:24 pm.

April Stone made another motion to move \$16,800 to the reserve account. Paul Roberts seconded the motion. (2) in favor, (9) opposed, (0) abstained.

Open Forum – Jack Lynch announced that he would like to be considered for a Board position. Geoff Harvey advised him to submit his interest in writing to the Board via email and he will send him an email with the steps to follow. Ben Slominski also expressed his interest in joining the Board as well. Ben Slominski gave his business card to our manager Devin Lundstrom. Geoff Harvey also advised him of the process and that he would need to submit his interest in writing via email to the CLPOA.

Jerry Campbell made a motion to go into executive session. That motion was retracted, and Jerry Campbell stated he would table his agenda item for the January Board meeting.

Action Items - *Note: Action Item's due dates are the end of the day unless otherwise stated.*

Devin Lundstrom will continue working with Christensen King & Associates on the budget contract for 2024.

There is a meeting set with them in January 2024 to further discuss how they can help facilitate some of the Treasurer's duties until the Board can vote for a new Treasurer.

Devin Lundstrom will continue working with Celski & Associates to plan for the 2024 Annual Meeting. The homeowner packets are planned to be mailed on January 9, 2024.

The meeting adjourned at 9:15 pm.